

# ESMA publishes opinion on CMVM's MAR accepted market practice on liquidity contracts

This AMP refers to liquidity contracts by which a credit institution or an investment firm (financial intermediary) quotes in the Portuguese equity market on behalf of the issuer, with a view to enhancing the liquidity of a particular share and its regular trading. In that respect, it would ultimately benefit investors, in the sense that the likelihood of finding a counterparty for entering or exiting a position in that share would increase. This practice is available to all issuers who have requested admission to trading or approved the trading of their shares on a Portuguese market.

ESMA considers that the proposed AMP on liquidity contracts is compatible with MAR and with its technical standard on AMPs, and contains various mechanisms to limit the threat to market confidence. ESMA also notes that the proposed AMP incorporates all the conditions and limits set out in its [Opinion on liquidity contracts](#) issued in April.

## **Background**

MAR's purpose is to guarantee the integrity of European financial markets and increase investor confidence. The concept of market abuse typically consists of insider dealing, unlawful disclosure of inside information, and market manipulation.

However, some exceptions apply. The prohibition of insider dealing and market manipulation does not apply to trading in own shares in buy-back programs or trading in securities for the stabilisation of securities when some conditions laid down in MAR are met. Moreover, MAR does not apply to public authorities in pursuit of monetary, exchange rate or public debt management policy. Other specific exceptions apply in the framework of the EU's climate policy or the EU's Agricultural Policy for instance. MAR also provides a defence against market manipulation if the transaction was legitimate and carried out in accordance with an AMP and MAR describes the non-exhaustive factors that a competent authority should take into account before deciding whether or not to accept a market practice.

In April ESMA published an opinion on the points for convergence in relation to AMP under MAR on liquidity contracts. These agreed points are expected to be used as a reference in the assessment of the MAR AMPs on liquidity contracts that national competent authorities (NCAs) may submit to ESMA after a domestic consultation and on which ESMA will have to issue an opinion.

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# Remarks by Commissioner Avramopoulos on a stronger, more effective and fairer EU migration and asylum policy and on preserving and strengthening Schengen

Dear all,

More than two years after we presented the European Agenda on Migration, we can see the tangible, positive results of European, united and joint efforts. Irregular migration flows to both Greece and Italy have been drastically reduced.

We have the situation much more under control today than compared to two years ago, on all aspects – ranging from a better protection of our external borders, to significant achievements on solidarity.

But we must remain vigilant, as some recent increases in Spain but also in Romania show us.

All the work that we have done to save lives, to put in place safe and legal pathways, to protect our external borders and to return those who have no right to stay must continue.

In all of this, solidarity and the sharing of responsibility have been and remain the silver thread, the fundament of all our efforts.

Now we have a window of opportunity to make decisive progress on 3 key areas:

- Continuing to ensure solidarity;
- enhancing legal pathways;
- and stepping up returns .

We have managed to relocate almost 30,000 people in clear need of international protection across the EU. Solidarity cannot stop from one day to another. All Member States have to continue showing solidarity.

They have to ensure that all the remaining eligible persons who arrived up to 26 September are relocated from both Italy and Greece swiftly. And I also call on them to continue showing solidarity for those people needing protection after that date.

At the same time, we cannot continue to rely on ad hoc temporary solutions. A reformed Dublin and Common European Asylum System is the only structural solution if we want our asylum system to be crisis-proof and future-proof.

Now is the moment to move ahead, and to find the right balance between

solidarity and responsibility, between effectiveness and fairness.

In parallel, now that irregular arrivals have drastically fallen, we must step up our efforts to enhance legal pathways. Europe has to show that it is ready to share responsibility with third countries notably in Africa.

People who are in genuine need of protection should not risk their lives or depend on smugglers. Resettlement should become the preferred way for refugees to receive protection. We have delivered on our promise: almost 23,000 people will be resettled by the end of the year.

With more than 65 million displaced around the world, we cannot stop showing solidarity towards these desperate people, and the countries hosting them. This is why we are proposing to support a further 50,000 resettlement places with half a billion euros and I count on Member States to make ambitious pledges.

We also know that Europe is an ageing continent and that we will need skills from abroad, in addition to employment efforts of our existing work force.

