

NEWS FROM BRUSSELS 31/2022

European Commission prepares package of three measures to deal with rising electricity prices

According to a 'non paper' leaked on 1 September, the EU Commission is preparing a package of three interrelated measures to tackle the rising electricity prices across Europe: (1) coordinated reduction of electricity demand; (2) price capping for sub-marginal power generation technologies; (3) national measures to support consumers. The Commission wants to introduce a recommendation or obligation for Member States to achieve a static target for reducing overall electricity demand and to reduce peak demand in certain circumstances in the form of a dynamic target. The second measure in the Commission's proposed package is to set a ceiling with regard to the electricity price charged to sub-marginal generators, i.e. generators whose marginal costs are lower than those of gas-fired power plants (most renewables, nuclear and lignite) in order to ensure that they do not benefit from revenues that are significantly in excess of their costs. (see leak in annex 1)

US study finds that Greenhouse gas concentrations in atmosphere hit a new record high in 2021

On 31 August, the American Meteorological Society published a report finding that concentrations of the main greenhouse gases in the atmosphere - carbon dioxide (CO₂), methane (CH₄) and nitrous oxide (N₂O) - all reached new records in 2021. According to the document compiled by the National Environmental Information Centres of the US National Oceanic and Atmospheric Administration (NOAA), the global annual average concentration of CO₂ in the atmosphere was 414.7 parts per million (ppm) last year, 2.3 ppm higher than in 2020. (see report in annex 2)

European Parliament committee approves political agreement on Path to Digital Decade

MEPs on the Committee for Industry, Research and Energy (ITRE) approved on 1 September, the provisional political agreement reached on 14 July by the European Parliament and the EU Council on the Path to the Digital Decade. This Digital Skills, Infrastructure, Enterprise and Public Services Roadmap aims to shape the EU's digital transition by setting EU-wide digital targets to be achieved by 2030. Progress towards the targets set will be reassessed in 2026 and the European Commission will have to evaluate progress in an annual report. Member States will have to develop national trajectories and strategic roadmaps to achieve the planned results: <https://www.europarl.europa.eu/news/en/press-room/20220826IPR38110/digital-roadmap-2030-industry-meps-confirm-agreement-with-council>

ETS/CBAM: Political trilogue will not start before October

The trilogue negotiations between Council, Parliament and Commission regarding the EU-Emissions Trading System (ETS) and the Carbon Border Adjustment Mechanism (CBAM) will be postponed and only taken up again in early October. Meanwhile, the negotiations are continuing on the technical level.

EU Trade Commissioner Dombrovskis met with US Trade Representative Tai to discuss US tax credit on electric cars

On 1 September, EU Trade Commissioner Valdis Dombrovskis met with US Trade Representative Katherine Tai to discuss several current issues in transatlantic relations, but also trade disputes. In particular, Dombrovskis expressed his concerns to Ms. Tai about the US tax credit on electric cars included in the new [inflation reduction law](#). This legislation provides for electric vehicle rebates for individuals, provided that the cars are assembled in North America and that a certain percentage of the battery components come from North America as well. Valdis Dombrovskis noted that discrimination against European producers complicates the electrification of vehicles in the United States and reduces the choice of American consumers who want to switch to electric vehicles: <https://www.politico.eu/article/electric-car-rekindle-transatlantic-trade-war/>

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.