

# Press briefing ahead of Eurogroup of 3 November 2020



The (virtual) press briefing ahead of the videoconference of Eurogroup of 3 November 2020 will take place on **29 October 2020** at **13.30**.

The briefing will be “off the record” and will be given by Tuomas Saarenheimo, President of the Eurogroup Working Group.

EU accredited journalists will be able to participate and ask questions remotely. If you hadn't registered for one of the previous virtual Eurogroup press events, please use [this link](#) to do so and have the possibility to ask questions.

**Deadline: Thursday, 29 October 2020, 12.00**

Further instructions will be sent to all registered participants after the deadline.

[Visit the meeting page](#)

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## IP20+ Global Intellectual Property Challenges Forum

October 27, 2020 [About the EUIPO](#)

IP20+ Global Intellectual Property Challenges Forum



On 26 October 2020, the Office's Executive Director, Christian Archambeau, participated in the IP20+ Global Intellectual Property Challenges Forum, organised by the Saudi Authority for Intellectual Property (SAIP) and held in the margins of the Saudi G20 Presidency.

The event, initially planned to take place in Riyadh, Saudi Arabia, was changed to an online forum due to the COVID-19 pandemic.

The Forum brought together the Heads of IP offices operating in the G20 countries, the World Intellectual Property Organization (WIPO), and other valued guests from all over the world to establish the priorities in response to global pandemics and emergencies, such as harmonising IP operation measures, sharing IP policies and disseminating IP knowledge.

Based on the above priorities, the G20 IP offices released a Joint Statement sharing their common recognition of the importance of IP and agreement on the future direction of the IP20+ initiatives to overcome global risks.

The text of the Joint Statement can be found [here](#).

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## [October 2020 euro area bank lending survey](#)

PRESS RELEASE

27 October 2020

- Credit standards tightened for loans to enterprises and households

- Firms' demand for loans moderated due to lower emergency liquidity needs
- Bank lending strongly supported by ECB measures

Credit standards – i.e. banks' internal guidelines or loan approval criteria – tightened across all loan categories, namely loans to enterprises, loans to households for house purchase and consumer credit and other lending to households in the third quarter of 2020, according to the October 2020 bank lending survey (BLS). The net percentage of banks reporting a tightening of credit standards for loans or credit lines to firms (net percentage of banks at 19%, see Chart 1) comes after favourable developments in the previous round. Credit standards for loans to households continued to tighten (a net percentage of 20% for loans to households for house purchase and of 9% for consumer credit and other lending to households). Banks referred to the deterioration of the general economic outlook, increased credit risk of borrowers and a lower risk tolerance as relevant factors for the tightening of their credit standards for loans to firms and households.

For the fourth quarter of 2020, banks expect credit standards to continue to tighten for firms, reflecting concerns around the economic recovery as some sectors remain vulnerable, as well as uncertainties around the prolongation of fiscal support measures. The net tightening of credit standards on loans to households for house purchases is expected to continue in the fourth quarter of 2020.

Banks' overall terms and conditions – i.e. the actual terms and conditions agreed in loan contracts – tightened in the third quarter of 2020 for new loans to enterprises, on account of wider loan margins, especially for riskier loans, and collateral requirements. For loans to households for house purchase, banks' overall terms and conditions also tightened in the third quarter of 2020.

Firms' demand for loans or drawing of credit lines declined in the third quarter of 2020, on account of lower emergency liquidity needs related to the coronavirus (COVID-19) pandemic following a record net increase in demand in the previous quarter (see Chart 2). The net percentage of banks reporting an increase in demand for housing loans increased in the third quarter of 2020, reflecting some catching up in demand after the lockdown period in the second quarter, and increased slightly for consumer credit and other lending to households. Net demand for housing loans and consumer credit was supported by the low general level of interest rates, while there was a significant softening in the negative contribution of consumer confidence.

In the fourth quarter of 2020, banks expect that net demand for loans to firms will rebound. Demand for housing loans is expected to fall, while demand for consumer credit is expected by banks to increase in the fourth quarter of 2020.

