

## NEWS FROM BRUSSELS 27/2022

### **European Commission adopts proposal for new package of measures to support the effectiveness of sanctions against Russia**

On 15 July, the EU Commission has presented a joint (High Representative-Commission) proposal. The “maintenance and alignment” package is supposed to strengthen legal certainty for operators and support the implementation by Member States. It also further aligns the EU's sanctions with those of allies and partners, in particular in the G7. The package introduces a new import ban on Russian gold, while reinforcing the dual use and advanced technology export controls: [Implementation of EU sanctions against Russia \(europa.eu\)](#)

### **Informal Meeting of EU competitiveness ministers (internal market and industry) took place in Prague on 19-20 July**

EU competitiveness ministers met in Prague to discuss how to increase the added value, innovation and competitiveness of the entire EU across regions. The main emphasis was placed especially on regions that, according to the Regional Innovation Score, are lagging behind. These regions are often rural regions or geographically remote regions. Delegates from the European Economic Area together with representatives of the European Commission also addressed ongoing transformations such as decarbonisation, digitalisation, building resilience and open strategic autonomy: [Ministers for the Internal Market and Industry met in Prague \(europa.eu\)](#)

### **European Central Bank (ECB) announces to raise the three key interest rates by 0,5 %**

On 21 July, the Governing Council of the ECB decided to take further steps to make sure inflation returns to its 2% target over the medium term. The Governing Council wants to raise the three key ECB interest rates by 50 basis points. Accordingly, the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will be increased to 0.50%, 0.75% and 0.00% respectively, with effect from 27 July 2022: [Monetary policy decisions \(europa.eu\)](#)

### **CO2 performance standards: Council Working Party “Environment” exchanges on European Parliament position**

On 15 July, the Council Working Party on the Environment has discussed the compromise amendments of the European Parliament regarding the revision of CO2 performance standards. In preparation of the trilogue negotiations, the Council Presidency is mainly looking to sound out potential flexibilities of the Member States. Many delegations were pointing out that the compromise amendments have not yet been fully examined, therefore the general approach should be guiding the discussions. The delegations can still send written comments until 29 July. The trilogue negotiations are meant to start at the beginning of September.

**European Court of Justice rules that Software in diesel vehicles which reduces the effectiveness of the emission control system at normal temperatures constitutes a prohibited defeat device**

On 14 July, the Court of Justice of the European Union published their ruling in Cases C-128/20, C-134/20 and C-145/20. By these judgments, the Court finds that a device which ensures compliance with the NOx emission limits only in the temperature window does in principle constitute a defeat device prohibited under Article 5(2) of Regulation No 715/2007. The Court points out, in that regard, first, that ambient temperatures below 15 °C are to be considered as normal. Second, emission limits laid down at EU level must be observed even where those temperatures are significantly below 15 °C. Accordingly, software such as that at issue reduces the effectiveness of the emission control system under conditions of normal use: [Software in diesel vehicles which reduces the effectiveness of the emission control system at normal temperatures during most of the year constitutes a prohibited defeat device \(europa.eu\)](https://european-courts.eu/en/press-releases/2021/07/14/european-court-of-justice-rules-that-software-in-diesel-vehicles-which-reduces-the-effectiveness-of-the-emission-control-system-at-normal-temperatures-during-most-of-the-year-constitutes-a-prohibited-defeat-device)

*The Alliance of European Car Dealers and Repairers (AECDR) represents and promotes the interests of 57,500 franchised dealers and authorised repairers. In total these companies employ 1.175,000 people.*