

Information Bulletin

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⇒ ISSUES OF PARTICULAR INTEREST

Internal Market

Machinery Directive (MD)

The European Commission's Joint Research Centre (JRC) Institute for Energy and Transport is carrying out a study on behalf of DG GROW to assess the impact of a possible extension of the scope of the Machinery, Pressure Equipment and ATEX Directives regarding equipment intended for use in the offshore oil and gas industry. The Commission is now gathering stakeholders' input via an online [Survey](#) on Offshore Oil and Gas Equipment 2015 – Cost of compliance with EU Product Safety Legislation". This consultation will run until 19 September 2015. The results of the study are to be published in early 2016.

As regards other studies discussed in the EC Machinery Working Group, the final terms of reference of the study for the harmonisation of road circulation requirements for mobile machinery have been submitted to interested stakeholders and Machinery WG members. The consultant, Ecorys, aims to complete the study by the end of 2016. A stakeholder meeting took place on 24 June with the aim of sharing knowledge from researchers, industry and the European Commission to discuss preliminary findings, the planned approach for data collection and the quantification of non-harmonised requirements.

The next Machinery Working Group meetings are scheduled to take place in October 2015. The final date will be notified approximately one month before the meetings are held.

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Outdoor Noise Directive

On 1 April 2015, the European Commission launched a study on the scope and limit values of the existing Outdoor Noise Directive (2000/14/EC). The final results are expected in February 2016. The Commission selected a consortium called 'Odelia' (Outdoor Equipment Noise Limit Assessment) under the leadership of TNO. This Dutch organisation was involved in a similar capacity with the [NOMEVAL](#) study of 2007.

At the end of June, ODELIA issued its first intermediate report (available from the [secretariat](#)) and suggested preliminary proposals which are based on previous studies (mainly the NOMEVAL report) and new findings. In short, revised noise limits are proposed for about half of current Article 12 equipment, including lawnmowers and lawn-trimmers. New limits are also proposed for equipment currently covered by Article 13, such as water pumps, joint cutters, chainsaws, grass- and hedge-trimmers. The report also suggests changes in test codes, for example for concrete-breakers. In addition, it includes a list of equipment for outdoor use that might potentially be covered. In some cases, ODELIA concluded that such coverage will not be necessary (for example air-conditioning/ventilation equipment and heat pumps) since another legislation like the Ecodesign Directive already sets outdoor sound power limits. However it suggests including other equipment, such as swimming pool pumps, under Article 12 or 13.

The report was discussed at the Steering Committee meeting on 8 July. The final draft report will be submitted in October 2015, while its publication is foreseen in early 2016. The study conclusions will then be used as input for the impact assessment to be launched in 2016 or 2017. The Commission expects to table its proposal in 2018, with the new legislation being applicable as from 2020/2021.

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Low Voltage Directive (LVD)

Orgalime has been tasked with drafting chapter 2 (obligations of economic operators) of the LVD guide that is currently under revision.

Following last year's NLF workshop on the transposition of the new Low Voltage directive, the Commission issued a draft meeting report on 2 June. The workshop focused primarily on transition and transposition issues, leaving LVD-specific issues to be dealt with in the LVD Working Group.

The conclusions agreed during the workshop may be included in the LVD guide or the Blue Guide, depending on the nature of the issue.

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Electro Magnetic Compatibility Directive (EMCD)

The most recent EMC Guide dedicated working group meeting took place on 29 May. The WG discussed the objectives for the revision of the EMC Guide, its structure and its relationship with other guides such as the Blue Guide. It was decided that horizontal aspects should be included in the Blue Guide. Where appropriate, the EMC Guide can refer to the Blue Guide but duplication is to be avoided. The EMC Guide should address matters that are specifically connected to EMC (e.g. risk assessment in the context of EMC). Orgalime volunteered to draft the text on the new risk assessment requirements from the EMC perspective.

The EMC Working Party (WP) agreed to keep the current structure of the EMC Guide as the starting point but to add two specific chapters, one on economic operators and one on transitional arrangements. The chapter on 'enforcement' will be renamed 'market surveillance'.

For some issues (related to the scope, cables/connectors, fixed installations, electronic labelling), agreements or decisions could not be reached because of divergent views of the participating stakeholder groups.

The next EMC WP meeting is scheduled to take place on 15 July 2015.

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Product Safety and Market Surveillance Package

The Competitiveness Council meeting on 28-29 May 2015 held a debate on the Consumer Product Safety and Market Surveillance Package in order to find an agreement on a Council general approach. The issue which has been blocking the Council from reaching a first-reading position after last year's vote of the European Parliament is the binding indication of origin marking on non-food consumer products, as proposed in article 7 of the draft regulation on Consumer Product Safety. The Competitiveness Council discussed the findings of a cost-benefit study on marking of origin. As a reminder, the Commission was asked by the Council to carry out a cost-benefit analysis of the mandatory country of origin labelling, in order to restart the negotiations between the legislators on this topic.

The final report of the study was published on 6 May. The consultant mandated by the Commission narrowed down the scope to 6 product categories: toys, domestic appliances, electronic goods (consumer electronics), textiles, footwear and ceramics.

