

## **ESMA publishes Q&As in relation to the temporary product intervention measures**

The overall Q&As on ESMA's temporary product intervention measures on the marketing, distribution or sale of CFDs and Binary options to retail clients provides answers to practical questions in relation to:

- Existing contracts;
- Payments;
- Margin close-out protection;
- Aggregate liability;
- Monetary benefits;
- Binary options;
- CFDs referencing futures
- Guaranteed stop loss orders

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.

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.

---

## **Joint declaration by the African, Caribbean and Pacific group of states and the EU on climate change**

Press contacts

[Maria Tomasik](#)

Press officer  
+32 2 281 24 63  
+32 470 88 23 83

We, the ACP-EU Council of Ministers,

Representing 107 countries from Africa, the Caribbean, the Pacific and the European Union, committed to the United Nations 2030 Agenda for Sustainable Development;

Guided by the ACP-EU Partnership Agreement;

In pursuit of the full and effective implementation of the United Nations Framework Convention on Climate Change and the Paris Agreement;

Committed to the attainment of the long term goals of the Paris Agreement for development, prosperity and security of our planet and people;

Acknowledging the increasing frequency and severity of climate-related disasters that have affected many ACP Countries, such as tropical cyclone Gita in the Pacific, hurricanes Irma and Maria in the Caribbean, and the recent drought in the Horn and Southern part of Africa:

1. Note with serious concern that the current aggregate effects of Nationally Determined Contributions (NDC) are not sufficient to bring us on a pathway towards the long-term goal of holding the increase in the global average temperature to well below 2°C above pre-industrial levels and pursuing efforts to limit it to 1.5 °C.
2. Reaffirm our existing commitments to strengthen the global response to the threat of Climate Change from all countries.
3. Acknowledge the urgent need to create enabling environments through regulatory frameworks and to invest in further transformational changes.
4. Recognise the efforts of many countries towards the implementation of the Kyoto Protocol and encourage those countries that have not yet done so, to ratify the Doha Amendment.
5. Appreciate the growing global momentum to accelerate the transition to low greenhouse gas emissions development and climate resilient economies, and support the continued efforts of the ACP and EU countries in this regard, including regional, national, and non-state actors; note that parties are invited to prepare long-term strategies by 2020; also note the enhanced international cooperation on the mitigation of and adaptation to Climate Change, *inter alia* through the NDC Partnership and the InsuResilience Global Partnership.
6. Look forward to further evidence from the Intergovernmental Panel on Climate Change and in particular the Special Report on Global Warming of 1.5°C above pre-industrial levels and related greenhouse gas emission pathways.
7. Welcome the launch of the Talanoa Dialogue to take stock of the collective efforts of Parties in relation to progress towards the long-term temperature goal and to inform the preparation of Nationally Determined Contributions pursuant to Article 4.8 of the Paris Agreement.

8. Call on the Ad Hoc Working Group on the Paris Agreement to accelerate the completion of its work programme in order to fulfil its mandate at the twenty-fourth session of the Conference of the Parties (COP 24) in Katowice, Poland (3-14 December 2018).
9. Stress that the agreed rule book for the implementation of the Paris Agreement should:
  - Be robust and comprehensive, and preserve the integrity of the Paris Agreement;
  - Cover all aspects of mitigation, adaptation and the means of implementation and support in a tailored and balanced manner, in accordance with the mandate of the Paris Agreement;
  - Be applicable to all Parties; and
  - Provide a common transparency framework for tracking progress, with built-in flexibility to take into account different capacities and build upon collective experience.
10. Recall that the Paris Agreement will be implemented to reflect equity and the principle of common but differentiated responsibilities and respective capabilities, in the light of different national circumstances.
11. Welcome the decision of the Twenty-third session of the Conference of the Parties (COP 23), to organise the Suva Expert Dialogue, to explore a wide range of information, inputs and views on ways to facilitate the mobilisation and securing of expertise and enhancement of support, including finance, technology and capacity building, for averting, minimising and addressing loss and damage associated with the adverse effects of climate change, including extreme weather events and slow onset events.
12. Express our gratitude and support to the current Fijian and incoming Polish Presidencies.
13. Welcome the launch of the Intra-ACP Global Climate Change Alliance Plus Programme (2018-2022), an initiative of the ACP Group of States funded with 70 million EUR from the European Development Fund, to support ACP Member States to better address climate change.
14. Welcome also the Intra-ACP Climate Services Programme, an initiative of the ACP Group of States, funded with 85 million EUR, also from the European Development Fund, to strengthen the capacities of regional hydro-meteorological organisations to take advantage of the full and open access to high-resolution data and value-added information from the EU's Earth Observation Programme, Copernicus.
15. Reiterate our commitment to build on our joint efforts that support ambitious climate action and to seek further opportunities to work together and mobilise further investment towards the full and effective implementation of the United Nations Framework Convention on Climate Change and its Paris Agreement.

Affirm our intention to intensify our collaborative work in the international arena on specific common interests with particular focus on UNFCCC COP 24 to be held from 3–14 December 2018, in Katowice, Poland.

