

## **ESMA reminds UK-based regulated entities about timely submission of authorisation applications**

In particular, ESMA emphasises the importance of the timeline to submit requests for authorisation to the National Competent Authorities (NCAs) and ESMA for regulated entities (entities) wishing to relocate in the context of the United Kingdom withdrawing from the European Union. On 30 March 2019, firms must have a fully authorised legal entity located in the EU27 to continue providing services in the EU27.

ESMA has seen an increase in the number of authorisation requests submitted to EU27 authorities. Against this background, ESMA urges entities wishing to relocate to the EU27 to submit their application for authorisation as soon as possible to allow it to be processed before 29 March 2019. Some NCAs have already been clear to entities that, unless an application is received in the month of June/July, there is no guarantee that authorisation will be achievable before 29 March 2019.

ESMA reminds entities that the time required to analyse an authorisation request depends primarily on the quality of the application file and encourages entities to be complete and accurate in their filing for authorisation. ESMA invites entities to contact the relevant NCAs, or ESMA in the case of CRAs/TRs, as soon as possible in case they have not yet done so.

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## **ESMA updates Q&As on temporary product intervention measures**

The Q&A provides clarification on the application of the temporary product intervention measures on clients established outside the Union and non-Union nationals.

The purpose of this Q&A is to promote common supervisory approaches and practices in the application of ESMA's temporary product intervention measures in relation to the marketing, distribution or sale of CFDs and Binary options to retail clients. It aims at market participants.

### **Next steps**

ESMA will continue to monitor this Q&A on ESMA's temporary product intervention measures on the marketing, distribution or sale of CFDs and Binary options to retail clients in the coming months and will review and

update them where required.

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## Sweden: EIB loans SEK 3 Bln to Hemsö for energy efficient social infrastructure

- The SEK 3bn financing will support the construction of and refurbishment to NZEB standards of energy efficient social infrastructure.
- Construction plans include healthcare and research buildings, elderly care homes and educational facilities.

The European Investment Bank (EIB) has signed a SEK 3bn (EUR 292m) loan agreement with Hemsö Fastighets AB. The Swedish property owner will use the long-term (up to 25 years) financing facility to build healthcare and research infrastructure, elderly care homes and educational facilities, all to nearly-zero-energy-building (NZEB) standards. The premises will be located in the main Swedish cities.

**Alexander Stubb**, Vice-President of the EIB, commented: “In the Nordics there’s no way around it; conserving energy and heat is a major issue, so we are very pleased to support Hemsö with this project. Public buildings are responsible for a large part of our CO<sub>2</sub> output, and thus making them more energy efficient is an important step in mitigating their carbon footprint.”

The facility will be unsecured and will provide Hemsö with a sustainable, flexible and affordable source of external funding. As most of the services delivered in Hemsö’s premises are taxpayer-funded, the financial added value offered by the EIB will ultimately benefit Swedish citizens.

“We are thrilled about initiating this long-term cooperation with the European Investment Bank. The EIB’s focus on green and socially relevant investments fits well with Hemsö’s business model for developing sustainable social infrastructure. This new facility diversifies the company’s financing and enables us to continue focusing on long-term funding for the company’s planned projects,” said **Jonas Rosengren**, Hemsö’s Group Treasurer.

The demand for social infrastructure is expected to rise in Sweden, not only for demographic reasons, but also because of ongoing urbanisation: Swedish cities are among the fastest growing in the EU. The project supports national and European targets for energy efficiency and contributes to CO<sub>2</sub> emissions reduction, thus supporting climate change objectives as well as diversification of energy supply objectives in the EU.

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## ESMA CONSULTS ON THE CLEARING OBLIGATION UNDER EMIR

The clearing obligation requires a range of interest rate and credit derivatives to be cleared. However, intragroup derivative transactions with a third country entity, and where certain conditions are satisfied, currently do not have to be cleared due to a deferred application date in the Delegated Regulations on the clearing obligation. However, the deferred dates are soon approaching.

The consultation paper sets out the reasons to extend these dates.

### **Next steps**

The public consultation on the draft RTS on the clearing obligation runs until 30 August 2018. ESMA will then review all the responses to this consultation submitted by the deadline in order to finalise the draft RTS.

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## Closing speech by Commissioner Arias Cañete at the High Level Stakeholder Conference: The EU's Vision of a modern, clean and competitive economy

Ladies and gentlemen,

Let me start by paying tribute to Mr Laurent Fabius, and the central role he played to securing the Paris Agreement at COP21. Without him, we wouldn't have got the Paris Agreement and we wouldn't be where we are today in terms of tackling climate change.

I am also convinced that the COP24, the next key step for the international community towards credibly meeting the goals of the Paris Agreement, is in good hands with the Polish Presidency. And I look forward to further close cooperation before, during and after Katowice.

At our EU Talanoa event on June 13, I was very encouraged to hear the many stories of stakeholders, businesses, NGOs, investors and labour unions about the successful climate action that is already taking place in Europe.

This High Level Conference confirmed that our stakeholders' community is equally committed towards looking into long term perspective. We all need to put our collective experience and ideas together to come forward with a shared vision for a prosperous, modern, clean and competitive economy that will turn the Paris Agreement into a reality.

In my opening remarks yesterday I said that we are here to listen. From the discussions during the past two days I heard that we have the full commitment of the Commission, the European Parliament and the Council to the task of establishing a long-term strategy as well as the support from the European Investment Bank.

But most importantly, during these two days I could also see this commitment coming from our stakeholders community. The clean energy transition cannot be a slogan invented by policy-makers; it is a reality that is already shaping the European economy and the way we live.

I was particularly encouraged by the strong commitment of some major EU companies and investors to deploy practical solutions for decarbonisation, based on European technologies. We have already seen the change in their energy mix, in the widening of the scope of their activities and gaining new market shares.

