Education & training in Europe: inequality remains a challenge

The European Commission supports Member States in ensuring that their education systems deliver – the data compiled in the annually published Education and Training Monitor is an important part of this work. The latest edition shows that while Member States are making progress towards most of the key EU targets in reforming and modernising education, more efforts are needed to achieve equity in education.

Tibor **Navracsics**, EU Commissioner for Education, Culture, Youth and Sport, said: *"Inequality still deprives too many Europeans of the chance to make the most of their lives. It is also a threat to social cohesion, long-term economic growth and prosperity. And too often, our education systems perpetuate inequality – when they do not cater for people from poorer backgrounds; when parents' social status determines educational achievements and carries over poverty and diminished opportunities on the job market from one generation to the next. We have to do more to overcome these inequalities. Education systems have a special role to play in building a fairer society by offering equal chances to everybody."*

Educational attainment is important in determining social outcomes. People with only basic education are almost three times more likely to live in poverty or social exclusion than those with tertiary education. The Monitor's most recent data also show that in 2016, only 44% of young people aged 18-24 who had finished school at lower secondary level were employed. In the general population aged between 15 and 64, the unemployment rate is also much higher for those with only basic education than for those with tertiary education (16.6% vs. 5.1%). At the same time, socio-economic status determines how well pupils do: as many as 33.8% of pupils from the most disadvantaged socio-economic backgrounds are low achievers, compared to only 7.6% of their most privileged peers.

One of the EU's targets for 2020 is to reduce the share of 15-year-old pupils who underachieve in basic reading, maths and science to 15%. However, as a whole, the EU is actually moving further away from this objective, particularly in science, where the number of low achievers increased from 16% in 2012 to 20.6% in 2015.

People born outside the EU are particularly vulnerable. This group is often exposed to multiple risks and disadvantages, such as having poor or low skilled parents, not speaking the local language at home, having access to fewer cultural resources and suffering from isolation and poor social networks in the country of immigration. Young people with a migrant background are at a greater risk of performing badly at school and leaving school prematurely. In 2016, as many as 33.9% of people aged 30-34 living in the EU but born outside it were low skilled (having achieved lower secondary education or below), compared to only 14.8% of their peers born in the EU.

Across the EU, investment in education has recovered from the financial crisis and increased slightly (1% year-on-year in real terms). About two-thirds of Member States recorded a rise. Four countries increased investment by more than 5%.

On 17 November, in Gothenburg, the EU Leaders will discuss Education and Culture as part of their work on "Building our future together". The European Commission will present this year's data on Education and Training. The discussion in Gothenburg will give visibility to and stress the political significance of education reform.

Commissioner Navracsics will host the first ever EU Education Summit on 25 January 2018 where high-level representatives from across Member States will be invited to discuss how to make national education systems more inclusive and effective.

Background

The Commission's Education and Training Monitor 2017 is the sixth edition of this annual report that shows how the EU's education and training systems are evolving by bringing together a wide array of evidence. It measures the EU's progress on the six Education and Training 2020 targets: (1) The share of early leavers (aged 18-24) from education and training should be less than 10%, (2) the share of 30 to 34 year-olds with tertiary educational attainment should be at least 40%, (3) at least 95% of children between the age of four and the age for starting primary education should participate in education, (4) the share of 15 year-olds with underachievement in reading, mathematics and science should be less than 15%, (5) 82% of recent graduates from upper secondary to tertiary education (aged 20-34) who are no longer in education or training should be in employment, (6) at least 15% of adults (aged 25-64) should participate in formal or non-formal learning.

The Monitor analyses the main challenges for European education systems and presents policies that can make them more responsive to societal and labour market needs. The report comprises a cross-country comparison, 28 in-depth country reports, and a dedicated webpage with additional data and information. The Investment Plan for Europe, the Erasmus+ programme, the European Structural and Investment Funds, including the Youth Employment Initiative, theEuropean Solidarity Corps as well as Horizon 2020, and the European Institute of Innovation and Technology help stimulate investment and support policy priorities in education.