Most of the national authorities consulted consider that the indication of origin on consumer products would have little impact on product traceability and safety. Country of origin marking is expected to generate additional costs for authorities but their scale depends on the extent to which controlling origin labelling is integrated into existing market surveillance practices.

The impact of indication of origin on manufacturers is believed to mainly translate into costs of adaptation to new requirements, or possible changes in their competitive position in comparison with other producers. The study requested stakeholder views on three alternative solutions to article 7: indicating country of origin on product packaging

or a document accompanying the product, alternative principles for determining origin, and a voluntary system to control origin labels. None of these options was considered to be a viable alternative to the current proposal.

Overall, the consultant points out that the 6 targeted product groups do not give a representative picture of the overall impact of country of origin labelling.

The final report of the study is available from the [secretariat](#).

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Environment

REACH

On 15 June 2015, the [Candidate List](#) was updated with 2 new substances identified as substances of very high concern (SVHC). The list now comprises 163 substances. In addition, Member States already notified their intention to submit 4 further substances by August 2015 (see ECHA [Registry of Intentions](#)). As a reminder, the inclusion of substances on the Candidate List triggers immediate communication requirements for downstream users and also notification requirements 6 months later.

Regarding the [authorisation process](#), ECHA has just published its [sixth recommendation](#) to include SVHC in the authorisation list (Annex XIV). ECHA prioritises 15 substances amongst the 22 initially selected because they are widely used in high volumes and may pose a threat to human health or the environment (see [information on uses](#)). The amendment to Annex XIV is scheduled for August 2016 and transition periods are foreseen from 36 to 45 months, depending on substances. The final decision to include substances in the authorisation list (Annex XIV REACH) will be taken by the European Commission, and then confirmed by the European Parliament and the Council.

In parallel, discussions are taking place to ensure that the authorisation process functions smoothly and predictably. During a [public consultation](#), the vast majority of participants (apart from NGOs) expressed the need for a simplified application for authorisation, mainly in cases of low volume application. The concept of “low volume” needs to be defined, but a threshold of 100kg would appear to be the preferred option. Discussions are also ongoing on granting longer transition periods for the use of substances subject to authorisation in spare parts. This is seen as an interim solution to avoid disrupting the supply of spare parts and the repair of equipment. An amendment to Annex XIV is forecast by the end of the year: the Commission would propose to extend the sunset dates of 23 Annex XIV substances for 3 years for use in spare parts.

As announced earlier, ECHA is currently developing guidelines on the implementation of REACH restrictions on [nickel](#), [PAHs](#) and [lead](#). The objectives are to clarify certain terms used in the text (e.g. “accessibility”, “normal/reasonably foreseeable conditions of use”) and provide a non-exhaustive list of article types falling within or outside the scope of the restriction. [In April, the new restriction on lead in consumer articles was published: Regulation \(EU\) 2015/628](#). It applies only to articles that can be placed in the mouth by children. As a reminder, EEE covered by the RoHS Directive is exempt from the scope of the restriction.

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REACH and Nanomaterials

The idea to set up a register of nanomaterials is still being debated. The Swedish Environment Minister [mandated](#) the Swedish Chemicals Agency (KemI) to prepare a proposal for a national register on nanomaterials by December 2015. The system would require industry to notify the presence of nanomaterials in its products. Such a ‘nano-register’ already exists in a few European countries, such as France and Belgium.

In parallel to national initiatives, discussions are still ongoing at European level. The European Commission published the last of three [reports](#) on possible measures to increase transparency on nanomaterials. So far, two options appear as front runners: an EU observatory and an EU-wide Register. The final decision will be taken in the coming months. The Commission concluded the Impact Assessment and will hold an inter-service meeting on 13 July. The Impact Assessment should be submitted to the Regulatory Scrutiny Board after the summer.

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Energy

Ecodesign and Energy Labelling Directives - implementation and review

The European Commission has indicated on several occasions that the Ecodesign Directive is still broadly fit for purpose and will not be reviewed. However, there are still uncertainties for the future. In the current Commission [public consultation](#) on the Circular Economy Package, options are proposed, for example, setting minimum durability requirements under the Ecodesign Directive. In addition, a range of product features are listed for future resource efficiency requirements: from repairability and reusability, to resource use and biodegradability, including water consumption in the use phase. In parallel, the European Parliament is drafting an own-initiative report: 'Resource efficiency: Moving towards a circular economy'. The draft report urges the Commission to review the Ecodesign Directive by the end of 2016 to extend its scope beyond energy-related products. It also calls for an immediate implementation of resource efficiency requirements, notably durability, repairability, reusability and recyclability for energy-related products.

The European Commission proposal to review the Energy Labelling Directive will be announced on 15 July 2015. The main objective is to review the label layout and scheme. According to information available so far, the Commission will stick to the A-G label; no product shall fall into the A or B grade when the label is introduced. This is likely to result in a major rescaling and the co-existence of existing and rescaled labels in parallel on the market. As a consequence, manufacturers may have to provide dealers with both labels. In line with current rules, the label would show the efficiency rather than the total energy consumption of a product. In addition, the Commission is considering proposing a Regulation instead of a Directive, which would make the legislation directly applicable in the Member States.

