



Brussels, 8 February 2019

AGREEMENTS REACHED TO MODERNISE EU FINANCIAL MARKETS

Co-legislators in the European Parliament and Council agreed on new rules on investment fund market and market infrastructure that will modernise the EU financial markets. On the one hand, the new rules on the so-called cross-border distribution of funds framework will make it easier, quicker and cheaper for EU asset managers to sell funds to a wider range of investors. On the other hand, the targeted reform of the European Market Infrastructure Regulation (EMIR) will introduce simplified reporting rules for trading of derivatives and more proportionate access to clearing. Both political agreements will now undergo further technical work before the institutions can formally adopt the final texts.

GROWTH PREDICTIONS FOR EU ECONOMY REVISED DOWNWARDS

The European Commission published its Winter 2019 Economic Forecast, which predicts moderate growth rates amidst high uncertainty for EU and euro area economies. Although all Member States are expected to grow in 2019, there is a downward revision (from the Autumn 2018 predictions) due to trade tensions, the slowdown in emerging markets (notably China), and rising concerns about the sovereign-bank loop and debt sustainability. As a result, GDP growth in both the euro area and the EU is predicted at 1.9%, down from 2.4% in the last forecast. The next comprehensive forecast by the Commission will be released in May.

DEFINITIVE SAFEGUARD MEASURES ON IMPORTS OF STEEL PRODUCTS ENTER INTO FORCE

The European Commission published a regulation imposing definitive safeguard measures on imports of steel products, thereby replacing the provisional ones in place since July 2018. These measures, which are fully in line with WTO commitments, concern 26 steel product categories and consist of tariff-rate quotas above which a duty of 25% will apply. The system is similar to that of the provisional measures, with some modifications that minimise trade disruptions and preserve traditional trade arrangements in terms of quantities and origins. The measures are expected to remain in place for a period up to three years but can be reviewed in case of changed circumstances.

EU AGREEMENT ON WORKERS' RIGHTS

The European Parliament struck a deal with the Council on minimum rights for workers with on-demand, voucher-based or platform jobs, such as Uber and Deliveroo. The new rules determine that when a worker passes a threshold of working three hours per week and 12 hours per four weeks on average, and fulfils conditions defined by case law of the Court of Justice, he/she will be entitled to predictable working hours and deadline for cancellation, protection from abusive practices, right to have more than one job, and free mandatory training. The deal will now be confirmed by a committee and an April plenary vote.

COMMISSIONERS PROPOSE ETHICAL GUIDELINES FOR EU ELECTIONS

The Commission set out practical guidance on ethical standards for members of the College of Commissioners who wish to campaign for the European Parliament elections in May. Those intending to run must inform the President of the Commission and ensure institutional continuity for the

performance of their duties. They should also distinguish between statements made in their formal role and as campaign participants, including on social networks. Finally, they will not be allowed to use the Commission's human or material resources. In case of breach, the President is entitled to take appropriate measures. The guidelines enter into effect immediately.

COMING UP NEXT WEEK:

- **11 February: Eurogroup.** On the agenda: post-programme surveillance (IE and PT), Commission's winter economic forecast, deepening of EMU.
- **11-14 February: European Parliament plenary session.** On the agenda: debate with PM of Italy of the Future of EU, EU-Singapore Partnership Agreement, situation in Syria.
- **12 February: Economic and Financial Affairs Council.** On the agenda: financial supervision architecture, decision-making in EU tax policy, EU budget

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