[Download as pdf](#)

---

## Letter of congratulations from President Donald Tusk to Giuseppe Conte on his appointment as Prime Minister of Italy

Your request will be handled by the Press Office of the General Secretariat of the Council in accordance with the provisions of Regulation (EC) No 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

Your data will be stored in the database until you unsubscribe from the service.

Certain data (name, e-mail address, preferred language, media name, media type) may be disclosed to the press offices of the European institutions, the Permanent Representations of the Member States and to European Union agencies, under the conditions laid down in Articles 7 and 8 of Regulation 45/2001.

If there is data which you would not like to be stored, please let us know at: [press.office@consilium.europa.eu](mailto:press.office@consilium.europa.eu)

---

## Mergers: Commission clears acquisition of General Electric Industrial Solutions by ABB

ABB Asea Brown Boveri Ltd ("ABB") and General Electric Industrial Solutions ("GEIS") are active worldwide in the manufacture and sale of electrical components and systems.

The Commission carried out a broad investigation on a large number of markets and concluded that:

- Both ABB and GEIS are active in the design, manufacture and sale of low voltage and medium voltage products for industrial, commercial and residential applications, as well as of secured power protection systems and transformers. However, **their respective geographic areas of activity**

- are complementary**, with ABB being stronger in Europe and GEIS in the US.
- On overlapping markets in the European Economic Area (EEA), the Commission found that the transaction raises no significant concerns because: i) the combination of ABB's and GEIS' portfolios does not significantly increase concentration in a number of product categories; ii) **the merged entity will continue facing effective competition from a number of large-scale rivals and specialised or local suppliers**; iii) products in these markets are generally homogeneous and therefore interchangeable between competing brands. Customers also broadly confirmed that sufficient alternative sources of supply will remain in the EEA after the transaction.
  - On markets where the merging companies are active at different levels of the supply chain, the Commission found that **they would not have the ability to foreclose competitors**, notably because alternative suppliers will continue to operate in the market.

The Commission therefore concluded that the proposed transaction would raise no competition concerns in any of the markets concerned.

### **Companies and products**

**ABB**, based in Switzerland, is active in power and automation technologies and serves customers in utilities, industry, transport and infrastructure globally through four divisions: (i) Electrification Products, the relevant division in the present case; (ii) Robotics and Motion; (iii) Industrial Automation; and (iv) Power Grids.

**GEIS** is a division of the General Electric Company of the US, and is active in the design, manufacture and sale of low and medium-voltage electrical products and solutions for industrial, commercial and residential applications. GEIS is divided in four business units: (i) Engineered Solutions; (ii) Product Solutions; (iii) Configured Solutions; and (iv) Embedded Solutions.

### **Merger control rules and procedures**

The transaction was notified to the Commission on 20 April 2018.

The Commission has the duty to assess mergers and acquisitions involving companies with a turnover above certain thresholds (see Article 1 of the [Merger Regulation](#)) and to prevent concentrations that would significantly impede effective competition in the EEA or any substantial part of it.

The vast majority of notified mergers do not pose competition problems and are cleared after a routine review. From the moment a transaction is notified, the Commission generally has a total of 25 working days to decide whether to grant approval (Phase I) or to start an in-depth investigation (Phase II).

More information will be available on the [competition](#) website, in the Commission's [public case register](#) under the case number [M.8678](#).

---

# EIOPA expects insurance undertakings to avoid instruments banned or restricted by ESMA

□ Today, the European Insurance and Occupational Pensions Authority (EIOPA) published a [statement on consumer detriment resulting from policyholder exposure to contracts for differences \(CFDs\) and binary options](#). Considering potential future risks to policyholders, EIOPA expects insurance undertakings to avoid as possible direct underlyings of insurance-based investment products, instruments for which the European Securities and Markets Authority (ESMA) has issued a ban or restriction. In general, uses of product intervention powers in one sector should never be circumvented by repackaging the instruments that have been banned or restricted for offer in another sector.

At this juncture, there is no evidence of direct policyholder exposure to CFDs or binary options, whilst the possibility of such policyholder exposure to CFDs or binary options developing seems not highly probable. However, EIOPA's experience has been that unexpected and complex risks have increasingly been offered as potential units within unit-linked contract raising supervisory concerns. For this reason, EIOPA remains cautious on the matter.

Within its remit, EIOPA will use the available powers and measures to ensure the integrity, transparency, efficiency, and orderly functioning of financial markets and that customers' interests are adequately protected throughout the European Union. Specifically, EIOPA and National Competent Authorities will continue to monitor the market for insurance-based investment products, including those providing direct exposure to complex and risky underlyings, in view of whether other restrictions or bans should be necessary.

## **Background**

The European Securities and Markets Authority (ESMA) adopted temporary product intervention measures on the provision of contracts for differences (CFDs) and binary options to retail investors in the European Union. These intervention measures include a prohibition on marketing, distribution or sale of binary options as well as several restrictions on marketing, distribution or sale of CFDs to retail investors. [The measures have been published in the Official Journal of the European Union on 1 June 2018.](#)