



Highlights

Economy, finance and tax

- **ESMA updates list of national measures on short selling** (29/09/2011)

France, Greece, Italy and Spain renew temporary measures on short-selling and short positions, the European Securities and Markets Authority announces.

- **New low in economic sentiment for September** (29/09/2011)

In September, the Economic Sentiment Indicator (ESI) declined strongly by 3.4 points in both the EU and the euro area, reaching the level of 94.0 and 95.0, respectively. The decrease reflects broad-based cross-sector deterioration in sentiment, with particularly strong losses in confidence in industry and services.

- **A tax on financial transactions for 2014** (28/09/2011)

The proposed tax will be made on all transactions between financial institutions when at least one is located in the EU. Shares and bonds will be taxed at 0.1% and derivative contracts at 0.01%, raising about €57bn a year.

- **Internal governance guidelines published for credit institutions**

(27/09/2011)

The European Banking Authority's guide strengthens and consolidates rules to improve supervision by national authorities. The guidelines are expected to be implemented by 31 March 2012.

- **July 2011 Euro area external trade surplus 4.3 bn but euro 8.0 bn euro deficit for EU27** (18/09/2011)

The first estimate for euro area (EA17) trade with the rest of the world in July 2011 gave a 4.3 bn euro surplus, compared with +4.7 bn euro in July 2010.

- **Deal on economic governance legislation** (16/09/2011)

Finance ministers of all the member states reached agreement on a package of six legislative acts (the "six-pack") to strengthen economic governance in the European Union, and more specifically in the eurozone.

- **Interim economic forecast: recovery stalls** (16/09/2011)

EU growth projected to come to a near standstill by the end of 2011 due to sovereign debt crisis and

financial market turmoil.

- **Public finances report examines evolving fiscal policies** (12/09/2011)

The 2011 report looks at recent developments in EU countries, analyses new ways of assessing debt sustainability and describes proposed reforms to budgetary surveillance.

Business

- **Business Climate Indicator continues to fall** (29/09/2011)

In September 2011, the Business Climate Indicator (BCI) for the euro area fell for the seven month in a row and is now in slightly negative territory. The steady fall observed since March indicates a further slowdown, although growth in euro-area industry output remains positive.

- **The Single Market through the eyes of the people: a snapshot of citizens' and businesses' views** (26/09/2011)

European citizens are, in general, satisfied with the possibilities that the Single Market offers in terms of a bigger choice of products (74%), more jobs (52%) and fair competition (47%).

- **Enterprise Europe Network expands in Asia and Africa** (26/09/2011)

The network, which supports Europe's SMEs in rapidly growing markets, opens new contact points in Japan and doubles its branches in China. North Africa is also being targeted, especially Tunisia, Egypt and Morocco.

- **EU Industry: Economic recovery continues at a slower pace** (19/09/2011)

In the last three months to July 2011, manufacturing production was 4.5% higher than a year ago, but was almost unchanged compared to the first quarter.

- **July 2011 compared with June 2011 Construction output up by 1.4% in euro area** (19/09/2011)

In the construction sector, seasonally adjusted production rose by 1.4% in the euro area (EA17) and by 0.3% in the EU27 in July 2011, compared with the previous month. In June, production decreased by 1.3% in the euro area and by 1.1% in the EU27.

- **Small enterprises at the forefront in restoring growth** (14/09/2011)

The SME Envoys met in Brussels to shape a strategy aimed at freeing the growth potential and competitiveness of SMEs.

- **Performers' copyright extended to 70 years** (12/09/2011)

The Council adopted a directive which extends the period of protection of the rights of performers and phonogram producers on music recordings within the EU from the current 50 years to 70 years.

- **Reducing red tape for very small businesses** (12/09/2011)

The Council adopts its first reading position on a directive aimed at exempting "micro-entities" from accounting and financial reporting. The draft directive now goes before Parliament.

Euro

- **EU raises €1.1bn more in loans for Ireland and Portugal** (30/09/2011)

The bonds were placed through the European Financial Stabilisation Mechanism. From the proceeds Ireland will receive €500m and Portugal €600m in loans as part of their financial assistance packages.

- **Ireland and Portugal: €4bn raised through 15-year bond** (22/09/2011)

The EU places the bonds under the European Financial Stabilisation Mechanism to help Ireland and Portugal. Each country will receive €2bn as loans.