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Ecodesign Directive - Update on Lots / implementing measures

Standby and off electric power consumption, ENER Lot 6: At the end of June, the Commission circulated a draft standardisation mandate with regard to Ecodesign requirements for networked standby. This supports Commission Regulation 801/2013 (amending Regulation 1275/2008) on standby mode and Regulation 642/2009 on televisions.

Machine tools, ENTR Lot 5: The Commission circulated a draft standardisation mandate on procedures and methods for measuring and calculating the energy consumption and efficiency of welding tools. It should be noted that no Ecodesign requirement has been adopted for welding equipment so far. The standardisation mandate will be addressed to the European Standardisation Organisations in the autumn of 2015.

Water pumps, ENER Lots 11, 28 & 29: The European Commission has launched a study on pumps for the preparation of further and/or more advanced Ecodesign and/or energy labelling requirements. The study will review and build upon [Commission](#)

[Regulation \(EU\) No 547/2012](#) and the preparatory studies on “Lot 28 waste water pumps” and “Lot 29 other pumps”.

Central heating products, ENER Lot 21: At the end of May 2015, the Commission (DG Energy) launched an inter-service consultation on the Ecodesign measure on air heating products, cooling products and high temperature chillers. The vote of the Regulatory Committee is expected in the coming months.

Compressors, ENER Lot 31: The impact assessment study is still ongoing and the Regulatory Scrutiny Board is expected to assess it in October / November 2015. The European Commission will then launch an inter-service consultation (end 2015 / early 2016). The Regulatory Committee vote is scheduled in April / May 2016 with a view to final adoption in the second half of 2016. In parallel, the Commission launched a complementary preparatory study on two specific types of compressors: oil-free and low pressure. Carried out by VHK, the study started in June 2015 and is expected to deliver final results in April 2017.

Windows, ENER Lot 32: The final preparatory study report has been published on the [study website](#). As a next step, the Commission will organise a Consultation Forum meeting, which should be held on 30 September 2015.

Smart appliances, ENER Lot 33: As a reminder, the Commission launched a two-year Ecodesign preparatory study on Smart Appliances ([study website](#)) in September 2014. The first draft report ([Task 1](#)) was published mid-June 2015. So far, the scope mainly covers household appliances and equipment used in the commercial sectors: white goods, HVAC (heating, ventilation and air conditioning) equipment, chargers, lighting systems and battery storage systems. Large-scale industry applications are out of scope. The final report is expected in September 2016.

Professional refrigerating equipment, ENER Lot 1: The measures for [Ecodesign](#) and [Energy labelling](#) (annexes [1-4](#) & [5-10](#)) were adopted on 5 May 2015. The Ecodesign measure sets energy efficiency requirements for professional refrigerated storage cabinets and blast cabinets, condensing units as well as process chillers. It also establishes mandatory requirements for manufacturers to provide information, notably on refrigerant fluid contained in the equipment or intended to be used. However, energy labelling requirements are foreseen only for electric mains-operated professional refrigerated storage cabinets, including those sold for the refrigeration of foodstuffs and animal feed.

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⇒ ISSUES OF GENERAL INTEREST

Internal Market

Better Regulation

On 19 May the European Commission published its '[Better Regulation](#)' Agenda which consists of a package of reforms on the different steps of the policy initiation process. In line with the Better Regulation agenda, the Commission is focusing on only a few key political priorities outlined in the 2015 Commission Work Programme, based on which it will initiate policies. Among these priorities one can note the Juncker Investment Plan, the EU Energy Union and the Digital Single Market. The Commission believes 'better regulation' ties in with legislative measures which are “evidence-based, well designed

and deliver tangible results and sustainable benefits for citizens, business and society” (COM [Communication](#) “Better regulation for better results – an EU agenda”, 2015, p.3).

An example of how the Commission envisages to apply ‘better regulation’ is by increasing the transparency and accountability of consultations. Firstly, roadmaps and inception impact assessment will allow stakeholders to provide input from the outset of the policy preparation process. The public consultations designed for new initiatives and “fitness checks” of existing laws will normally last 12 weeks. Once a proposal is adopted, both citizens and stakeholders will be able to submit comments within 8 weeks, which the Commission will then transmit to the Parliament and the Council. Secondly, the Commission is for the first time opening draft delegated acts to the wider public for four weeks, on the Commission’s website, while at the same time consulting Member States’ experts. Moreover, the Commission intends to publish an indicative list of the delegated and implementing acts under preparation to allow stakeholders to plan early.

On impact assessments, the Commission’s Vice-President Frans Timmermans [announced](#) that the current Impact Assessment Board will become a Regulatory Scrutiny Board that will scrutinise the quality of all impact assessments, evaluations and fitness-checks.