For More Information

Education & Training Monitor 2017

Monitor website

Report: EU trade agreements in place deliver tangible benefits

The EU has today published a report assessing the implementation of its existing trade agreements. This horizontal report is the first of its kind and sheds light on what happens after trade agreements are negotiated and have entered into force.

The publication is another step towards a fully transparent and inclusive trade policy, in line with the Commission's commitments set out in the EU's 2015 'Trade for All' strategy.

Commenting on the report, Commissioner for Trade Cecilia **Malmström** said: *"The success of EU trade policy is measured not only by striking new trade deals but also by ensuring that our existing agreements actually deliver. The report published today confirms that our trade agreements are a boost for the European economy: they have meant significant increases in exports, benefitting EU firms and their employees. We are also on the right track when it comes to engaging concretely with our partners on labour and environmental standards. In addition, this report has valuable lessons about what we can do better when putting new agreements in place."*

Overall, EU agreements are shown to lead to more EU exports and growth, with major export increases to, for example:

- Mexico (+416% since 2000),
- Chile (+170% since 2003),
- South Korea (+59% since 2011)
- Serbia (+62% since 2013).

The report shows that it is often the EU agricultural and motor vehicles' sectors that benefit the most. For example, exports of cars to South Korea have increased by 244% since 2011, and in the case of the agreement with Colombia and Peru there was a 92% and 73% increase, respectively, in the exports of EU agricultural goods.

The report investigates also the impact of the provisions included in the 'Trade and Sustainable Development' (TSD) chapters, covering environment protection and labour rights, present in the newer agreements. While it is too early to draw general conclusions on the implementation of sustainable development goals included in the EU trade agreements, given this is a relatively recent practice, there are already numerous examples of positive collaboration on issues going beyond trade liberalisation that have been made possible thanks to these agreements.The EU could for instance engage on issues such as freedom of association, violence against members of trade unions, child labour, labour inspections, collective bargaining, tripartite consultation, and health and safety at work.

The first lessons highlighted in the report in relation to the implementation of sustainable development chapters will fit into the Commission’s broader debate on how to improve the effectiveness of sustainable development rules in our trade agreements, launched with a discussion paper in July of this year.

The report also identifies areas for improvement to increase the benefits of existing agreements. Despite the overall positive impact of trade agreements for EU exports, EU companies do not take full advantage of the opportunities offered. For example, the extent to which EU businesses are using tariff reductions is lower on the EU side than that of our partners. For exports to countries where there are newer trade deals in place, EU companies make use of available duty rebates for around 70% of their eligible exports, whereas our partners use that duty rebate in around 90% of cases.

Also, for some sensitive products, instead of full liberalisation, the EU and its partners agree on limited market openings through tariff-free allowances, known as Tariff Rate Quotas (TRQs). The report shows that these possibilities are often underused by EU exporters: for cheese, only 4.3% of the total quota was used for exports to Peru, 7.9% to Colombia and 44% to Central America. The same is true for the use of some the TRQs conceded by the EU on some sensitive products, despite these issues being amongst the most controversial during the negotiations.

The report highlights an increasing need to raise awareness amongst EU companies – particularly small and medium-sized ones – about the opportunities that these deals offer, to expand their exports and grow their businesses.

The report will now be subject to discussion with Members of the European Parliament and Member States’ representatives in the Council. Commissioner **Malmström** will present the report to Member States’ Ministers at the Council meeting on Friday, 10 November. It will also be a basis for discussion with civil society, the next occasion being the upcoming EU Trade Policy Day on 5 December in Brussels.

