

POLITICS

The European Parliament was officially constituted in mid-July in Strasbourg, following the European elections on 6-9 June. MEPs then elected the presidency of the new parliamentary term: all 14 vice-presidents and 5 quaestors were elected.

Von der Leyen will remain the head of the European Commission. In a secret election, the European Parliament confirmed Ursula von der Leyen as President of the European Commission for another five-year term. The German politician received 401 votes; the European Parliament has 720 members.

The 2024 Summer Olympics, officially the Games of the XXXIII Olympiad are being held in Paris, France. Along with London, Paris thus became the second city in history to host the games for the third time. The Summer Olympics were also held here in 1900 and 1924.

The EU will send Ukraine 1.5 billion euros from the proceeds of frozen Russian assets. As part of its support for Ukraine, the European Union has released the first payment of money from the proceeds of frozen Russian assets. In this way, Ukraine will receive funds to strengthen military capacities and rebuild the country.

EU countries need additional investments in digital skills, high-quality connectivity, and uptake of Artificial Intelligence in different fields. These are the main conclusions of the second report on the State of the Digital Decade, which assesses the progress made in achieving the digital objectives and targets set for 2030.

An EU law has come into force that will enable the setting of ecodesign requirements and information for almost all categories of physical goods that come onto the EU market. It aims to significantly improve the circularity, energy performance and other environmental sustainability aspects of products placed on the EU market.

The European Commission plans to impose tariffs on cheap goods from Chinese e-shops such as Temu, Shein and AliExpress. It intends to achieve this by abolishing the current limit of 150 euros, up to which shipments from countries outside the EU are exempt from customs fees. Imports of goods purchased online have more than doubled in a year.

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ECONOMY

In the second quarter of 2024, seasonally adjusted GDP increased by 0.3% in the EU, compared with the previous quarter. Compared with the same quarter of the previous year, seasonally adjusted GDP increased by 0.7%. Ireland (+1.2%) recorded the highest increase compared to the previous quarter, followed by Lithuania (+0.9%). The highest declines were recorded in Latvia (-1.1%) and Sweden (-0.8%).

In the EU, household real consumption per capita increased by 0.2% in the first quarter of 2024, after an increase of 0.2% in the previous quarter. At the same time, household real income per capita increased by 1.6% in the first quarter of 2024, after an increase of 0.6% in the fourth quarter of 2023.

EU annual inflation was 2.6% in June 2024, down from 2.7% in May. A year earlier, the rate was 6.4%. The lowest annual rates were registered in Finland (0.5%) and Italy (0.9%). The highest annual rates were recorded in Belgium (5.4%) and Romania (5.3%). Compared with May 2024, annual inflation fell in 17 Member States, remained stable in one and rose in nine.

The EU's production of manufactured goods registered a decrease of 1.2% in 2023 compared with 2022. In nominal terms, the EU's value of sold production went up from €5 895 billion in 2022 to €5 992 billion in 2023, indicating a 1.6% increase.

In 2023, the expected average duration of working life for 15-year-olds in the EU was 36.9 years. However, the expected average duration of working life varied broadly among EU countries. The highest were recorded in the Netherlands (43.7 years), and Sweden (43.1 years). By contrast, the lowest working life durations were recorded in Romania (32.2 years) and Italy (32.9 years).

SECTORS

Europeans launched their new space rocket and Czechs also took part in it. The new European Ariane 6 rocket took off from the spaceport in French Guiana. After about an hour of flight, it managed to place miniature satellites into orbit. Three parts of the rocket are also produced by the Czech company ATC Space from Klautov in the Pilsen region.

The European Commission has authorized the German airline Lufthansa to take a 41% stake in the loss-making Italian state-owned airline ITA Airways under certain conditions. The price of the stake is 325 million euros.

After its decision to construct a factory in Hungary, China's BYD, the world's largest manufacturer of electric cars, agreed with the Turkish government to build a billion-dollar factory on its territory. The factory will have an annual capacity of 150,000 cars and employ 5,000 people. Production should start by the end of 2026. This is an attempt to avoid the duties that the European Commission has imposed on the import of electric cars from China. In the case of the BYD car manufacturer, the additional duty is 17.4% (i.e. on top of the existing 10% duty).

FOCUS ON ENERGY

The Germans started construction of the first land-based LNG terminal. Construction of the first onshore LNG terminal in Germany has begun in Stade at the mouth of the Elbe into the North Sea. It is to be commissioned by the Hanseatic Energy Hub consortium in 2027.

In 2023, EU renewable sources beat fossil fuels by a wide margin in electricity production. According to preliminary data from Eurostat, renewables already accounted for 44.7% of electricity production in the EU in 2023 (a 12% increase in production compared to 2022), while fossil sources supplied "only" 32.5% (a year-on-year decrease of 19.7%).

The Italian company Energy Dome has started building the first CO₂ battery in Sardinia. The huge carbon dioxide-filled storage tank, which is expected to start commercial operation later this year, works by compressing the CO₂ into a liquid state with a compressor when there is an excess of electricity, thereby storing energy.

EU CALENDAR

Meetings of EU institutions

- *Plenary Session of the European Parliament on 16 - 19 September*
- *European Economic and Social Committee on 17 September*
- *Agriculture and Fisheries Council on 23 September*
- *General Affairs Council on 24 September*