

# [The European Union and the United States sign an agreement on imports of hormone-free beef](#)

The European Union and the United States, represented respectively by Stavros Lambrinidis, EU Ambassador to the United States and Jani Raappana, Deputy Head of Mission, for the Finnish Presidency of the Council of the EU, and Robert Lighthizer, U.S. Trade Representative, signed today in Washington D.C. an agreement reviewing the functioning of an existing quota to import hormone-free beef into the EU.

This is another deliverable of the cooperation fostered by the [Joint Statement](#) issued by Presidents Juncker and Trump in July 2018 establishing a positive EU-U.S. bilateral trade agenda.

In 2009, the EU and the U.S. concluded a Memorandum of Understanding (MoU), revised in 2014, which provides a solution to a longstanding dispute in the World Trade Organization (WTO) regarding the use of certain growth-promoting hormones in beef production. Under the agreement, a 45,000 tonnes quota of non-hormone treated beef was open by the EU to qualifying suppliers, which included the United States.

The agreement signed today is fully in line with WTO rules and establishes that that 35,000 tonnes of this quota will now be allocated to the U.S., phased over a 7 years period, with the remaining amount left available for all other exporters.

The overall volume of the quota opened in 2009 remains unchanged, just like the quality and safety of beef imported into the EU, which will remain in compliance with the high European standards.

The agreement was negotiated on a basis of a mandate from EU Member States and [approved by them in the Council](#) on 15 July 2019. The Council will now recommend the agreement to the European Parliament for formal approval, so that it can enter into force in the near future.

## **For more information**

[The EU and the U.S. reach an agreement on imports of hormone-free beef](#)

[EU-U.S. Trade: European Commission recommends settling longstanding WTO dispute](#)

European Commission welcomes Member States' support to settle WTO dispute with the United States

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## Daily News 02 / 08 / 2019

### **Juncker Plan backs €385 million in EIB financing for 21 new wind farms in Spain**

The European Investment Bank (EIB) is providing €385 million in financing to wind energy company Alfanar to support its plans to construct 21 new wind farms in six autonomous regions in Spain. The financing is guaranteed by the Juncker Plan's European Fund for Strategic Investments, which allows the EIB Group to invest in more and often higher risk operations. The new wind farms will generate 1,491 GWh of energy per year, which is equivalent to the consumption of 360,000 homes. Commissioner **Arias Cañete**, responsible for Climate Action and Energy, said: *"The Commission is proud to support this important renewable energy project in Spain, financed under the Juncker Plan. Spain has the potential to become a leader in renewable energy, creating sustainable, long-term jobs. The clean energy generated by these 21 new wind farms in six autonomous regions is equivalent to the energy consumption of 360,000 homes, which is a significant step in the right direction."* A press release is available [here](#). As of July 2019, the Juncker Plan has mobilised €424 billion of additional investment, including €44.8 billion in Spain. The Plan is currently supporting 967,000 small and medium-sized businesses across Europe. (For more information: Annika Breidthardt – Tel.: +32 229 56153; Siobhan Millbright – Tel.: +32 229 57361)

### **Aides d'État: la France doit récupérer 8,5 millions d'euros d'aides illégales octroyées à Ryanair à l'aéroport de Montpellier**

La Commission européenne est parvenue à la conclusion que les contrats de services de marketing conclus entre l'Association de promotion des flux touristiques et économiques (APFTE) et Ryanair à l'aéroport de Montpellier sont illégaux au regard des règles de l'UE en matière d'aides d'État. À la suite d'une plainte déposée par un concurrent de Ryanair, en juillet 2018, la Commission a ouvert une [enquête](#) approfondie concernant les contrats de services de marketing conclus entre APFTE, d'une part, et Ryanair et sa filiale AMS, d'autre part. L'enquête de la Commission a révélé que (i) les contrats conclus avec Ryanair étaient financés au moyen de ressources d'État et étaient imputables à l'État; (ii) les paiements effectués en faveur de Ryanair sur la base des contrats de marketing ne correspondaient pas à des besoins de marketing réels de l'APFTE mais servaient uniquement de mesure incitative pour que Ryanair maintienne ses activités à l'aéroport de Montpellier; (iii) l'APFTE soit concluait des contrats directement avec Ryanair et AMS à l'exclusion d'autres compagnies aériennes, soit organisait des appels d'offres publics qui favorisaient Ryanair. Sur la base de ces constatations, la Commission a conclu que les contrats de marketing conféraient à Ryanair un avantage indu et sélectif sur ces concurrents, qu'ils équivalaient à des aides illégales et incompatibles au regard des règles de l'UE en matière d'aides d'État et qu'il devait être procédé à la