More information

Full report

Factsheet

Blog post by Commissioner Malmström: Reviewing our trade agreements

EU trade agreements

Trade policy transparency in practice

EU Trade Policy Day

Daily News 09 /11/ 2017

Autumn 2017 Economic Forecast: euro area economy on track to grow at fastest pace in a decade

The Autumn 2017 Economic Forecast published today shows that the euro area economy is on track to grow at its fastest pace in a decade this year, with real GDP growth forecast at 2.2%. This is substantially higher than expected in spring (1.7%). The EU economy as a whole is also set to beat expectations with robust growth of 2.3% this year (up from 1.9% in spring). The Commission expects growth to continue in both the euro area and in the EU at 2.1% in 2018 and at 1.9% in 2019. Valdis **Dombrovskis**, Vice-President for the Euro and Social Dialogue, also in charge of Financial Stability, Financial Services and Capital Markets Union, said: *"The time to repair the roof is when the sun is shining. We should use these good economic times to further strengthen the resilience of both Europe's Economic and Monetary Union and individual countries."* Pierre **Moscovici**, Commissioner for Economic and Financial Affairs, Taxation and Customs, said: *"After five years of moderate recovery, European growth has now accelerated. We see good news on many fronts, with more jobs being created, rising investment and strengthening public finances. Yet challenges remain in the form of high debt levels and subdued wage increases. A determined effort from Member States is needed to ensure that this expansion will last and that its fruits are shared equitably. Moreover, structural convergence and the strengthening of the euro area are necessary to make it more resilient to future shocks and to turn it into a true motor of shared prosperity. The coming weeks will be decisive on this front."* The full press release is available in all languages here. The full Autumn 2017 Economic Forecast is available here. Commissioner Moscovici's remarks will shortly be available here. *(For more information: Annika Breidthardt – Tel.: +32 229 56153; Enda McNamara – Tel.: +32 229 64976)*

President Juncker awarded Honoris Causa Doctorate by the University of Salamanca

Today President **Juncker** is in Salamanca, Spain where he will be formally awarded the title of 'Doctor Honoris Causa' by the University of Salamanca – one of the most prestigious and oldest universities in Europe, teaching students for over 800 years. The ceremony, which begins at 12:45 CET, will be opened by Rector of the University of Salamanca Mr Daniel Hernández Ruipérez. Prime Minister of Spain, Mariano Rajoy will also attend, as well as representatives of regional authorities and members of the academic community. *(For more information: Margaritis Schinas – Tel.: +32 229 60524*

Solidarité avec le Portugal: une première aide financière de l'UE pour reconstruire après les incendies

Aujourd'hui la Commission a décidé d'allouer une avance de 1,5 millions d'euros au Portugal au titre du Fonds de Solidarité de l'UE, afin de soutenir les efforts de reconstruction suite aux feux de forêt qui ont fait rage dans le pays. Cette avance précède le montant final d'aide qui sera proposé par la

Commission à la fin de l'examen de la demande des autorités portugaises, sur la base des dégâts causés par les incendies de juin, juillet et août 2017. La Commissaire à la politique régionale Corina **Creţu** a déclaré: *"Nous sommes de tout cœur avec le Portugal, avec ses habitants et avec ceux qui se battent courageusement et sans relâche contre les flammes. Depuis juin l'Union européenne fait le maximum pour aider les autorités portugaises à contenir et vaincre les incendies. Comme l'a réitéré le Président* ***Juncker*** *au Portugal la semaine dernière, nous sommes en train de revoir l'ensemble de nos mécanismes d'aide et de protection civile pour apporter notre soutien de manière plus forte et collective en cas de catastrophe naturelle. Nous ferons des propositions dans ce sens à la fin du mois."* La Commission est aussi prête à examiner une demande mise à jour des autorités portugaises, incluant les dégâts causés par les feux de forêt d'octobre, pour un montant final d'aide plus élevé.L'aide du Fonds de Solidarité pourra contribuer à rétablir les infrastructures et services publics affectés par les incendies et à couvrir les coûts de l'aide d'urgence et de nettoyage. Afin de participer à la régénération de l'activité économique dans la région du Centre, touchée par les incendies, la Commission avait accepté en août 2017 la modification du programme régional de politique de cohésion, pour soutenir les entreprises locales. *(Pour plus d'informations: Johannes Bahrke – Tel.: +32 229 58615; Sophie Dupin de Saint-Cyr – Tel.: +32 229 56169)*

EU Emissions Trading System: landmark agreement between Parliament and Council delivers on EU's commitment to turn Paris Agreement into reality