The Commission is also calling on the Parliament and the Council to conduct an impact assessment on any amendments that significantly alter the Commission proposal, in order to anticipate the potential social, economic and environmental impacts and be able to rectify negative implications before the legislation is adopted. Before coming up with new initiatives, existing legislation needs to be properly assessed – ‘recast’ legislation is encouraged. In this respect, the Commission hopes to start soon discussions with the other two institutions (Parliament and Council) to complete a new inter-institutional agreement by the end of 2015.

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Reorganisation of DG GROWTH

A [new structure](#) of DG GROWTH (Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs) has been in place since 1 January 2015. Mr Daniel Calleja Crespo remains the Director General of DG GROWTH. The previous directorates ‘Internal Market’ and ‘Industry’ have been merged into 6 reorganised directorates. Listed below are some of the most relevant directorates for the engineering industries:

- A/4 – “**International Affairs**” (Head of Unit: Mr Lluís Prats). Key issues: TTIP
- B/1 – “**Single Market Policy, Mutual Recognition and Surveillance**” (Head of Unit: Mr Hans Ingels). Key areas: internal market horizontal issues, market surveillance, mutual recognition, New Legislative Framework
- B/3 – “**Standards for Growth**” (Head of Unit: Mr Jean-François Aguinaga). Key issues: COM annual standardisation work programme, standardisation regulation.
- C/1 – “**Clean Technologies and Products**” (ex-G/1 “*Sustainable Industrial Policy and Construction*”). Head of Unit: Mrs Marzena Rogalska. Key issues: eco-design, energy labelling, energy and environmental performance of products, Energy and Climate Package, circular economy, waste
- *Rebranded Directorate C (C3) under the new name* “**Advanced Engineering and Manufacturing Systems**” (Head of Unit: Mr Luis Filipe Girao). Key issues: radio equipment and software defined radio, noise equipment, mobile machinery, machinery
- New Directorate D – “**Consumer, Environmental and Health Technologies**” (split into D/1- **REACH** and D/2- **Chemicals**).
- F/5 – “**Industrial property and counterfeiting**” (Head of Unit: Mr Jean Bergevin). Key issues: unitary patent, IPR protection

- New Directorate E – “**Modernisation of the Internal Market**” (particularly E/3 – Digitisation of the Single Market”). Head of Unit: Mrs Marian Grubben. Key issue: Digital Single Market.

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Industrial Policy

In September 2015 the European Commission is expected to present a strategy on the Internal Market for goods and services.

In a speech to the Committee on Industry, Research and Energy (ITRE) of the European Parliament delivered on 23 June, Commissioner Bieńkowska gave some indication of what the strategy is likely to look like, focusing on a new approach to industrial competitiveness and taking as a point of departure the lack of investment (especially in new technologies) and of flexibility faced by European industry.

This strategy will build on three pillars:

- Support the trend towards joined provision of goods and accompanying services, notably to adapt to customised mass production and facilitate firms' integration into global value chains. This requires the full completion of the EU Internal Market for both goods and services.
- Foster the modernisation of EU industry through digitisation and energy efficiency, or other new cutting-edge technologies. This requires a workforce with the right skills, notably in the domain of ICT, and a secure energy supply.
- Provide better access to European financing.

This strategy has to be seen as an element of several initiatives taken by the European Commission to promote the competitiveness of the EU industry, such as the Energy Union, the Digital Single Market Strategy, the Circular Economy Strategy, the Capital Markets Union, and the European Fund for Strategic Investments.

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Radio Equipment Directive (RED – former R&TTE)

The Telecommunications Conformity Assessment and Market Surveillance Committee (TCAM), together with the European Commission and interested stakeholders including Orgalime, has started working on the revision of the R&TTE Guide for the implementation of the Radio Equipment Directive (RED). This Guide is intended to be used as a reference manual to assist both manufacturers and market surveillance authorities in the interpretation of the Directive. In addition, it is meant to clarify whether the RED applies to a number of borderline cases.

The next meeting of the EC TCAM Working Group is scheduled for 15 July. Orgalime has drafted comments on the first version of the draft guide for the application of the RED, requesting clarification on the application of LVD safety provisions to RED; the scope (clearly stating that that products and applications that use electromagnetic fields for other purposes than communication and/or radio determination are outside the scope of RED); the criteria and conditions under which custom-built evaluation kits would be excluded; definition of radio equipment in the case of non-radio products incorporating radio products.

The target date to finalise the new RED guide is six months before the implementation of the new RED 2014/53/EU (i.e. 13 June 2016).

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Standardisation Policy

On 1 July the European Commission held a stakeholder event to discuss the recent conclusions of the final report of Ernst & Young on an “Independent review of the European Standardisation System (ESS)”.

The report analyses the main issues or areas of improvement for ESS governance, including the standardisation process complexity (with a perceived lack of information for stakeholders) and lack of speed. It also confirms the need for an early-stage alignment of the European Commission and the European Standardisation Organisations (ESOs) for better cooperation with the research and innovation community to identify future needs, and with SMEs and “under-represented” stakeholders (consumers, workers and environmental interests).