It's time for the EU to be smarter, selective and proactive when it comes to legal migration, particularly in our cooperation with third countries, and according to the needs of our economies.

The EU's common visa policy is also an essential instrument for mobility but equally a key tool to prevent security risks or risks of irregular migration.

We will assess whether the current visa policy still matches present and future challenges, and whether we need to modernise it. We also need to step up returns of those who have no right to stay on our territories.

Finally, the current situation, where less than half of return decisions are actually enforced, undermines the credibility of our entire migration and asylum policy.

The European Border and Coast Guard has an enlarged mandate on return – this should now be fully applied and the Agency should be equipped with a true Return Department. Member States need to also further streamline their return policies, and we offer all the tools to support them to do so.

At the same time, we have to further increase our cooperation on readmission with countries of origin, and use all incentives and leverages available at EU and national level.

Finally, Europe should also continue to show solidarity towards Africa and tackle root causes of migration, notably through the EU Trust Fund for Africa and the External Investment Plan.

Today, mobility is an intrinsic feature of our times. We cannot stop it. But we can better manage it. It is also on this basis that we propose to further strengthen and preserve Schengen today, which enables over 400 million people to move freely.

Schengen is one of the major achievements of European integration, and the absence of internal border control constitutes its very essence. In such an area where persons may move freely, the reintroduction of border control at internal borders is and should remain the exception therefore, and only and always as a measure of last resort.

But in an area without controls, cross-border threats affecting public policy or internal security are a matter of common interest.

This means that we need to carefully balance two important principles: the freedom of movement and the need to be able to address important security threats.

Today we are proposing to amend the Schengen Borders Code precisely in order to maintain that balance. Experience has shown us, such as the repeated terrorist attacks, that Member States reintroduce temporary important controls to address these serious security threats.

Let me however be clear: we are NOT proposing a prolongation of internal border controls. We propose a regime-change while maintaining and respecting Schengen's fundamental principles and spirit to ensure a coordinated EU approach to internal border controls.

We ensure this through: reinforced procedural safeguards, an obligation for Member States to coordinate their actions with other concerned Member States and clear parameters, conditions, and restrictions.

With our proposal today, we strengthen and preserve a coordinated approach to the process of reintroducing internal border controls in exceptional cases.

This approach allows us to prevent abuses and makes sure that everyone plays by the rules.

I would like to make an additional important point: a stronger Schengen means also a unified Schengen. We call on the Council to finally decide for Bulgaria and Romania to join the Schengen family.

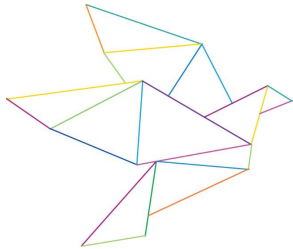
It's not only politically fair; it is also needed from a security point of view. Because the internal security of one Member State is the internal security of all, and the security of all our citizens.

Thank you.

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## **State of the Union 2017 – Commission**

## presents next steps towards a stronger, more effective and fairer EU migration and asylum policy



On 13 September, in his annual [State of the Union address](#), President Jean-Claude **Juncker** said: *"In spite of the debate and controversy around this topic, we have managed to make solid progress (...) We now need to redouble our efforts. Before the end of the month, the Commission will present a new set of proposals with an emphasis on returns, solidarity with Africa and opening legal pathways."*

The Commission is today reviewing progress on the 2015 **European Agenda on Migration** and setting out the next steps to put in place the missing elements of a stronger, fairer and more effective EU migration and asylum policy. Building on the progress achieved so far, the Commission is today presenting a series of new initiatives in key areas: **a new resettlement scheme for at least 50,000 refugees**, pilot projects for **legal migration** which the Commission can help finance and coordinate, and new measures to make the EU's **return policy** more effective. The Commission also calls on Member States to urgently make progress on the **reform of the Common European Asylum System** and make further efforts to work with countries of origin and transit of migration, in particular by **providing additional contributions to the EU Trust Fund for Africa**.