The European Parliament and Council have today reached a provisional agreement to revise the EU Emissions Trading System (EU ETS) for the period after 2020. This revision will contribute to put the EU on track to achieving a significant part of its commitment under the Paris Agreement to reduce greenhouse gas emissions by at least 40% by 2030. Today's deal between Parliament and Council provides a clear outcome after more than two years of intensive negotiations, following the Commission's proposal to revise the EU ETS in July 2015. Please find the full statement online. (*For more information: Anna-Kaisa Itkonen – Tel.: +32 229 56186; Nicole Bockstaller – Tel.: +32 229 52589)*

Education & training in Europe: inequality remains a challenge

Today, the European Commission published the 2017 edition of the Education and Training Monitor, which analyses and compares the main challenges for European education systems. The Monitor shows that national education systems are becoming more inclusive and effective. Yet it also confirms that students' educational attainment largely depends on their socio-economic backgrounds. Tibor **Navracsics**, Commissioner for Education, Culture, Youth and Sport, said: *"Inequality still deprives too many Europeans of the chance to make the most of their lives. It is also a threat to social cohesion, long-term economic growth and prosperity. And too often, our education systems perpetuate inequality – when they do not cater for people from poorer* *backgrounds; when parents' social status determines educational achievements and carries over poverty and diminished opportunities on the job market from one generation to the next. We have to do more to overcome these inequalities. Education systems have a special role to play in building a fairer society by offering equal chances to everybody."* On 17 November, in Gothenburg, EU Leaders will discuss education and culture as part of their work on "Building our future together". The European Commission will present this year's data on Education and Training. The discussion in Gothenburg will give visibility to and stress the political significance of education reform.Commissioner **Navarcsics** will give a press conference at 12:30, which can be followed here*.* A press release in all EU languages, a generic factsheet and country-specific factsheets are available online at the beginning of the press conference. *(For more information: Nathalie Vandystadt – Tel.: +32 229 67083; Joseph Waldstein – Tel.: +32 229 56184)*

Financing boost for energy-efficient connected cars under Investment Plan

The Investment Plan for Europe – the Juncker Plan – continues to support financing in innovative sectors. The European Investment Bank (EIB) has signed a €245 million loan with Volvo Car Corporation to invest in a multi-faceted research and development programme. The programme includes the development of more energy-efficient engines, electric cars, and improved safety, navigation and driver-assistance facilities. European Commission Vice-President Jyrki **Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, said: *"The Investment Plan for Europe is boosting innovation throughout Europe, and today's announcement is yet another example. This research and development project by Volvo will push the boundaries of automotive technology in Europe and take us another step closer to a low carbon economy."* These deals under the European Fund for Strategic Investments (EFSI) come hours after the Council gave its formal green light to EFSI 2.0 – the extension and strengthening of the EFSI. As a next step, the Regulation will go to a plenary vote in the European Parliament. *(For more information see the Investment Plan website or contact Annika Breidthardt – Tel.: +32 229 56153; Siobhán Millbright – Tel.: +32 229 57361)*

EU Facility for Refugees in Turkey: new contracts signed as more and more refugees receive support

The European Commission reported on the impressive progress in the implementation of the EU Facility for Refugees in Turkey, during the 8th meeting of the Steering Committee of the Facility that took place in Brussels yesterday. Over one million refugees have now been reached with the EU's flagship humanitarian programme, the 'Emergency Social Safety Net' and multiple new contracts were signed for €115 million in the areas of humanitarian aid, socio-economic support and municipal infrastructure. Of the overall €3 billion budget for 2016-2017, €2.9 billion has been allocated. Of this, contracts have been signed for 55 projects worth over €1.78 billion, out of which €908 million have already been disbursed. Johannes **Hahn**, Commissioner for European Neighbourhood Policy and Enlargement Negotiations, said: *"With the recent signatures of contracts worth over €100 million, the*