The report further outlines 13 recommendations grouped under the five strategy areas identified by the European Commission in its 2011 communication:

- Improve the speed of standards development through an alternative scheme for specific standardisation needs
- Leverage R&I projects — and other pre-normative activities — to favour the timely start of standardisation activities
- Ensure SME participation in the development and use of standards
- Educate on European standardisation
- Adapt patent rules and procedures within the ESS to ensure transparency of patent declarations
- Anticipate needs through strategic and operational planning
- Ensure the consistency of data on the standards development process
- Develop an integrated information system to monitor the standards development process
- Ensure involvement and participation of Annex III organisations in standardisation
- Develop a centralised information system supporting access to standardisation documents and wide participation
- Strengthen guidelines to improve consistency of working methods and processes in the ESS
- Strengthen the link between standardisation activities at international level and EU policy and legislative needs, and identify priority areas of work at international level
- Develop partnerships with Standards Developing Organisations (SDOs) and other standardisation-related projects (e.g. European Technology Platforms) outside the ESS for a coordinated approach to the identification of needs and standards development.

For each recommendation, the report presents a qualitative assessment of the effort required in terms of human and financial resources and/or changes in the system implied, as well as the expected impact on the five strategic objectives, the governance and the suitability for the future of the ESS.

In a [position paper](#) issued on 29 June, Orgalime provided its comments on the report, particularly regarding recommendations 1, 2, 3, 4, 6, 9, 12, and 13. It also insisted on “seeing no evidence for revising Regulation 1025/2012 (on standardisation) in the short term”.

It is most likely that the report will be used by the European Commission for the preparation of its strategy on the Internal Market for goods and services (see article above).

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Intellectual Property Rights (IPR) and Customs Enforcement

On 9 June, the European Parliament adopted in plenary its non-legislative [resolution](#) on the Commission communication “Towards a renewed consensus on the enforcement of Intellectual Property Rights: An EU Action Plan”. The MEPs supported a comprehensive legal framework to tackle IPR infringements in the EU, as well as a progressive pro-

competitive and consumer-friendly copyright regime, advocating that it should engage all actors in the supply chain, both online and off-line. Consumer awareness and information are also key objectives that can be met by putting in place awareness-raising campaigns on the implications of IPR infringements.

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EU Patent

One of the last steps towards the full implementation of the Unitary Patent Package is the level and structure of the renewal fees to be paid by patentees. A [workshop](#) on the unitary patent (“Seeking better insights into innovators’ views on the level and structure for renewal fees”) was organised by DG Growth on 6 May. Both large and small companies agreed that the level of renewal fees is an important cost-determining factor for the decision to patent and, as a result, cost-attractive renewal fees should be set for the Unitary Patent to generate real savings for users. At the end of June, a special committee of the Administrative Council of the European Patent Organisation decided upon the structure and level of the annual renewal fees.

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Services Directive

In June, the European Commission published the results of a [study](#) carried out for DG GROW on the performance of the points of single contact (PSCs), the core of the system established by the Services Directive. PSCs are e-government portals providing “one-stop-shops” for service providers to obtain information on administrative requirements and complete formalities on-line (VAT, social security requirements) when setting up their business or providing a service in another Member State.

While most Member States were still struggling with setting up such PSCs, a Charter was agreed upon in 2013 between the Commission and the Member States, including a benchmarking system and four criteria: quality and availability of information, transactionality of e-procedures, cross-border accessibility and usability.

The report, prepared by Capgemini and Eurochambres, concludes that the overall performance of the PSCs remains mediocre, with considerable scope for improvement. It also makes some recommendations, including a zero tolerance policy for non-compliance and a new regulatory framework enlarging the scope of PSC services.

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Market Access / External Relations

Conflict minerals

On 20 May, the European Parliament adopted its [position](#) in plenary on the conflict minerals proposal. MEPs disregarded the Commission proposal and the INTA report by voting in favour of a mandatory system to certify all EU importers sourcing tin, tantalum, tungsten and gold in conflict-affected and high-risk areas. As a reminder, both the Commission and the INTA rapporteur (Luliu Winkler) proposed a voluntary self-certification system to encourage importers, smelters and refiners to responsibly use minerals from conflict areas.

In line with the result of the EP vote, companies will need to provide details about the steps they intend to take to address any risks in their supply chains for the minerals concerned.

Moreover, smelters and refiners who represent the last point at which the origin of minerals can be traced, are requested to undertake a binding independent third-party audit to check their due-diligence activities. The Parliament recommends that SMEs and micro-businesses, which account for approximately 880,000 of the affected consumer goods manufacturers using the four minerals in scope, should receive financial support

from the Commission to apply for certification through the COSME (Competitiveness of Enterprises and Small and Medium-Sized Enterprises) programme.

Finally, MEPs underlined that this certification system should be reviewed two years after its implementation, and every three years thereafter.

As regards next steps, the Parliament decided not to seal its first reading position with a plenary vote, but rather to start informal negotiations with Member States to forge an agreement on the final text of the regulation.

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EU-USA

The 10th round of negotiations on the Transatlantic Trade and Investment Partnership (TTIP) is taking place in Brussels between 13 and 17 July. The initial aim of the negotiators was to conclude the talks in December 2015, but both sides see mid-2016 as a more realistic target date.