Let me mention three messages that I believe summarise the main themes addressed during the conference:

- 1) first of all, the need that our efforts are comprehensive and encompass all sectors of the economy;
- 2) second, the need to ensure that our efforts are inclusive so that citizens can feel the benefits and become change agents of this transition and no one is left behind;
- 3) and third, the need to have a clear vision of the way ahead, help create the right conditions for change, and consolidate our leadership also at global level.

**1) Let me begin with the first point: the need that our efforts to drive the clean energy transition are comprehensive.**

We know that to achieve our common goals, we need all sectors on board.

This is the approach we have taken with the implementation of our 2030 climate and energy package – by putting in place legislation on reducing greenhouse gas emissions in all sectors of the economy and bringing Clean Energy to All Europeans.

We have made good progress – but it is also clear from the discussions that there's still a lot of work to be done to **achieve a post-carbon European economy**.

For instance, the importance of combining and coordinating progress on renewables and energy efficiency, as two key pillars towards reducing

greenhouse gas emissions was clearly underlined. Besides addressing the climate challenge, these policies bring macro-economic benefits as well as benefits at the level of individual consumers by improving their living conditions and alleviating energy poverty. Another useful example given yesterday are opportunities stemming from digitalisation of the energy system, where Europe could take a leading role.

I am happy to see that most of you agree with what the Commission has been saying for a long time: fighting climate change is fully compatible with profitable business and driving investment, innovation, growth and jobs. The clean energy transition indeed represents a major economic opportunity and it can happen in a socially fair way.

**2) That takes me to the second point: the need to promote an inclusive approach to ensure that consumers – citizens – are at the centre of the low-carbon transition.**

Looking at the challenges from a citizens' perspective, we discussed the **benefits of a low carbon world for all Europeans**, including quality jobs, cleaner environment and better health. Speakers stressed the importance of a proper regulatory framework to accompany the changes, the crucial role of cities in translating overarching objectives into reality on the ground for citizens, including on the key question of mobility.

One cannot close an eye on the fact that the demand side has an enormous decarbonisation potential. The more informed consumers are of the sustainable energy, climate, environmental, health and socio-economic impacts of their choices the bigger the transformation.

So let me underline again that the Commission does not want this Strategy to be just an exercise in setting a new trajectory. The Long Term strategy is a comprehensive vision for delivering not only a decarbonized energy system, but also a competitive European economy that will work for all Europeans.

**3) Finally, reaching these goals requires that we have a clear vision of the way ahead and that we work together with resolve and ambition.**

In the session on the **Long-Term Strategy in an international context**, we heard all speakers highlighting that a long-term view on how to decarbonise is of the essence to implement the Paris Agreement and that the EU has to show the lead in this. Stepping up our long-term ambition seems inevitable when aiming at limiting global temperature rise to 1.5 degrees. The EU action should inspire other regions to put forward their fair contribution to our planet and wellbeing.

With this conference, we have kicked off the process at EU level, and this morning, we heard from different **countries about their experience from establishing national strategies**. No doubt, similar to the exercise we are undertaking at the EU level, this is a complex visionary, yet fact- and assessment-based exercise which requires a broad stakeholder engagement. I am encouraged that under our recently agreed Governance framework, EU Member States will design their own strategies. This will help us contribute towards

the goals of the Paris Agreement.

In this context, I would like to mention a few further enabling actions for turning our visions and strategies into reality on the ground.

First, the **investment side**. We have always insisted that the majority of the necessary investment in the clean energy transition will come from private sector. However, there is a very important role for policy-makers to provide a stable legislative framework and smooth out bottlenecks where possible. And that is what we are trying to do with the Clean Energy for All Europeans package. Similarly, there is still an important role to be played by public funding, which, when used wisely, can leverage significant private finance.

Second, we have looked at **innovation and technology**. We should not forget how fast things are already moving. And the impact that this can have on production costs. The combination of innovation and technological advance and the economies of scale achieved through such coordinated investment have been an important factor enabling us now to set more ambitious targets for 2030. Innovation should not just take place at technology level, or even at sectoral level, but also at systemic level whereby sector-coupling becomes common practice and unlocks overall resource efficiency. And, besides technologies, we should also work on standards for clean energy transition – standards that could become clear reference values at global level.

Last but not least, the **role and use of natural resources**. A more efficient circular use of our resources will be high on the decarbonisation agenda. The declining cost has made many, in particular renewable energy technologies more available than ever before, but our tech portfolio needs to expand and diversify even more, especially towards carbon absorption.

As I said yesterday, this conference is the *first* important step towards preparing an EU Long Term Strategy. Our public consultation will go live early next week, and I would again encourage you to make your contributions in the coming 12 weeks.

It will have a large set of questions addressing the type of issues described earlier targeting citizens, organised stakeholders and authorities. And it will allow contributing in the form of reports or position papers.

This will provide us with solid input from all parties concerned, which we will take into account when bringing together the material to support the Strategy.

Ladies and Gentlemen,

Our planet faces an unprecedented challenge and, through the Paris Agreement, we have seen also an unprecedented level of support for addressing this together.

At EU level, we will be much stronger and more efficient in our response by coordinating our efforts. This is European added-value in practice.

By outlining a Commission's vision for a Long Term Strategy ahead of the

COP24 in Katowice, we can take our responsibility. We can show leadership.

In order to prepare this Strategy, we need your input. And so let me repeat the message that I gave you yesterday. As far as the European Commission is concerned, we are ready to face the challenges ahead. We have listened over the past 2 days. And we will continue to listen as we prepare the Strategy.

Receiving your input is of utmost importance to allow us to adopt together a common vision on how to make our economy fit for future challenges in the 2050 perspective.