Regarding euro area banks' access to retail and wholesale funding, banks reported in net terms that access improved in the third quarter of 2020. This has been supported by the ECB's monetary policy measures. The ECB's asset purchase programme, pandemic emergency purchase programme and the third series of targeted longer-term refinancing (TLTRO III) operations have had a

positive impact on banks' liquidity positions and market financing conditions. In combination with the negative deposit facility rate, these measures have had an easing impact on bank lending conditions and a positive impact on lending volumes. In particular, the TLTRO III operations have strongly supported bank lending over the past six months. At the same time, the ECB's asset purchases and the negative deposit facility rate are assessed by banks as having a negative impact on their profitability through a negative impact on their net interest income, with this being somewhat mitigated by the ECB's two-tier system for remunerating excess liquidity holdings.

The euro area bank lending survey, which is conducted four times a year, was developed by the Eurosystem in order to improve its understanding of banks' lending behaviour in the euro area. The results reported in the October 2020 survey relate to changes observed in the third quarter of 2020 and expected changes in the fourth quarter of 2020, unless otherwise indicated. The October 2020 survey round was conducted between 21 September and 6 October 2020. A total of 143 banks were surveyed in this round, with a response rate of 100%.

**For media queries, please contact Silvia Margiocco tel.: +49 69 1344 6619.**

## Notes

- **A report on this survey round** is available at [https://www.ecb.europa.eu/stats/ecb\\_surveys/bank\\_lending\\_survey/html/index.en.html](https://www.ecb.europa.eu/stats/ecb_surveys/bank_lending_survey/html/index.en.html). A copy of the questionnaire, a glossary of BLS terms and a BLS user guide with information on the BLS series keys can also be found on that web page.
- **The euro area and national data series** are available on the ECB's website via the Statistical Data Warehouse (<http://sdw.ecb.europa.eu/browse.do?node=9691151>). National results, as published by the respective national central banks, can be obtained via [https://www.ecb.europa.eu/stats/ecb\\_surveys/bank\\_lending\\_survey/html/index.en.html](https://www.ecb.europa.eu/stats/ecb_surveys/bank_lending_survey/html/index.en.html).
- **For more detailed information** on the bank lending survey, see Köhler-Ulbrich, P., Hempell, H. and Scopel, S., "The euro area bank lending survey", Occasional Paper Series, No 179, ECB, 2016 (<http://www.ecb.europa.eu/pub/pdf/scpops/ecbop179.en.pdf>).

## Chart 1

Changes in credit standards for loans or credit lines to enterprises and contributing factors

(net percentages of banks reporting a tightening of credit standards and contributing factors)



Source: ECB (BLS).

Notes: Net percentages are defined as the difference between the sum of the percentages of banks responding “tightened considerably” and “tightened somewhat” and the sum of the percentages of banks responding “eased somewhat” and “eased considerably”.

## Chart 2

Changes in demand for loans or credit lines to enterprises and contributing factors

(net percentages of banks reporting an increase in demand and contributing factors)

