

NEWS FROM BRUSSELS 27/2023

European Commission demands 100% renewable energy use in e-Fuels

In a recent update, the Commission calls for a 100 percent CO₂ reduction for "e-fuels only" vehicles. This stringent requirement is outlined in a preliminary draft of Commission regulations governing vehicles powered exclusively by synthetic fuels, even beyond the forthcoming ban on internal combustion engines set for 2035. Originally, the proposal foresaw an alignment with the Renewable Energy Directive's (RED) definition of e-fuels, which stipulates a minimum CO₂ saving of 70 percent compared to fossil fuels. However, the Commission insisted on a more ambitious goal of 100 percent reduction.

European Commission provides new relief to boost the competitiveness and resilience of SMEs

The European Commission has presented a series of initiatives to address the needs of Europe's small and medium-sized enterprises in the current economic environment. Representing 99% of Europe's businesses, SMEs are essential drivers of Europe's green and digital transitions, but continue to face unpredictability and volatility as a result of a number of crises in recent years. The SME Relief Communication proposes new measures that will provide short-term relief, boost SMEs' long-term competitiveness, and strengthen fairness in the business environment across the Single Market. As part of these measures, the Commission is also publishing new proposals for a Regulation on late payments in commercial transactions and a Directive establishing a Head Office Tax System for SMEs. Additional initiatives aim at further boosting SMEs' access to finance, improving the business environment and supporting SMEs' growth into mid-caps to unleash their full economic potential:

https://ec.europa.eu/commission/presscorner/detail/en/ip_23_4409

Skills shortages, recruitment and retention strategies in small and medium-sized enterprises

Skilled workers are key to the success of small and medium-sized enterprises in Europe according to a recently published Commission survey. 95% of all SMEs say that it is very (82%) or moderately (13%) important for their business model to have workers with the right skills. However, three quarters (74%) of SMEs in Europe say they concretely face skills shortages for at least one job role in their company at the moment. Also, nearly 4 in 5 companies say in the survey it is generally difficult for them to find workers with the right skills, and more than half of them (53%) find it difficult to retain skilled workers:

<https://europa.eu/eurobarometer/surveys/detail/2994>

European Commission Summer 2023 Economic Forecast

The European Commission has presented the Summer 2023 Economic Forecast. The EU economy continues to grow, albeit with reduced momentum. The forecast revises growth in the EU economy down to 0.8% in 2023, from 1% projected in the Spring Forecast, and 1.4% in 2024, from 1.7%. It also revises growth in the euro area down to 0.8% in 2023 (from 1.1%) and 1.3% in 2024 (from 1.6%). Inflation is expected to continue to decline over the forecast horizon. Harmonised index of consumer prices (HICP) inflation is now projected to reach 6.5% in 2023 (compared to 6.7% in the spring) and 3.2% in 2024 (compared to 3.1%) in the EU. In the euro area, inflation is forecast to be 5.6% in 2023 (compared to 5.8%) and 2.9% in 2024 (compared to 2.8%):

https://ec.europa.eu/commission/presscorner/detail/en/ip_23_4408