The [report](#) on EP recommendations to the Commission on the TTIP negotiations (rapporteur: Bernd Lange, S&D, DE) was initially scheduled to be voted in plenary on 10 June. As a result of stark divisions between the political groups on ISDS and a faltering alliance between the EPP and S&D on the controversial arbitration clause, the EP President, Martin Schulz, decided to postpone the plenary vote. Invoking Rule 175 of the EP Rules of Procedure (Committee consideration of plenary amendments), Martin Schulz requested that the 116 amendments on TTIP, some of which were tabled just before the plenary vote, are referred back to the INTA Committee. On 28 May, INTA MEPs marginally passed the [EP draft recommendations](#) on the TTIP negotiations.

INTA held an extraordinary meeting on 29 June and decided on the one hand, to retable the [amendments](#) as well as the requests for split/separate votes for a second plenary vote. On 2 July, S&D agreed on a [compromise text](#) to replace the ISDS with a new democratic and transparent dispute settlement system, consisting of publicly appointed, independent, professional judges in public hearings and including an appellate mechanism.

Following this compromise deal, the EP Conference of Presidents (EP President and EP political groups' leaders) which sets the EP plenary agenda, decided that MEPs would vote on the Parliament's position on TTIP during the plenary session on 8 July. The Parliament [adopted](#) the EP resolution on TTIP, sending a strong message of support of a new justice system, run by publicly-appointed judges and subject to scrutiny to replace the ISDS.

In early May, Commissioner Cecilia Malmström consulted MEPs and EU Trade Ministers on a [reform proposal](#) regarding the dispute settlement mechanism. Key elements of this proposal are to set up arbitral tribunals, inspired from the traditional court systems, where permanent arbitrators are appointed, and also to introduce a bilateral appeal system. This is considered to pave the way towards creating a future permanent multilateral system for investment disputes.

On 4 May the European Commission published a [revised textual proposal on regulatory cooperation](#), on the basis of the discussions during the 9th round of negotiations.

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EU-China

The 6th round of negotiations on the EU-China investment agreement took place in Brussels between 2 and 4 July. The [17th EU-China Summit](#) was organised on 29 June in Brussels, to discuss and reinforce EU-China multilateral cooperation on various aspects (trade, customs, IPR, climate, development). To facilitate trade between the two partners, the EU and Chinese leaders agreed to work together towards putting in place a new landmark customs agreement that will be characterised by mutual recognition of

trusted traders. The aim of this agreement is to decrease the costs, speed up the controls and simplify administration for customs clearance.

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EU-Japan

The [EU-Japan Summit](#) from 27 to 29 May in Japan provided an opportunity to review the progress made on the ongoing EU-Japan FTA and agree on the next steps. The latest round of negotiations was held during the week of 6 July. This FTA is expected to include ambitious provisions on trade in goods, public procurement, investment, and services.

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EU-Mercosur

The [Mercosur-EU Ministerial Meeting](#) took place in Brussels on 11 June. The Ministers committed to giving a new impetus to the FTA negotiations, in accordance with the statements given at the Mercosur-EU Summit in 2010. They agreed on the objective to exchange market access offers during the last quarter of 2015.

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EU-Canada

The EU-Canada Comprehensive Economic and Trade Agreement (CETA) started its ratification process across the 28 EU Member States this year, ahead of the entry into force of the agreement in 2018. [France](#) is now questioning its ratification of the CETA because of the problematic investor-state dispute settlement mechanism (ISDS). Other Member States have also raised concerns that the ISDS might allow multinationals to overrule the public policies of governments.

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EU-Ukraine

In the framework of the [trilateral discussions](#) (between the EU, Ukraine and Russia) on the implementation of the EU-Ukraine Association Agreement/Deep and Comprehensive Free Trade Agreement (DCFTA), the third ministerial meeting took place on 18 May. The three parties have agreed to find common concrete solutions to the remaining concerns raised by Russia, in the following areas: customs cooperation, technical barriers to trade (TBT), sanitary and phytosanitary issues. In terms of TBT, a dedicated working group will be established with a view to achieving a harmonised framework on technical regulations and standards. For specific products or sectors, longer transition periods in support of regulatory convergence may be considered.

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EU-Vietnam

The 13th round of the EU-Vietnam trade negotiations took place between 8 and 12 June. Both sides are aiming to seal the agreement in a few months.