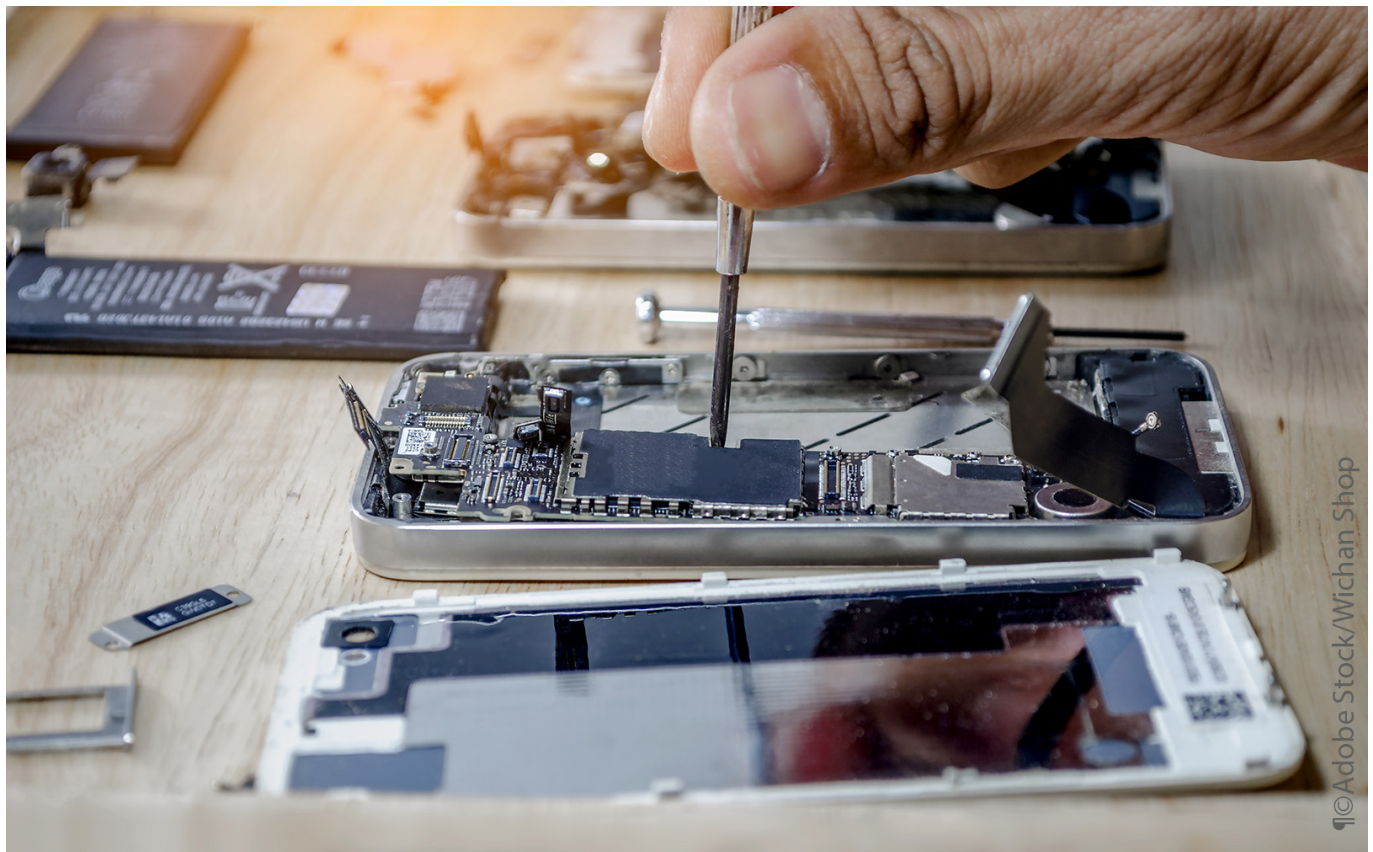


Source: ECB (BLS).

Notes: Net percentages for the questions on demand for loans are defined as the difference between the sum of the percentages of banks responding “increased considerably” and “increased somewhat” and the sum of the percentages of banks responding “decreased somewhat” and “decreased considerably”.

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**Press release – EU consumers should enjoy a “right to repair” and enhanced product safety**



In a resolution on sustainable Single Market approved by 20 (2 voted against, 23 abstained), MEPs call on the Commission to grant consumers a “right to repair” by making repairs more appealing, systematic, and cost-efficient.

They also ask the Commission to consider labelling products and services according to their durability (e.g. a usage meter and clear information on the estimated lifespan of a product). This would support second-hand goods markets and promote more sustainable production practices. To reduce electronic waste, MEPs [insist again](#) on a common charger system.

To tackle planned obsolescence, restricting practices that intentionally shorten the lifetime of a product should be considered. According to MEPs, the corrective updates for certain digital devices must continue throughout their estimated lifespan and not diminish their performance.

According to Eurobarometer, [77%](#) of EU citizens would rather repair their devices than replace them and [79%](#) think that manufacturers should be required to make it easier to repair digital devices or replace their individual parts.

### **Adjustments needed everywhere: from advertising to waste management**

MEPs also push for more sustainable public procurement as well as responsible marketing and advertising that encourages sustainable business and consumer choices. This should include clear guidelines for products that claim to be environmentally friendly, assisted by further ecolabel certification. For example, when green claims are made in advertisements, common criteria should be followed to support the claim.



In addition, the report proposes new rules for waste management, including the removal of legal obstacles that prevent repair, resale and reuse. This will also benefit the secondary raw material market.

### **Fight against unsafe products sold online**

In another resolution on product safety in the Single Market, approved by 45 (no abstentions and votes against), MEPs addressed the issue of unsafe products – particularly those sold on online marketplaces. This includes products that contain dangerous chemicals, have unsafe software, or pose other safety hazards.