EU Facility for Refugees in Turkey continues to deliver its commitment in supporting the refugees and host communities. A great example of this, are the Technical and Vocational programs organised with the Ministry of National Education, which aim at increasing employability by facilitating entry into the labour market and thus supporting the integration of refugees in their host communities." Christos **Stylianides**, Commissioner for Humanitarian Aid and Crisis Management, said: *"We have recently reached a milestone of one million most vulnerable refugees benefitting from our main EU humanitarian programme. We have also signed five new agreements with humanitarian organisations to provide protection and health services. It is clear that the EU Facility for Refugees in Turkey* is delivering and having a positive impact on the lives of the people who need our assistance." You can find more information about the new contracts and the projects under the Facility in our press release here. *(for more information: Maja Kocijancic – Tel.: +32 229 86570; Carlos Martin Ruiz De Gordejuela – Tel.: +32 229 65322; Alceo Smerilli – Tel.: +32 229 64887; Daniel Puglisi – Tel.: +32 229 69140)*

EU delivers on blue economy commitments made at Our Ocean conference

In a rapid follow up to the EU-hosted 2017 Our Ocean conference, and in the run-up to the COP23 Ocean Day in Bonn (11 November), the European Commission today launched a new €14.5 million investment initiative to further promote sustainable blue growth across the EU. Commissioner for Environment, Maritime Affairs and Fisheries Karmenu **Vella** said: *"At the Our Ocean conference in Malta, the European Union led by putting the blue economy on the agenda for the first time. Now we are leading in the follow up. Today we launch a €14.5 million investment initiative for green projects to safeguard our marine ecosystems. On ocean energy, tackling marine litter, and along Mediterranean coastlines, I am delighted that we are so quickly following up on our Our Ocean pledges."*Funded under the European Maritime and Fisheries Fund, €8 million from this initiative is set aside to help SMEs, including start-ups, testing novel products and services in high-potential emerging blue economy sectors, including ocean renewable energy. In order to better tackle the growing challenge of marine litter, a further €2 million will target innovative technologies to prevent, monitor, remove and recycle marine litter from EU waters. Furthermore, €3 million will support twinning projects in the Mediterranean Sea, including between maritime training and education institutions, blue economy businesses and local fishing communities. Finally, €1.5 million is allocated to restoring marine and coastal ecosystems in the Mediterranean, including mitigation of climate change. The Our Ocean conference generated an unprecedented level of commitments: 437 were announced, including €7.2 billion in financial pledges. The EU alone announced 36 commitments amounted to over €550 million. Moreover, the EU–hosted conference saw for the first time large-scale mobilisation of the private sector in ocean conservation. Video selection of commitments here. More detailed information here. *(For more information: Enrico Brivio – Tel.: + 32 229 56172; Iris Petsa – Tel.: +32 229 93321)*

L'UE investit dans de meilleures connexions routières en Pologne

164,4 millions d'euros du Fonds de Cohésion sont investis dans la construction de la connexion routière entre les communes de Mielno et Białe Błota, dans la région de Couïavie-Poméranie, au centre de la Pologne. Le projet, qui se situe le long de la route expresse S5, aidera à assurer une liaison plus rapide, avec une réduction du temps de trajet de 21 minutes, et plus sûre entre le centre du pays et les villes de Poznań et Wrocław. *"Cet investissement aura un impact positif sur l'économie locale et la cohésion territoriale; c'est tout le centre de la Pologne qui en bénéficiera,"* a commenté la Commissaire à la politique régionale Corina **Creţu**. Le projet devrait être achevé en juillet 2019. Plus d'informations sur la politique de Cohésion en Pologne sont disponibles sur la Plateforme Open Data. *(Pour plus d'informations: Johannes Bahrke – Tel.: +32 229 58615; Sophie Dupin de Saint-Cyr – Tel.: +32 229 56169)*