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Environment

RoHS2 Directive

As announced earlier, the European Commission extended the list of **restricted substances for use in EEE** (Annex II RoHS) on 4 June 2015. According to [Commission Delegated Directive 2015/863](#), EEE manufacturers will not be able to use the 4 phthalates, namely DEHP, BBP, DBP and DIBP, as of 22 July 2019. However medical devices, monitoring and control instruments will benefit from a longer transition period of 2 years. The restriction will therefore apply to categories 8-9 on 22 July 2021. Contrary

to the initial proposal, the Directive foresees an exemption for spare parts to repair EEE placed on the market before the new restriction enters into force (i.e. 2019 or 2021). As regards **exemptions**, the European Parliament recently [objected](#) to a Commission [delegated directive](#) which aimed to renew a RoHS exemption for the use of cadmium in illumination and display lighting applications. MEPs opposed the exemption renewal since it was based on an outdated situation and assessment of alternatives. The European Parliament called on the Commission to submit a new delegated act which takes into account its comments. It is important to underline this development since it sets a precedent in view of future exemption renewals. It also demonstrates that the right of objection of the Parliament and Council is an effective power to “veto”, even on such technical matters. On another note, Commission decisions on [renewal applications](#) submitted from October 2014 to January 2015 will be taken later than foreseen. Indeed, decisions are expected between July 2016 and January 2017 (instead of January 2016) due to the very large number of renewal applications received. Meanwhile, existing exemptions remain valid, even after the expiry date, until a decision is made publicly available.

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WEEE2 Directive

Regarding the study on the harmonisation of registration and reporting requirements under WEEE2, a stakeholder workshop organised by the consultant Trasys was held on 22 June. The study aims to develop a harmonised information structure and format for registration and reporting of EEE producers to the national register, and to define a proposal for the frequency of reporting. This project will form the basis for the implementing acts prescribed by article 16(3) of the directive. At the workshop, Trasys presented the following findings: data requirements as well as the structure and format of registration and reporting, including the frequency, differ significantly across Member States. In both registration and reporting, Member States identified a lack of accurate and reliable data as one of the major issues.

However, the majority of Member States and industry acknowledge the benefits of having a common format for registration and reporting, namely: improving enforcement, more efficient data processing, simplified administration, less time and money spent, easier registration of foreign producers etc.

The final report of the study is expected to be released towards the end of September 2015.

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Industrial Emissions Directive (IED, ex-IPPC)

As regards the BREF on [Large Combustion Plants](#) (LCP), the review has been launched and a final technical working group meeting took place in early June. In preparation for this meeting, the European IPPC Bureau distributed key documents: the [proposal for BAT conclusions for large combustion plants](#) and a [background paper](#). The timeline for the adoption of BAT conclusions is as follows:

- December 2015: Final draft of the LCP BREF
- February 2016: Presentation of the final draft IED to Article 13 Forum (for opinion)
- July-September 2016: BAT conclusions IED Article 75 Committee
- Second half 2016: vote to allow EC to adopt the Commission Implementing Decisions
- End of 2016/beginning of 2017: Translation and publication in the O.J.

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Directive on Medium Combustion Plants (MCP)

On 23 June 2015, the Council and European Parliament reached an agreement on the draft legislation regulating emissions of certain pollutants into the air from medium-sized combustion plants below 50 megawatts. While the draft aimed to complete the regulatory framework for the combustion sector, it did not fully close the legislative gap between the Ecodesign and the Industrial Emissions Directives. As a main result, the MCP Directive calls for further Ecodesign measures to cover the remaining regulatory gap.

In addition, this new piece of legislation will apply to both new and existing combustion plants but with differentiated regimes for existing plants, based on their size. Plants with an output of 5MW or more will have to comply from 2025, while facilities of 1-5MW will have until 2030 to meet the limits. Moreover, extended transition periods may be granted to some plants, in particular district heating systems, plants firing biomass and small isolated systems (for instance, on islands). The directive sets limits for 6 air pollutants including sulphur dioxide, nitrogen oxide and dust. In addition it foresees the monitoring of carbon monoxide emissions and requires the Commission to assess whether it is necessary to regulate this type of emission by 1 January 2023.

As regards next steps, the agreed text will be put to a vote in the European Parliament Environment Committee (15-16 July) and then in the EP plenary session (October 2015). Finally, the text will be officially endorsed by the Council before publication in the O.J.

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Circular Economy Package

On 28 May the European Commission launched a [stakeholder consultation](#) on the new Circular Economy Package (CEP 2) to be adopted by the end of 2015. The consultation builds on the [Commission Roadmap on the new CEP Strategy](#) published in April and will run until 20 August 2015. A stakeholder meeting that will feed into the consultation process was held on 25 June. Stakeholders are consulted on their preference for minimum durability requirements under the Ecodesign Directive over industry-led self-regulatory measures. The product features that are listed as options to facilitate the transition to a circular economy include durability, repairability, reusability, repair, resource use in the use phase, and water consumption over the life-cycle of a product. Both a voluntary compliance scheme and a mandatory EU framework for sustainability criteria are included as variants.

Through the new CEP, the Commission seeks to move away from a strict focus on waste targets, identify the main barriers to the development of secondary raw material markets and create suitable conditions in view of developing new business models. In addition to a revised proposal on waste policy, the new Package will also include an action plan on the circular economy which will propose concrete measures across the whole value chain and tap into different areas of intervention: materials production and use, product design, distribution, use phase, public procurement, labelling and product information, waste management, extraction of secondary raw materials, construction, water use etc.