MEPs want online platforms and marketplaces to take proactive measures to tackle misleading practices and demand that EU rules on product safety should be enforced robustly. They emphasise that compliance with product safety rules must be ensured, for products circulating in the EU and manufactured either in the EU or outside it, allowing a fair competition between companies and securing reliable product information for consumers.

The resolution also addresses the safety and security of AI (e.g. supporting the development of effective checks on high-risk products embedded with AI), and calls for a revision of the current product safety legislation, such as the General Product Safety Directive and the Machinery Directive, to adapt it to the digitalisation of products.

### **Next steps**

The plenary vote for both reports is expected to take place in November.

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## **EU-African Union relations: joint communiqué of the AU Peace and Security Council and the EU Political and Security Committee**



On 26 October 2020, the African Union (AU) Peace and Security Council (AU PSC) and the European Union (EU) Political and Security Committee (EU PSC) held their **12<sup>th</sup> Annual Joint Consultative Meeting**, virtually, as part of their regular dialogue within the framework of Article 17 of the Protocol Relating to the Establishment of the Peace and Security Council of the African Union, and the AU – EU partnership. The meeting was co-chaired by H.E. Ambassador Osama Abdelkhalek, Permanent Representative of the Arab Republic of Egypt to the AU and Chairperson of the AUPSC for October 2020 and H.E. Ambassador Sofie From- Emmesberger, Permanent Chair of the EU PSC.

The discussion during the 12<sup>th</sup> Joint Consultative Meeting focused on the situations in the Sahel region, Sudan and Somalia. The AU PSC and the EU PSC noted that October 2020 marks the 20<sup>th</sup> anniversary of United Nations Security Council Resolution 1325. While much progress has been made with regards to women's inclusion in peace processes, further efforts are required to advance implementation.

On the situation in the **Sahel**, the AU PSC and the EU PSC expressed deep concern over the growing deteriorating security situation in the Sahel, mainly caused by social and economic unbalances, terrorism and organized crime, which is further aggravating the security and humanitarian situation in the region. They strongly condemned attacks against civilian populations, against armed and security forces of the countries of the region, and all other regional and international forces. Both the AU PSC and the EU PSC reaffirmed their commitment to continue supporting the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA). They underscored the need for additional resources to be availed to the Mission, with a view to further enhancing its capacity to more effectively and efficiently discharge its mandate. They also reaffirmed their support to the G5 Sahel Joint Force. They called upon all stakeholders and international community to also support the Force by providing the necessary resources and building its capacity to enable it to effectively and efficiently discharge its mandate. The European Union Common Security and Defence Policy (CSDP) missions continue to assist national security forces, the G5 Sahel Joint Force and MINUSMA.

The AU PSC and the EU PSC reiterated the importance of enhanced coordination, as well as the importance of addressing the underlying root causes and drivers of the deteriorating situation in the Sahel region, through comprehensive approaches that include development of peacebuilding/post-conflict reconstruction, as well as a political and a development dimension. They welcomed the creation of the Coalition for the Sahel, and in this regard reaffirmed the importance of respect for human rights and fight against impunity by all stakeholders and State authorities, including security and defense forces. They further noted the upcoming elections in Burkina Faso and Niger, and stressed the importance of ensuring their peaceful organization. They commended efforts being deployed by the G5 Sahel and the Economic Community of West African States (ECOWAS) in combating the scourges of terrorism and organized crime, and noted the ongoing consultations between relevant stakeholders to deploy an additional 3000 troops pursuant to AU Assembly Decision 792. They noted the intention of the AU to re-energize the Nouakchott Process within the context of the review process of the AU Strategy for the Sahel region. They welcomed the important and continued EU commitment to the region with the mobilization of various resources in the security, development and humanitarian domain. The ongoing revision of the EU Strategy for the Sahel region will be an opportunity to achieve a more result-oriented approach, striving for strengthened accountability.