Report: EU trade agreements in place deliver tangible benefits

The Commission today published a report assessing the implementation of the EU's existing trade agreements. This is another step towards a fully transparent and inclusive trade policy, in line with the Commission's commitments set out in the EU's 2015 'Trade for All' strategy. Commenting on the report, Commissioner for Trade Cecilia **Malmström** said: *"The success of EU trade policy is measured not only by striking new trade deals but also by ensuring that our existing agreements actually deliver. The report published today confirms that our trade agreements are a boost for the European economy and that we are also on the right track when it comes to engaging concretely with our partners on labour and environmental standards."* The report shows that the export increases observed for the agreements negotiated in the past amount to as much as 416% for Mexico, 170% for Chile, and around 60% for South Korea and Serbia. The agricultural and car sectors appear to be benefiting the most (e.g. 244% increase in car exports to South Korea since 2011 and 92% and 73% increase to Colombia and Peru respectively for agricultural goods since 2013). The report also shows that EU companies do not yet take full advantage of the opportunities offered; a situation that calls for some extra awareness raising efforts, including at national level. The report highlights also numerous examples of positive collaboration on issues going beyond trade liberalisation that have been made possible thanks to EU trade agreements, including on human rights and labour conditions. The report will now be subject to discussion with Members of the European Parliament, Member States representatives in the Council, and civil society organisations. Commissioner **Malmström** will present the report to Member States' Ministers at the Council meeting on Friday, 10 November. A press release is available online. For more information see the actual text of the report, a factsheet and a blogpost by Commissioner **Malmström**. *(For more information: Daniel Rosario – Tel.: +32 229 56185; Kinga Malinowska – Tel: +32 229 51383)*

Mergers: Commission opens in-depth investigation into proposed acquisition of Ilva by ArcelorMittal

The European Commission has opened an in-depth investigation to assess the proposed acquisition of Ilva by ArcelorMittal under the EU Merger Regulation. The Commission has concerns that the proposed merger may reduce competition for a number of flat carbon steel products. ArcelorMittal is the leading producer of flat carbon steel, both worldwide and in Europe, with a wide production network within the European Economic Area. Ilva is a significant producer of flat carbon steel with major production assets in Italy. With the transaction, ArcelorMittal would notably increase its market leadership through the acquisition of Ilva's steel plant in Taranto, Italy, which is Europe's largest single-site integrated plant. The Commission's initial market investigation raised several issues relating in particular to the combination of ArcelorMittal's and Ilva's offering of a number of flat carbon steel products, namely hot rolled, cold rolled and galvanised flat carbon steel products. At this stage, the Commission is concerned that, following the transaction, customers would face higher prices, particularly in Southern Europe, for these important inputs. The Commission will also further investigate whether the transaction could have an effect on the supply and prices of certain other products, such as metallic coated steel for packaging. Commissioner Margrethe **Vestager**, in charge of competition policy, said: *"Steel is a crucial input for many goods we use in our everyday life, and industries dependent on steel employ over 30 million people in Europe. Those European industries need access to steel at competitive prices to compete in global markets. This is why we will carefully investigate the impact of ArcelorMittal's plans to buy Ilva on effective competition in steel markets".* A full press release is available in EN, IT, DE, FR. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740; Yizhou Ren – Tel.: +32 229 94889)*

Mergers: Commission clears acquisition of Aegon Ireland by Apollo Management

The European Commission has approved, under the EU Merger Regulation, the acquisition of Aegon Ireland plc of Ireland, by Athene Holding Ltd. belonging to the group Apollo Management L.P., both of the US. Aegon Ireland provides insurance products and services in the UK and Germany. Apollo Management is active in the private investments sector with investments in various businesses throughout the world. The Commission concluded that the proposed acquisition would raise no competition concerns because there are only minor horizontal overlaps or vertical relationships between the activities of Aegon Ireland and Apollo. 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.8621. *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Sarantopoulou – Tel.: +32 229 13740)*

