



Newsletter December 2020

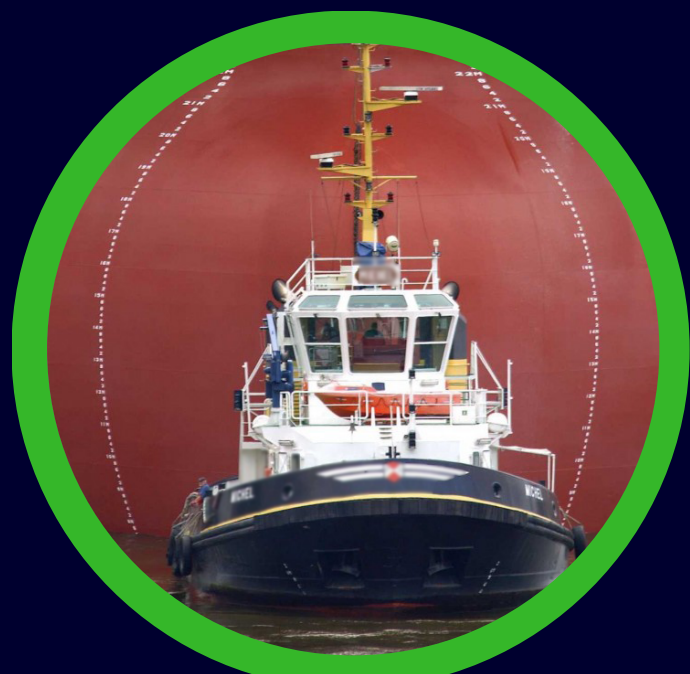
ETA welcomes the Brexit deal as it will avoid EU-UK trade disruptions

The UK and the EU reached a final agreement on the future of their relationship that will maintain trade fluidity and avert disruptions. The two sides avoided a no-deal scenario in the last minute with an agreement that will ensure fair competition, provide predictability and establishes a new economic partnership between the EU and the UK.

The deal will cover trade in goods and services with no tariffs and quotas, and also investment, or social security coordination. But this trade will not be frictionless as merchandises will have to be controlled at the borders, forcing EU and British companies to go through customs formalities, regulatory checks and other type of controls.

When it comes to services, the Agreement ensures that service suppliers from the EU will be treated no less favourably than UK operators in the UK, and vice-versa. Both parties agreed to ensure a level playing field by maintaining high levels of protection and similar standards in areas such as environment, social and labour rights or state aid, with an enforcement and dispute settlement mechanism.

If the UK and the EU diverged in these fields, the deal provides for the possibility to apply unilateral rebalancing measures. As the text will not be ratified by the EU institutions before the end of year, the EU Commission proposed to apply the Agreement provisionally as of 1st January 2021. ETA applauds this decision as it will help avoiding disruptions to people and companies once the transition period comes to an end on December 31st.





ETA welcomes the EC's new Sustainable and Smart Mobility Strategy

The European Commission presented on December 10th its new Sustainable and Smart Mobility Strategy. The document will be the foundation for all the EU transport policy and legislative initiatives in the coming years. The measures outlined in the document will help the sector to achieve the objectives set up in the European Green Deal, such as a 90% cut in emissions by 2050. Moreover, the strategy also aims at supporting the development of a smarter, fairer, and more competitive and resilient mobility in Europe.

The document includes a series of initiatives that will have a positive impact on the European maritime sector as its commitment to further support the modal shift towards short sea shipping. Concerning the strategy's main focus, emissions reduction, the EC is going to review its legislation to make it more coherent and effective and enforce the "polluter pays" and "user pays" principles. In this regard, the EC will review the Ship-Source Pollution Directive, propose the inclusion of maritime emissions in the Emissions Trading System and put an end to fossil-fuel subsidies and tax exemptions.

Regarding the upcoming Fuel EU Maritime initiative, included as well in this Strategy, ETA stressed the need to respect technology neutrality in order not to tie the greening efforts to any specific option. In this respect, ETA believes that the proposed Renewable and Low-Carbon Fuels Value Chain Alliance could help researchers identify opportunities and strengthen the innovative waterborne sector ecosystem.



The EU and China reach an agreement in principle on investment

The EU and China concluded in principle the negotiations for a Comprehensive Agreement on Investment (CAI). With this deal China commits to a greater level of market access for EU investors than ever before, including some new sectors like financial services, environmental services or international maritime transport.

China also agrees to ensure fair treatment for EU companies so they can compete on a better level playing field, including aspects like state owned enterprises, transparency of subsidies and rules against the forced transfer of technologies. Moreover, and for the first time, China has also agreed to commit on sustainable development, including the ratification of ILO fundamental Conventions that could suppose the banning of force labour.

These commitments on sustainable matters will be subject to a enforcement mechanism by an independent panel of experts, a formula used in other trade agreements signed by the EU. The deal also includes guarantees that will make it easier for European companies to go through Chinese bureaucracy and obtain authorisations to invest or operate in China. Both sides are now working towards finalising the text of the agreement, which will need to be legally reviewed and translated before it can be submitted for approval by the EU Council and the European Parliament.



Portugal takes the helm of the Council of the EU

Portugal has replaced Germany at the Presidency of the Council of the EU for the first semester of 2021. The Portuguese Presidency's main objectives are the European economic recovery by supporting a fair green and digital transition, while strengthening the EU's strategic autonomy. The Portuguese Presidency will actively contribute to unblock the new Next Generation EU Funds as soon as possible in order to support the EU's economy recovery.

The Presidency is putting a lot of emphasis on the fairness of this recovery, and thus, it will chair the negotiation of a directive on adequate minimum wages, and promote the development of appropriate skills for a modern and digital economy. Moreover, the Presidency will prioritise the completion of a new European Strategy on Safety and Health at Work. Concerning maritime policy, the Presidency will organize a high-level conference on sustainable oceans in the Azores and a ministerial conference on integrated maritime policy in Lisbon, both in June.