The AU PSC and the EU PSC welcomed the positive developments in the evolution of the situation in **Mali**, with the establishment of a civilian-led transition through the appointments of the President, the Deputy President and the Prime



Minister, the formation of the Transitional Government and the release of all officials who had been detained on 18 August 2020, in line with the respective decisions of the AU PSC and the ECOWAS and the adoption of the Charter of the Transition. They encouraged the Malian Stakeholders to place national interests above all else and to exert their efforts towards the successful implementation of the Peace and Reconciliation Agreement in Mali, emanated from the Algiers process (2015), and the Transition Charter, including the organization of credible, transparent and democratic elections within the stipulated time frame and measures to improve governance. In the same context, the AU PSC and the EU PSC appealed to the international community to continue to support Mali, particularly during this transition phase, and to especially enhance its humanitarian assistance to Mali, given the gravity of the humanitarian situation, exacerbated by the outbreak of the global novel coronavirus pandemic.

The AU PSC and the EU PSC noted the EU's close coordination with ECOWAS and the AU and they welcomed the EU's commitment under its cooperation and CSDP activities.

The AU PSC and the EU PSC reiterated the importance of enhanced coordination towards more effective regional stability and security in the Horn of Africa; the importance of regional and cross-regional partnerships was highlighted. They recognized the two historic transitions in Sudan and Ethiopia in progress. The revision of the EU's 2011 Strategic Framework for the Horn of Africa provides an opportunity to further enhance the EU's supportive role in the region.

On **Sudan**, the AU PSC and EU PSC reconfirmed their commitment to accompany Sudan on its political, economic and social reform path, with the view of making the country's transition to democracy a success. They commended the efforts of the civilian-led Transitional Government of Sudan in putting in place much needed political and economic reforms, including strengthening human rights. In this context, they welcomed the criminalization of Female Genital Mutilation and the reforming of the criminal justice system. The AU PSC and EU PSC welcomed the announcement by the Transitional Government of Sudan to undertake effective transitional justice measures with a view to ensuring justice for the victims and accountability for the past atrocities in Darfur. In this regard, they also welcomed the recent visit of the International Criminal Court (ICC) Prosecutor Fatou Bensouda to Sudan.

The AU PSC and EU PSC welcomed the recent announcement by the US President on the intention of the Government of the United States of America to remove Sudan from the U.S List of State Sponsors of Terrorism (SST). They looked forward to the implementation of this announcement, as soon as possible, in order to create conducive conditions for economic recovery and social development in the country. They also encouraged the Transitional Government of Sudan, to identify priority areas for interventions aimed at promoting post-conflict stabilization, reconstruction and development. They appealed to all international partners to honour their pledges made during the High-Level Sudan Partnership Conference in June 2020 and to demonstrate genuine and meaningful commitment towards supporting Sudan in addressing the current economic, financial and monetary challenges.

The AU PSC and the EU PSC welcomed the signing of the Juba Peace Agreement on 3 October 2020 paving the way for the restoration of an inclusive and comprehensive peace in the country; and in this regard, they urged the signatory parties to implement the provisions of the peace agreement and work together in promoting durable peace in Sudan, including ensuring the participation of women and youth in this process.

The AU PSC and EU PSC also welcomed the earlier signing of a Joint Agreement on Principles, on 3 September 2020, by the Prime Minister of the Transitional Government of Sudan, Abdalla Hamdok, and the Chairman of the Sudan People's Liberation Movement-North (SPLM-N-AH), Abdelaziz al-Hilu, as a positive step towards maintaining the cessation of hostilities and creating conducive conditions for all parties to find constructive political solutions.

The AU PSC and EU PSC stressed the need for the Sudanese authorities and all other relevant Sudanese stakeholders to continue pursuing their efforts through the ongoing dialogue, cooperation and commitment to collectively contribute to the implementation of the peace agreement and address the myriad of challenges facing the country. They underscored the need for sustained and meaningful participation of women and the youth in decision making and peace building at all levels.

The AU PSC and EU PSC urged all non-signatory parties to the Peace Agreement, particularly Mr. Abdul Wahid Mohammed al-Nur, to immediately and unconditionally embrace the peace process and commit to the cessation of hostilities with a view to building sustainable peace in the country.

The AU PSC and EU PSC encouraged Sudan's neighboring countries, the Intergovernmental Authority on Development (IGAD), AU and the wider international community to continue to provide the required political, technical, economic support to Sudan and its people, with a view to maintaining the current momentum and consolidating the gains made thus far.

The AU PSC and EU PSC expressed deep concern over the humanitarian situation in Sudan, which has been exacerbated by floods, desert locust infestation and the novel coronavirus pandemic and, in this regard, they appealed to the international community for continued and increased humanitarian support.

