



NEWSLETTER 2/2008

New plans to counter illegal logging announced on 19th March 2008 by the EU Commissioner for the Environment, Stavris Dimas

The announcement came following the submission of a report made by the NGO Friends of the Earth. The report claims that half the timber imported by the EU is being illegally felled in questionable regions such as Central Africa, the Amazon, Russia and Indonesia. Additionally, the claim is made that illegally felled wood has been used in a series of EU-financed construction projects amongst which the example of the EU Commission Berlaymont building in Brussels is cited.

Commissioner Dimas hopes to have the first draft of regulations ready as early as May. FEBO is following the decision process closely and will take any action necessary as soon as the draft is available.

EU Agriculture Council also concerned with additional measures against illegal timber felling

On 18.02.2008 the Agriculture Council in Brussels discussed the Dutch application for additional measures to combat illegal timber felling. The Commission accepted the proposal and confirmed a tightening of measures including provisions taken from CITES.

EU Commission is planning to reform reduced VAT rates

On 11th March the EU Commission announced the publication in July of proposals for a standard European reduced VAT rate. The underlying background is the possibility of charging a lower VAT rate for certain goods and services than the EU minimum rate of 15 %. In the past, individual states have been allowed additional exemptions to their national special regulations. This has led repeatedly to controversy within Ecofin as other member states wish to apply reduced rates for various sectors. Several EU countries such as France, Belgium and Luxembourg have allowed the ruling for the timber trade in the past. According to these FEBO member states the special arrangement has contributed to increased use of timber in their countries.

The EU Council of Ministers pass VAT package

On 12th February 2008 the EU Council of Ministers passed new rules on the place of supply of services. From 1st January 2010 VAT is to be levied on services in the country in which the services have been rendered (i.e. in the place where the client is situated). At the same time a new procedure to speed up the processing of reimbursement of taxes will be introduced.

Standard Single Euro Payments Area (SEPA) also planned for card payments

Since 28.01.2008 credit institutes offer the SEPA transfer parallel to the familiar national procedures. In contrast to the usual cashless payments, the international bank account number – IBAN – and the standard bank identifier code – BIC – are to be used across Europe. From January 2008 the conditions for a standard European electronic card market have also been put in place. Cash withdrawals from cash points or trade accounts are now possible within Europe irrespective of the place of use. For reasons of legal security, however, it is necessary that the Directive on Payment Services for the EU-wide single market for payments is incorporated into national legislation by 2009.

Cleaner trucks and buses thanks to the tightening of limits for nitrogen oxides and particulate matter emissions (Euro VI)

A Commission proposal is designed to decrease emissions of nitrogen oxides by 80 % and particulate matter by 66 % compared to the Euro V stage. The new Euro 6 standard is an important contribution to the further improvement of the quality of air in Europe. The proposal also represents progress in global harmonisation as it contains similar limits to those already in force in the USA. Furthermore current legislation will be simplified as directives (which need to be transposed in 27 different national legislations) will be replaced by directly applicable regulations. The Euro VI emissions standards are due to come into force in 2013. The proposal has been subject of stakeholder and internet consultations and will now be discussed in the European Parliament and the Council of Ministers.

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