ANNOUNCEMENTS

Future of EU finances – Commissioner Oettinger visits Cyprus

Commissioner Günther H. **Oettinger,** in charge of Budget and Human Resources, is visiting Cyprus on 10 and 11 November as part of his tour across EU Member States aimed to gather views on the future of EU finances and the EU's multiannual budget post-2020. The Commissioner will meet the President, Mr Nicos Anastasiades, the Minister of Finance, Mr Harris Georgiades and the Minister of Foreign Affairs, Mr Ioannis Kassoulides. Commissioner **Oettinger** will discuss the challenges ahead of the next multiannual budget with Members of the Parliamentary Standing Committees on Budget and Finance and Foreign and European Affairs. He will also take part in a stakeholder event where he will hear further views on how the next multiannual budget should look like. The meetings in Cyprus are part of the Commissioner's broad consultation with all interested parties on the future of EU finances – #MFFtour27. The Commission kicked off this debate on 28 June 2017 with the publication of its Reflection paper on the future of EU finances, which is also available in Greek. Stakeholder views will be taken into account when preparing the next MFF, to be presented in May 2018. Commissioner Oettinger's first reflections on the future of EU finances are available on his blog. *(For more information: Alexander Winterstein – Tel.: +32 229 93265; Andreana Stankova – Tel.: +32 229 57857)*

Animal welfare 2nd EU Platform meeting: "Everyone is responsible"

On 10 November 2017 Commissioner Andriukaitis, in charge of Health and Food Safety, will open the second meeting of the EU Platform on Animal Welfare. Under the motto "Everyone is responsible", 75 stakeholders involved in this area will gather to work towards three main goals: a better application of EU rules on animal welfare, the development of voluntary commitments by its members and the promotion of EU animal welfare standards at global level. The Commission will establish a sub-group on animal transport with a specific focus on improving enforcement in this area – a key priority of the EU Commission in the field of animal welfare. In addition, the topic of 'unwanted horses' (abandoned due to high life costs, end of career as sport horses, behavioural problems etc.) will be discussed to explore possible contributions and voluntary initiatives of the members. Finally, the session dedicated to information sharing will focus on EFSA's (European Food Safety Authority) Animal Health and Welfare Network and on the Animal transport guides pilot project. The meeting will be web-streamed here (as from 10:00 CET). (*For more information: Anca Paduraru – Tel.: +32 229 91269; Aikaterini Apostola – Tel.: +32 229 87624)*

Diplomatie scientifique: le commissaire Moedas participe au World Science Forum en Jordanie

Carlos **Moedas**, le commissaire en charge de la recherche, de la science et de l'innovation, se rend en Jordanie à partir d'aujourd'hui jeudi pour participer au World Science Forum, un forum qui rassemble les communautés scientifique, politique, économique et issue de la société civile de plus de 100 pays. Vendredi, le Commissaire abordera les apports majeurs de la diplomatie scientifique dans son discours inaugural, intitulé "*Science Diplomacy to Strengthen Governance and Build Enduring Relationships".* Toujours dans le cadre du World Science Forum, il participera ensuite à la signature de l'accord entre l'UE et la Jordanie pour le partenariat en matière de recherche et d'innovation dans la zone méditerranéenne (PRIMA). La Jordanie est un partenaire important de l'UE dans la recherche, notamment grâce au projet d'accélérateur de particules SESAME. La journée de vendredi se conclura par une conférence de presse, qui abordera également la présentation du récent programme de travail 2018-2020 d'Horizon 2020, leprogramme de recherche et d'innovation européen, en soulignant en particulier l'ouverture au monde de ce programme qui renforce la coopération internationale avec un budget de plus d'un milliard d'euros investis dans trente initiatives phares. *(Pour plus d'informations: Lucía Caudet – Tél.: +32 229 56182; Maud Noyon – Tél.: +32 229 80379)*

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

EU Emissions Trading System: landmark agreement between Parliament and Council delivers on EU's commitment to turn Paris Agreement into reality

The European Parliament and Council have today reached a provisional agreement to revise the EU Emissions Trading System (EU ETS) for the period after 2020. This revision will contribute to put the EU on track to achieving a significant part of its commitment under the Paris Agreement to reduce greenhouse gas emissions by at least 40% by 2030.

Today's deal between Parliament and Council provides a clear outcome after more than two years of intensive negotiations, following the Commission's proposal to revise the EU ETS in July 2015.