On **Somalia**, the AU PSC and the EU PSC welcomed the progress made by the Federal Government of Somalia (FGS) and the Federal Member States (FMS), including the holding of the Dhusamareeb consultation process which resulted in the agreement on the electoral model for the 2020/21 national elections. They emphasized the need for the implementation of the agreed electoral model and to ensure a peaceful and transparent delivery of the election. The AU PSC and the EU PSC welcomed the resumption of constructive dialogue and collaboration between the FGS and the FMS aimed at degrading the Al Shabaab and other terrorist groups, as well as ensuring restoration of peace and security in Somalia.

The AU PSC and EU PSC emphasized that restoration of peace and security in Somalia should be the focus of all political actors in Somalia, based on FGS and FMS working together in a federal model with its declination in

political, economic and security terms. The AU PSC and EU PSC took note of the current process of reviewing the Somali Transition Plan (STP) led by the FGS in collaboration with the AU and other international partners and urged all parties to the process to remain focused on its completion, as soon as possible. Furthermore, they called on all Somali stakeholders to actively pursue their engagement towards the conclusion of the constitutional review process.

The AU PSC and EU PSC expressed gratitude to the African Union Mission in Somalia (AMISOM) for its contribution to the creation of an enabling environment for the political process and paid tribute to the AMISOM Troop and Police Contributing Countries (T/PCCs), and their nationals, especially those who have paid the ultimate sacrifice in the promotion of peace, security, stability and reconciliation in Somalia. They encouraged AMISOM to intensify its efforts in addressing peace and security challenges in Somalia, particularly eliminating the al Shabaab terrorist group. The AU PSC and the EU PSC agreed as well to further support the role of the AU and the IGAD as an agent of stabilization in the region.

The AU PSC and EU PSC, noting that more progress was needed, encouraged the FGS and FMS to expedite the force generation processes to occupy and secure all areas liberated from al Shabaab by AMISOM and stressed the need to ensure that the Somali National Army (SNA) forces are well equipped to take over security responsibilities, while noting the need for support for the Somali Security Sector Reform after 2021. In this regard, they emphasized the need for the FGS, with the support from AMISOM and UN, to identify appropriate approaches and strategies to effectively address the challenges facing the process of force generation by the SNA.

The AU PSC and EU PSC underscored the importance of respecting Somalia's sovereignty, political independence, territorial integrity and, in this regard, they urged all partners supporting the peace process in Somalia to coordinate and harmonize their support and to direct all their efforts towards supporting Somalia in its endeavours to restore peace, security and economic recovery.

The AU PSC and EU PSC took note of the ongoing consultations on convening a security conference on 30 November 2020, co-hosted by the Federal Government of Somalia, the AU and the EU, aimed at galvanising support for the implementation of the updated Transition Plan and seeking alignment of an appropriate security and broader stabilization framework for Somalia post-2021.

In the same context, they commended the EU for its major financial support to AMISOM to date and its complementary provision of non-lethal equipment to SNA battalions engaged in transition operations alongside AMISOM. The AU PSC and EU PSC recalled the UN Security Council Resolution 1863(2009) establishing a Trust Fund for AMISOM aimed at stepping up the predictable financial resource mobilization.

Further, the AU PSC and the EU PSC welcomed the conclusion of the EU's Strategic Review of its CSDP missions in the Horn of Africa and welcomed the

assistance to the Somali security institutions and security forces in strengthening their capacities in the implementation of the Somali Transition Plan.

The AU PSC and the EU PSC expressed deep concern over the prevailing humanitarian crisis in many parts of Somalia, which has been accentuated by floods, the resurgence of the desert locust infestation, and the novel coronavirus pandemic and, in this respect, they appealed to the international community to step up humanitarian support to Somalia and for the concerned international partners to contribute to the required \$1 billion Humanitarian Appeal for addressing the dire humanitarian challenges facing Somalia.

The AU PSC and the EU PSC recalled that peace and security are priorities for the overall EU- AU partnership. In view of the upcoming EU-AU Summit to be hosted in Brussels in 2021, both sides pledged to continue working towards ambitious joint deliverables.

The AU PSC and the EU PSC agreed to convene their next annual joint consultative meeting in 2021, on a date to be mutually agreed by the two sides.