First Vice-President Frans **Timmermans** said: *"Our joint efforts to respond to the migration and refugee crisis have led to tangible results, with irregular arrivals significantly down in both the Eastern and the Central Mediterranean. However, we're not there yet, so we must stay the course and further consolidate our comprehensive migration approach by putting in place the remaining building blocks."*

High Representative/ Vice-President Federica **Mogherini** said: *"Over the last two years, we finally built an EU policy on migration, which is starting to deliver. It is about managing one of the most complex, structural phenomena of our times, not a temporary emergency. Our cooperation with our partners in Africa, but also with the UN, has started to bear fruits by ensuring a better protection of migrants, making traffickers and smugglers' business less profitable, and offering alternatives and legal avenues. We will keep working on the same track: We'll only succeed by working in a united and consistent manner."*

Commissioner for Migration, Home Affairs and Citizenship Dimitris **Avramopoulos** said: *"Now is the moment to take the next steps to achieve a fair, robust and realistic EU migration policy. This means continuing to show solidarity with the most affected Member States, but also finding quickly the right compromise on the reform of the Common European Asylum system. It also means improving returns and today we propose to create a true operational EU return hub within the European Border and Coast Guard Agency. And we need to open real alternatives to taking perilous irregular journeys. Investing in more legal pathways, both for protection but also for study or work, is therefore essential. "*

The **Mid-term review** of the European Agenda on Migration shows the positive impact of EU migration management over the past two years on reducing the incentives for irregular migration, strengthening the protection of our external borders, upholding our duty to assist refugees and enhancing legal pathways to Europe. Building on these results, it is now essential to maintain the current efforts, step up the work towards more stable and structural solutions and remain ready to respond to unforeseen situations, as the migratory pressure on Europe remains high. That is why the Commission proposes to take **the following next steps**:

Continuing to ensure solidarity

With **over 29,000 persons relocated so far**, the first ever large-scale EU-coordinated relocation mechanism has contributed to significantly reducing the pressure on the asylum systems of Italy and Greece. The immediate priority is now to ensure that all the remaining eligible persons who have arrived to Greece and Italy until September 26 are relocated swiftly. In total, around 37,000 people are expected to be effectively relocated under the scheme.

The migratory pressure on Italy and Greece however continues to remain high, due to the accumulated backlog from the arrivals in 2016 and first half of 2017. The Commission stands ready to provide **financial support to Member States** who sustain their relocation efforts beyond the current schemes. The assistance provided by EASO and other EU agencies to Italy and Greece should also continue and, when needed, be further reinforced.

At the same time, we cannot continue to rely on ad hoc measures. That is why the Commission calls on the co-legislators to make use of the current window of opportunity and achieve decisive progress on the reform of the Common European Asylum System and especially the Dublin Regulation.

Enhancing legal pathways: at least 50,000 new resettlement places

The Commission is recommending a **new EU resettlement scheme** to bring at least 50,000 of the most vulnerable persons in need of international protection to Europe over the next two years. This is part of the Commission's efforts to **provide viable safe and legal alternatives** for those who risk their lives at the hands of criminal smuggling networks. The new scheme will be in place until October 2019 and will build on the current successful resettlement schemes which, having **provided new homes to over 23,000** persons in the EU,

are now coming to an end.

The Commission has set aside **€500 million to support Member States' resettlement efforts**. Whilst resettlement from Turkey and the Middle East must continue, increased focus should be put on resettling vulnerable persons from North Africa and the Horn of Africa; notably Libya, Egypt, Niger, Sudan, Chad and Ethiopia. This will contribute to further stabilising migration flows along the Central Mediterranean route and notably support the UNHCR in establishing an **emergency evacuation mechanism from Libya**. Today's recommendation follows up and complements the resettlement pledging exercise launched on 4 July 2017 which has so far resulted in 14,000 pledges by 11 Member States. It will serve to bridge the period until the new permanent EU Resettlement Framework, proposed by the Commission in July 2016, is adopted.

In addition, the Commission encourages Member States to set up **private sponsorship schemes** allowing private groups or civil society organisations to organise and finance resettlements in accordance with national legislation. To this effect, the Commission has invited **EASO to coordinate a pilot project** on private sponsorship schemes with interested Member States.