- **Euro area annual inflation stable at 2.5%** (15/09/2011)

Inflation remained unchanged in August compared with July in the euro area. EU inflation was also stable at 2.9%. The lowest rate was recorded in Ireland (1%); the highest was in Estonia (5.6%).

- **Commission proposes better financial terms for EU loans to Ireland and Portugal** (14/09/2011)

The Commission wants to reduce interest rate margins and extend maturities for EU loans to the two countries via the European Financial Stabilisation Mechanism. The proposals need Council's approval.

- **EU to issue new 10-year benchmark bond for Portugal** (12/09/2011)

The bond will fund lending to Portugal and is expected to be granted this week under the European Financial Stabilisation Mechanism.

- **Ireland on the right track according to third review mission**

(09/09/2011)

The mission led by the Commission, the European Central Bank and the IMF shows that significant progress has been made in fiscal consolidation, strengthening of the financial sector and growth-enhancing.

- **Interest rates stay unchanged** (08/09/2011)

European Central Bank keeps interest rates on the main refinancing operations, the marginal lending facility and the deposit facility at 1.5%, 2.25% and 0.75% respectively.

- **Second quarter of 2011 Euro area GDP up by 0.2% +1.6% compared with the second quarter of 2010** (06/09/2011)

GDP increased by 0.2% in both the euro area and the EU during the second quarter of 2011, compared with the previous quarter. In the first quarter of 2011, growth rates were +0.8% in the euro area and +0.7% in the EU27.

- **Fifth review mission by EC, ECB and IMF temporarily leaves Athens**

(02/09/2011)

The team's decision should allow Greek authorities to complete technical work on growth-enhancing reforms and on the 2012 budget. The mission expects to return to Athens by mid-September.

- **EU leaders agree to next round of assistance for Ireland and Portugal**

(02/09/2011)

The Council today adopted two decisions (13570/11 + 13334/11) paving the way for the release of the next installments of financial assistance to Ireland (EUR 7.5 billion) and Portugal (EUR 11.5 billion).

Employment and social policies

- **August unemployment rates unchanged** (30/09/2011)

The average unemployment rate was 10% in the euro area and 9.5% in the EU, the same as July.

Compared with a year ago, the rate fell in 16 EU countries, increased in ten and remained stable in Romania.

- **Report on EU pay trends 2010** (19/09/2011)

In 13 countries nominal wage increases were lower in 2010 than in 2009. The report also finds that in many countries collective pay agreements did not compensate for higher inflation.

- **EU law protects transferred workers from salary reduction** (06/09/2011)

Workers under a collective agreement do not lose their rights due to a transfer. The law extends to those employed by a public authority of an EU country and taken over by another public authority.

Regional policy funds

- **Court of Auditors evaluates co-financed tourism projects** (07/09/2011)

The audit finds that 58% of the projects surveyed created or maintained jobs and 73% increased tourism capacity. The projects received about €4.6bn from the European Regional Development Fund.

EU explained

- **EU budget achieves 97% implementation rate in 2010** (30/09/2011)

The annual financial report details how the EU spent and managed its €120.49bn budget in 2010. It sets out spending on the EU's main programmes and allocations by each member state.

- **Better reporting picks up more misuse of EU funds** (29/09/2011)

Reported irregularities and suspected fraud increased in 2010 due to more effective monitoring. The Commission calls on EU countries that have not yet implemented the new system to do so urgently.

- **Infringement procedures against EU countries fall** (29/09/2011)

Nearly 2100 infringement cases were launched in 2010, 28% less than in 2009. EU Pilot, a new electronic platform for exchanging information between the Commission and 25 EU countries, played a major role.

- **Renewing Europe** (28/09/2011)

Commission President José Manuel Barroso sets out a EU strategy for sustainable growth and jobs in his annual State of the Union speech to the European Parliament.

- **Economic recovery a priority** (02/09/2011)

Better economic governance, new assistance for Greece and reform of the banking sector are among the measures that need to be implemented for economic recovery and job creation.

EU Enlargement

- **Kosovo and Serbia ready to lift mutual embargoes** (02/09/2011)

Both parties signed an agreement authorising “Kosovo Customs” stamps, ending the mutual trade embargoes on Serbian and Kosovan products. Under a second agreement the parties will establish a reliable cadastre for Kosovo.

External relations and foreign affairs

- **EU bans import of Syrian oil** (02/09/2011)

The purchase, import and transport of oil and other petroleum products are prohibited. The EU has also added four more persons and two entities to its asset freeze and travel ban list.