Welcoming the political agreement, Commissioner for Climate Action and Energy **Miguel Arias Cañete** said: "*Today's landmark deal demonstrates that the European Union is turning its Paris commitment and ambition into concrete action. By putting in place the necessary legislation to strengthen the EU Emissions Trading System and deliver on our climate objectives, Europe is once again leading the way in the fight against climate change. This legislation will make the European carbon-emissions market fit for purpose. I welcome in particular the robust carbon leakage regime that has been agreed and the measures further strengthening the Market Stability Reserve.*"

The EU Emissions Trading Scheme puts a cap on the carbon dioxide (CO_2) emitted by more than 11,000 installations in the power sector and energy intensive industry through a market-based cap and trade system.

Building on the Commission's proposal, the main improvements agreed by Parliament and Council include:

- Significant changes to the system in order to speed up emissions reductions and strengthen the Market Stability Reserve to speed up the

reduction of the current oversupply of allowances on the carbon market;
- Additional safeguards to provide European industry with extra protection, if needed, against the risk of carbon leakage;
- Several support mechanisms to help the industry and the power sectors meet the innovation and investment challenges of the transition to a low-carbon economy.

Next steps

Following the political agreement (a 'trilogue' negotiation between the European Parliament, the Council and the Commission), the text will have to be formally approved by the European Parliament and the Council. Once endorsed by both co-legislators, the revised EU ETS Directive will be published in the Official Journal of the Union and enters into force 20 days after publication.

Read more:

Mergers: Commission opens in-depth investigation into proposed acquisition of Ilva by ArcelorMittal

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *"Steel is a crucial input for many goods we use in our everyday life, and industries dependent on steel employ over 30 million people in Europe. Those European industries need access to steel at competitive prices to compete in global markets. This is why we will carefully investigate the impact of ArcelorMittal's plans to buy Ilva on effective competition in steel markets".*

ArcelorMittal is the leading producer of flat carbon steel, both worldwide and in Europe, with a wide production network within the European Economic Area (EEA). Ilva is a significant producer of flat carbon steel with major production assets in Italy. With the transaction, ArcelorMittal would notably increase its market leadership through the acquisition of Ilva's steel plant in Taranto, Italy, which is Europe's largest single-site integrated plant.

The Commission's preliminary competition concerns

The Commission's initial market investigation raised several issues relating in particular to the combination of ArcelorMittal's and Ilva's offering of a number of flat carbon steel products, namely hot rolled, cold rolled and galvanised flat carbon steel products.

At this stage, the Commission is concerned that, following the transaction, customers would face higher prices, particularly in Southern Europe, for these important inputs. These customers include numerous companies, many of which are small and medium-size enterprises (SMEs). They are active in sectors ranging from construction to car manufacturing, household appliances, tubes and many more. Many of those industries compete with imported products in the EEA, or export their products outside Europe and compete globally.

The Commission will also further investigate whether the transaction could have an effect on the supply and prices of certain other products, such as metallic coated steel for packaging.

The transaction was notified to the Commission on 21 September 2017. On 19 October 2017, ArcelorMittal submitted commitments to address some of the Commission's preliminary concerns. However, the Commission considered these commitments insufficient to clearly dismiss its serious doubts as to the transaction's compatibility with the EU Merger Regulation. The Commission therefore has not tested them with market participants.

The Commission now has 90 working days, until 23 March 2018, to take a decision. The opening of an in-depth investigation does not prejudge the outcome of the investigation.

Separate to the review of the proposed acquisition under the EU Merger Regulation, the Commission continues to investigate whether certain Italian state support measures for Ilva are in line with EU State aid rules.

Companies and products

ArcelorMittal, headquartered in Luxembourg, mainly manufactures and sells flat carbon steel. It operates a wide production site network throughout Europe and is part of the global ArcelorMittal group.

Ilva, headquartered in Italy, manufactures and sells flat carbon steel. Its production facilities are located in Italy, the main site being the integrated steelworks in Taranto, Southern Italy.

Merger control rules and procedures

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the Merger Regulation) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

In addition to the current transaction, there are four on-going Phase II merger investigations: the proposed merger of Essilor and Luxottica, the proposed acquisition of Monsanto by Bayer, the proposed creation of a joint venture by Celanese and Blackstone, and the proposed acquisition of NXP by Qualcomm.

More information will be available on the competition website, in the Commission's public case register under the case number M.8444.