récupération de cet avantage. La France doit à présent récupérer auprès de Ryanair les aides d'État illégales, dont le montant s'élève à environ 8,5 millions d'euros. M<sup>me</sup> Margrethe **Vestager**, commissaire chargée de la politique de concurrence, a fait la déclaration suivante: *«La concurrence entre aéroports et entre compagnies aériennes revêt une importance fondamentale pour les consommateurs, la croissance et l'emploi. Il ressort de notre enquête que certains paiements effectués par les autorités locales françaises en faveur de Ryanair pour promouvoir l'aéroport de Montpellier ont donné à Ryanair un avantage déloyal et sélectif sur ses concurrents et porté préjudice à d'autres régions et aéroports régionaux, ce qui est illégal au regard des règles de l'UE en matière d'aides d'État. À présent, la France doit récupérer les aides d'État illégales.»* Un communiqué de presse est disponible en ligne en [EN](#), [FR](#), and [DE](#). (Pour plus d'informations: Johannes Bahrke – Tel.: +32 229 58615; Maria Tsoni + 32 229 90526)

### **State aid: Commission approves €10 million compensation to release the 700 MHz band for 5G mobile telecommunication networks in Spain**

The European Commission has approved, under EU State aid rules, Spain's plans to compensate the direct costs incurred by digital terrestrial television (DTT) broadcasters to migrate from the 694-790 MHz frequency band (the "700 MHz band") to lower frequencies. This migration follows a [Decision](#) of the European Parliament and the Council in 2017 that imposed the release of the 700 MHz band from DTT use by June 2020, to allow the deployment of 5G mobile telecommunication services. The 2017 Decision provides that Member States should ensure the availability of the sub-700 MHz band for DTT until 2030 and may compensate the direct costs incurred by DTT operators for replacing part of the transmission equipment. The Commission assessed the aid measure under EU State aid rules and found that the aid of €10 million is limited to the costs that are strictly necessary for the migration, and has no significant impact on trade and competition. Furthermore, the measure will contribute to the EU's objective of introducing 5G mobile services, while keeping DTT services available for consumers. The Commission therefore concluded that the measure is in line with EU State aid rules. More information will be available on the Commission's competition [website](#), in the State Aid [Register](#) under the case number SA.51080 once any confidentiality issues have been resolved. (For more information: Johannes Bahrke – Tel.: +32 229 58615; Maria Tsoni + 32 229 90526)

### **Mergers: Commission clears the acquisition of Chassis Brakes International by Hitachi**

The European Commission has approved, under the EU Merger Regulation, the acquisition of sole control over Chassis Brakes International B.V. (CBI) of the Netherlands by Hitachi, Ltd (Hitachi), through its subsidiary Hitachi Automotive Systems, Ltd. (HIAMS), both of Japan. CBI focuses in the production and supply of brake components for passenger and light commercial vehicles. Hitachi, a multinational conglomerate company, operates several business segments, such as information and telecommunication systems, financial services, power systems, electronic systems & equipment, automotive

systems, construction machinery. HIAMS focuses on the production and supply of automotive products and technologies, including brake components for passenger and light commercial vehicles. The Commission concluded that the proposed acquisition would raise no competition concerns because of the limited overlaps of the companies' activities. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's [competition](#) website, in the public [case register](#) under the case number M.9448. (For more information: Johannes Bahrke – Tel.: +32 229 58615; Maria Tsoni + 32 229 90526)

