

**NEWS FROM BRUSSELS 4/2021**

**ACEA: COVID recovery expected to start in 2021**

After a year that saw the sharpest drop ever in EU car sales due to the COVID-19 pandemic, the European Automobile Manufacturers' Association (ACEA) forecasts that 2021 will mark a first step on the path to recovery, with sales rising by about 10% compared to 2020. The fallout of COVID is expected to persist into the first quarter of 2021, but the car market should pick up in the second half of the year as vaccination programmes progress: <https://www.acea.be/press-releases/article/eu-car-sales-covid-recovery-expected-to-start-in-2021-auto-industry-says>

**European Parliament: Carbon levy on EU imports needed to raise global climate ambition**

The Committee on Environment, Public Health and Food Safety adopted a resolution on a WTO-compatible EU carbon border adjustment mechanism (CBAM). The resolution underlines that the EU's increased ambition on climate change must not lead to 'carbon leakage' as global climate efforts will not benefit if EU production is just moved to non-EU countries that have less ambitious emissions rules. MEPs therefore support the introduction of a WTO-compatible CBAM to place a carbon price on imports of certain goods from outside the EU, if these countries are not ambitious enough about climate change. This would create an incentive for EU and non-EU trade industries to decarbonize in line with the Paris Agreement objectives: <https://www.europarl.europa.eu/news/en/press-room/20210201IPR96812/carbon-levy-on-eu-imports-needed-to-raise-global-climate-ambition>

**Commission officially started "Horizon Europe"**

Horizon Europe is a research and innovation framework programme running from 2021-2027 which will incorporate research and innovation missions to increase the effectiveness of funding by pursuing clearly defined targets. The Commission has engaged policy experts to develop studies, case studies and reports on how a mission-oriented policy approach will work: [https://ec.europa.eu/info/sites/info/files/research\\_and\\_innovation/strategy\\_on\\_research\\_and\\_innovation/presentations/horizon\\_europe\\_en\\_investing\\_to\\_shape\\_our\\_future.pdf](https://ec.europa.eu/info/sites/info/files/research_and_innovation/strategy_on_research_and_innovation/presentations/horizon_europe_en_investing_to_shape_our_future.pdf)