At the European Parliament level, on 17 June the ENVI Committee voted on the own-initiative (INI) ENVI report on 'Resource efficiency: Moving towards a circular economy' (rapporteur: Sirpa Pietikainen, FI, EPP). ENVI members supported the rapporteur's proposal to introduce a mandatory 'product passport' that could disclose the materials contained in products. The EU target to increase resource efficiency by 30% by 2030, with national targets for each Member State, was also endorsed by the Committee. Members called on the Commission to introduce resource efficiency indicators to measure consumption, as of 2018. The Commission announced in May that the new CEP is likely to include a dashboard of indicators combining scoreboards for resource efficiency and raw materials. The plenary vote on the ENVI report was held on 6 July.

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Energy

EU Energy Union

On 8 June, EU Energy Ministers adopted conclusions on the implementation of the Energy Union Strategy, focusing on how to provide consumers with secure, sustainable and affordable energy and encourage the investment needed in this area. The draft conclusions highlight how these two aspects, consumers and investments, should be taken into account in the implementation of all five dimensions of the Energy Union.

According to the Energy ministers, building a consumer-orientated Energy Union can be achieved by creating a flexible European market for energy that ensures transparent pricing and maximises competition. In this context, the European Commission announced the adoption of two initiatives: a new market design and a retail market, both putting the consumers at the heart of the Energy Union. These initiatives are expected to be released on 8 July but [leaked documents](#) are widely available.

The European Commission presented the process governing the Energy Union. Concretely, a first State of the Energy Union address will be held at the December European Council. The Council stressed that regional cooperation is at the centre of governance of the Energy Union.

The next Presidency of the Council of the European Union will be held by Luxembourg. The implementation of the Commission's Strategic Framework for the Energy Union will remain high on Luxembourg's political agenda.

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Energy Security Strategy

It is now just over a year since the [European Energy Security Strategy](#) was adopted. During their Council Meeting on 8 June, EU Energy Ministers said that security of energy supply, a key consumer requirement, can be boosted by reducing the EU's energy dependency and diversifying its energy suppliers and sources, in particular in the EU's most isolated energy markets. The Council stressed the need for further action to reduce the EU's energy dependence and increase its energy security for both electricity and gas. To this end, infrastructure projects must be accelerated and critical Projects of Common Interest (PCIs) in the gas sector must be implemented to ensure diversification of energy suppliers and routes and ensure market functioning.

On 18 June (Energy Dependence Day), the EU became 100% dependent on energy imports for the remainder of the year. The EU spends more than €1 billion every day to import the energy it needs.

The European Parliament took a vote on the [European Parliament Report on Energy Security](#) on 10 June 2015. This resolution called for a fundamental change in the way the EU supplies, distributes and consumes energy. The document was supposed to be a draft Parliament response to the above-mentioned European Energy Security Strategy, but this resolution was rejected by 277 votes in favour, 315 against and 111 abstentions.

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Energy Efficiency Directive

In March 2015, the European Commission brought legal action against every Member State of the European Union, with the sole exception of Malta, over failures to translate the EU's Energy Efficiency Directive (EED) into national law. Now, the European Commission has referred Greece to the ECJ for not implementing the EED. Greece is facing a daily financial penalty of €29,145.60 and Hungary is being fined €1544 daily. Final warnings have been sent to Austria, Bulgaria, Croatia, Germany, Ireland, Latvia, Portugal and Romania.

A review and stronger enforcement of the EED will be part of the European Commission's work programme for 2016.

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⇒ PUBLICATIONS/EVENTS/CALLS

Publications

- CEN-CENELEC, "[CEN-CENELEC Annual Report](#), parts 1-2-3", 12 June 2015.
- Science for Environment Policy, "[Exploring the Links Between Energy Efficiency and Resource Efficiency](#)", June 2015.
- The Coalition for Energy Savings, "[Implementing the EU Energy Efficiency Directive: Analysis of Member States plans to implement Article 5](#)", May 2015.
- EP Policy Department A: Economic and Scientific Policy, "[Resource Efficiency Indicators](#)", May 2015.
- ERECON, "Report on the [Strengthening of the European Rare Earths Supply Chain - Challenges and policy options](#)".

Events

- Bruegel, "[Productivity, innovation and digitalisation: which global policy challenges?](#)", Brussels, Belgium.
- Motiva Oy, "[eeemods'15 conference – energy efficiency in motor driven systems](#)", 15-17 September 2015, Helsinki, Finland.
- MyEnergy, "[SET Plan conference 2015 "Research, innovation and competitiveness for the Energy Union"](#)", 21-22 September, Luxembourg.
- CFM, "[17th International Metrology Congress](#)", 21-24 September 2015, Paris, Belgium.
- ICBR, "20th International Congress for Battery Recycling ICBR 2015", 23-24 September, Montreux, Switzerland.
- 2015 CECE-CEMA Summit "[Smart Regulation for Smart Machines](#)", 23-24 September, Brussels, Belgium.

Growth (DG ENTR and MARKT merger)	Consultations	Calls for tenders		Events
Environment	Consultations	Calls for tenders		Events
Energy	Consultations	Calls for tenders		Events
Research	Consultations	Calls for tenders	FP7 Calls	Events

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