### **Eurostat: Les prix à la production industrielle en baisse de 0,6% dans la zone euro et dans l'UE28**

En juin 2019 par rapport à mai 2019, les prix à la production industrielle ont diminué de 0,6% dans la **zone euro** (ZE19) ainsi que dans **l'UE28**, selon les estimations d'**Eurostat**, **l'office statistique de l'Union européenne**. En mai 2019, les prix avaient diminué de 0,1% dans la **zone euro** et étaient restés stables dans **l'UE28**. En juin 2019 par rapport à juin 2018, les prix à la production industrielle ont augmenté de 0,7% dans la **zone euro** et de 0,9% dans **l'UE28**. Un communiqué de presse est disponible [ici](#). (Pour plus d'informations: Anna-Kaisa Itkonen – Tel.: +32 229 56186; Marietta Grammenou – Tel.: +32 229 83583)

### **Eurostat: Le volume des ventes du commerce de détail en hausse de 1,1% dans la zone euro**

En juin 2019 par rapport à mai 2019, le volume des ventes du commerce de détail corrigé des variations saisonnières a augmenté de 1,1% dans la **zone euro** (ZE19) et de 1,2% dans **l'UE28**, selon les estimations d'**Eurostat**, **l'office statistique de l'Union européenne**. En mai 2019, le volume du commerce de détail a diminué de 0,6% dans la **zone euro** et de 0,7% dans **l'UE28**. En juin 2019 par rapport à juin 2018, l'indice corrigé des effets de calendrier des ventes de détail a augmenté de 2,6% dans la **zone euro** et de 2,8% dans **l'UE28**. Un communiqué de presse est disponible [ici](#). (Pour plus d'informations: Anna-Kaisa Itkonen – Tel.: +32 229 56186; Marietta Grammenou – Tel.: +32 229 83583)

## **ANNOUNCEMENTS**

### **High Representative/Vice-President Federica Mogherini travels to Hanoi, Vietnam**

On 4-5 August, High Representative/Vice-President Federica **Mogherini** will be in Hanoi, Vietnam for a bilateral visit. She will meet the Prime Minister of Vietnam, Mr Nguyen Xuan Phuc, the country's Deputy Prime Minister and Minister of Foreign Affairs, Pham Binh Minh, and the Minister of Defence, Ngo Xuan Lich. The High Representative/Vice-President will meet the Chairwoman of the Vietnam National Assembly, Nguyen Thi Kim Ngan, and she will talk to Vietnamese students ahead of their departure to European universities as part of the [Erasmus Mundus programme](#). The visit follows her participation in the

[EU-ASEAN Post-Ministerial Conference](#) and the ASEAN Regional Forum in Bangkok, Thailand, where strengthening [EU-ASEAN cooperation](#), as well as the multilateral system, safeguarding open trade, and [better connecting Europe and Asia](#) were on the agenda. Photos and videos of the visit will be available on [EbS](#). (For more information: Maja Kocijancic, Tel.: +32 229 86570; Adam Kaznowski, Tel.: +32 229 89359)

[Upcoming events](#) of the European Commission (ex-Top News)

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## [State aid: France to recover €8.5 million of illegal aid to Ryanair at Montpellier airport](#)

The European Commission has found that the marketing agreements concluded between the local Association for the Promotion of Touristic and Economic Flows (APFTE) and Ryanair at the airport of Montpellier are illegal under EU State aid rules. Ryanair now has to return €8.5 million of illegal State aid.

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *“Competition between airports and between airlines is crucial for consumers, growth and jobs. Our investigation showed that certain payments by the French local authorities in favour of Ryanair to promote Montpellier airport gave Ryanair an unfair and selective advantage over its competitors and caused harm to other regions and other regional airports. This is illegal under EU State aid rules. France must now recover the illegal State aid.”*

Montpellier airport is a regional airport located in the French region of Occitanie. The airport served nearly 1.9 million passengers in 2018. Ryanair was present at the airport until April 2019.

Following a complaint by a competitor of Ryanair, in July 2018 the Commission opened an in-depth [investigation](#) into marketing agreements between the Association for the Promotion of Touristic and Economic Flows (*Association de Promotion des Flux Touristiques et Economiques*, “APFTE”) and Ryanair and its subsidiary AMS.

