



**Brussels, 23 November 2018**

#### **POLITICAL DECLARATION PUBLISHED WITH LOOMING BREXIT DEAL**

The draft Political Declaration on the future EU-UK relationship was released after a fruitful meeting between UK Prime Minister May and Commission President Juncker. Like the outline document circulated by the Commission earlier this month, this 26-page document encompasses both an economic cooperation and a security partnership. This non-binding declaration remains a rather vague document with few details on substance, leaving the door open for many changes in the future. PM May will meet again with President Juncker on 24 November before EU leaders gather on Sunday to (presumably) sign off the deal on the Withdrawal Agreement and the accompanying Political Declaration.

#### **TRILOGUE AGREEMENT ON FOREIGN DIRECT INVESTMENT SCREENING**

The Council and the European Parliament reached a provisional political deal a Regulation on foreign investment screening, aimed at allowing better coordination and enhance information sharing between Member States and the Commission. Under the agreed new rules, Member States will retain the competence over their national screening mechanisms as well as the decision on whether to create such a system. Besides, national screening mechanisms will have to be in line with general principles as regards non-discrimination, confidentiality and right to legal redress. Before entering into force, the Council and the Parliament must still formally endorse the new Regulation, which will now undergo technical finalisation.

#### **PARLIAMENT AND COUNCIL AGREE ON NEW RULES FOR BANKING CAPITAL REQUIREMENTS**

After six months of negotiations, the European Parliament and the Council reached a political deal on the so-called risk reduction measures (RRM) package. The agreement sets out the new bank capital requirements regime, implementing the Basel III reforms through changes to CRR/CRD and BRRD/SRMR. Technical trilogues will continue in the coming days in order to bring together the final texts on a few outstanding issues, including remuneration and shadow banking. The agreement is now expected to be endorsed by Coreper and subsequently ECOFIN, before the European Parliament gives its final green light for entry into force.

#### **EUROGROUP CONTINUES TALKS ON BANKING UNION AND ESM REFORM**

The Eurogroup met in the inclusive format of 27 Member States to discuss the deepening of the Economic and Monetary Union, ahead of the December Euro summit meeting. Ministers notably deliberated on the completion of the Banking Union – taking note of progress achieved on risk reduction and discussing the establishment of a common backstop to the Single Resolution Fund – as well as on the reform the European Stability Mechanism (ESM) – including on the cooperation between the ESM and the Commission. The Eurogroup will reconvene on 3 December to finalise the recommendations to be delivered to Leaders at the 14 December Euro Summit.

#### **TRANSPORT COMMITTEE ADOPTS REPORT ON AUTONOMOUS DRIVING**

MEPs in the European Parliament's Transport Committee approved a draft report on autonomous driving in European transport. Rapporteur Wim van de Camp (EPP, NL) calls on the Commission to

present a strategy regarding data access and cybersecurity, whilst ensuring a technology neutral and market ready approach. A plenary vote will take place in January 2019. It is expected that the views of the Parliament will be taken on board by the Commission during the forthcoming Recommendation on Cooperative, connected and automated mobility (CCAM), expected to be adopted next year.

#### **COMING UP NEXT WEEK**

- **25 November: Special meeting of the European Council (Art. 50).**
- **26 November: Foreign Affairs Council (Development).** On the agenda: Africa-Europe alliance, gender and human rights.
- **26-27 November: Education, Youth, Culture and Sport Council.** On the agenda: European Solidarity Corps 2021-2017, Erasmus+, Creative Europe programme 2021-2027.
- **28-29 November: Brussels Plenary Session of the European Parliament.** On the agenda: Single market package, long-term EU greenhouse gas emissions reduction, border control at internal borders, common rules for the operation of air services.
- **29-30 November: Competitiveness Council.** On the agenda: internal market and industry, space and research.
- **30 November – 1 December: G20 Summit in Argentina.** On the agenda: future of work, infrastructure for development, food security.

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