Between 2010 and 2017, APFTE concluded various marketing agreements with Ryanair and AMS, under which the airline and its subsidiary received payments worth around €8.5 million in exchange for promoting Montpellier and the surrounding area as a touristic destination on Ryanair’s website.

The Commission’s investigation revealed that:

- The agreements with Ryanair were financed through State resources and were attributable to the State. APFTE is an association unrelated to the

airport operator, funded almost entirely by regional and local French public entities. These public entities closely control the use of the association's budget.

- The payments in favour of Ryanair on the basis of the marketing agreements did not correspond to effective marketing needs of APFTE but only served as an incentive for Ryanair to maintain its operations at Montpellier airport.
- APFTE either concluded the agreements directly with Ryanair and AMS and not with other airlines or organised public tenders that were biased towards Ryanair.

On this basis, the Commission found that the marketing agreements gave an undue and selective advantage to Ryanair over its competitors. The Commission therefore concluded that the agreements amounted to illegal and incompatible aid under EU State aid rules and that the advantage must be recovered.

## Recovery

As a matter of principle, EU State aid rules require that incompatible State aid be recovered in order to remove the distortion of competition created by the aid. There are no fines under EU State aid rules and recovery does not penalise the company in question. It simply restores equal treatment with other companies.

France must now recover the illegal State aid amounting to around €8.5 million from Ryanair.

## Background

In the aviation sector, the [Commission's guidelines on State aid to airports and airlines](#) (see also [MEMO](#)) reflect the fact that public subsidies may under certain circumstance be used by regional airports or regional authorities to attract price-sensitive airlines to a specific airport. Such subsidies can typically take the form of low airport charges, discounts to airport charges, success fees or incentive payments to airlines as remuneration for alleged services – especially marketing.

Public authorities or publicly-owned regional airports may offer attractive conditions to airlines in order to boost their traffic. However, in principle, such conditions must not go beyond what a profit-driven operator would be prepared to offer under the same circumstances (the market economy operator principle). If this principle is not respected, the conditions offered to airlines involve State aid.

In the last few years, the Commission has concluded a number of cases regarding aid to airlines aimed at attracting or maintaining their aircraft capacity at certain airports, finding that they were not in line with State aid rules. For example, regarding the airports of [Nîmes \(in the catchment area of Montpellier airport\)](#), [Pau](#), and [Angoulême](#) in France, [Zweibrücken](#) and [Altenburg-Nobitz](#) in Germany, [Klagenfurt](#) in Austria, and the Sardinian airports of [Cagliari](#), [Olbia](#) and [Alghero](#) in Italy.

Also, the Commission is currently investigating further agreements between public authorities and airlines in certain regional airports, for example concerning the German airport of [Frankfurt-Hahn](#) or the Spanish airports of [Reus and Girona](#).

The Commission considers that such measures can be very distortive on the highly-competitive, pan-European air transport market on intra-Union routes. Moreover, such measures can disadvantage regions and airports, which do not use unlawful State aid to attract airlines.

The non-confidential version of the decision will be made available under the case number [SA.47867](#) in the [State Aid Register](#) on the Commission's [competition](#) website once any confidentiality issues have been resolved. More information on the Commission's state aid policy in the air transport sector is available in this [policy brief](#).

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## [June 2019 compared with May 2019](#) [Industrial producer prices down by](#) [0.6% in both euro area and EU28](#)

In June 2019, compared with May 2019, industrial producer prices fell by 0.6% in both the **euro area** (EA19) and **EU28**, according to estimates from **Eurostat, the statistical office of the European Union**. In May 2019, prices decreased by 0.1% in the **euro area** and remained unchanged in the **EU28**.

[Full text available on EUROSTAT website](#)

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## [June 2019 compared with May 2019](#) [Volume of retail trade up by 1.1% in](#) [euro area Up by 1.2% in EU28](#)

In June 2019 compared with May 2019, the seasonally adjusted volume of retail trade increased by 1.1% in the **euro area** (EA19) and by 1.2% in the **EU28**, according to estimates from **Eurostat, the statistical office of the European Union**. In May 2019, the retail trade volume decreased by 0.6% in the **euro area** and by 0.7% in the **EU28**.

[Full text available on EUROSTAT website](#)