To turn irregular flows into needs-based economic migration to EU Member States, the Commission is proposing to coordinate and financially support **pilot projects for legal migration** with third countries. They should focus initially on countries which have shown political engagement in finding joint solutions to tackle irregular migration and readmission of irregular migrants. The European Parliament and the Council should also swiftly come to an agreement and adopt the Commission proposal for a **revised EU Blue Card** which will improve the EU's ability to attract and retain highly skilled workers and ensure that Member States can rely on the work force they need, when they need it.

The **EU's common visa policy** is also an essential instrument for mobility, notably facilitating tourism and business, but also a key tool to prevent security risks or risks of irregular migration. The Commission will assess whether the current visa policy still matches present and future challenges, and will reflect on the need to modernise it.

A more effective EU policy on return

With return rates remaining unsatisfactory (around 36% in 2014-2015) and an estimated 1.5 million people to be returned from EU Member States in the near future, the Commission proposes to step up return efforts on all fronts. The **Return Department** will be significantly reinforced within the European Border and Coast Guard to ensure the Agency can implement a truly proactive return management approach and drive and coordinate the EU-wide management of returns.

Member States need to further **streamline their return policies** in line with the 2017 Commission Recommendation and the Renewed Action Plan on Returns and in close cooperation with the European Border and Coast Guard Agency. To this effect, the Commission is today publishing a **revised Return Handbook** that integrates all these recommendations to national authorities on returns.



Member States at the external borders can, where appropriate, use the **hotspot approach** to ensure that return operations can be managed swiftly, in particular in situations of significant arrival surges.

To increase cooperation on readmission by countries of origin, **all incentives and leverages available** at EU and national level must be applied.

External dimension: Moving forward under the Partnership Framework

Significant results have been achieved in jointly managing migration flows with countries of origin and transit since the establishment of the Partnership Framework for Migration one year ago. While the progress made needs to be sustained, more work is needed on a number of key issues. This includes further **strengthening the EU Trust Fund for Africa and in particular its North Africa window** through additional Member State funding.

With arrivals and the number of deaths at sea down, the joint work along the **Central Mediterranean route** needs to be continued. Work which needs to be further stepped up includes improving the situation of stranded migrants in Libya in cooperation with UNHCR and IOM, in particular in detention centres, the promotion of socio-economic opportunities for local communities, stepping up work on assisted voluntary returns and strengthening the capacity of the Libyan authorities to control the southern borders. In addition, work must be continued along **other migratory routes**, especially in view of the increasing interconnectivity of such routes.

The EU and Member States must also work closely together to achieve an ambitious **UN Global Compact** for Safe, Orderly and Regular Migration and the development of the Global Compact for Refugees and the Comprehensive Refugee Response Framework with pilot countries.

## Background

Upon taking office, European Commission President Jean-Claude Juncker entrusted a Commissioner with special responsibility for Migration, Dimitris Avramopoulos, to work together with the other Commissioners, under the coordination of First Vice-President Frans Timmermans, on a new policy on migration as one of the [10 priorities of the Political Guidelines](#) of the Juncker Commission.

On 13 May 2015, the European Commission proposed a far-reaching strategy, through the [European Agenda on Migration](#), to tackle the immediate challenges of the ongoing crisis, as well as to equip the EU with the tools to better manage migration in the medium and long term, in the areas of irregular migration, borders, asylum and legal migration.

Today's Communication serves as a mid-term review of what has been achieved so far in delivering the European Agenda on Migration. It also sets out new initiatives from the Commission to address key areas, and identifies where further efforts are needed in the coming months.

For More Information

[Communication on the delivery of the European Agenda on Migration](#)

[Recommendation on ensuring effective legal pathways to Europe](#)

[Recommendation establishing a common Return Handbook](#)

[Annex](#)

[Factsheet](#): Towards and efficient and credible EU return policy

[Factsheet](#): Opening legal pathways to Europe

[Factsheet](#): Relocation – sharing responsibility: September 2017

[Press release](#): European Agenda on Migration: Good progress in managing migration flows needs to be sustained

[The European Agenda on Migration](#)

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## [\*\*Statement by Commissioner Vestager on fining Scania for participating in trucks cartel \[check against delivery\]\*\*](#)

**\*Please check against delivery\***

The Commission has today decided to fine Scania more than €880 million for its participation in a trucks cartel.

Today's decision marks the end of our investigation into a cartel that had lasted 14 years. It involved six leading truck producers: besides Scania, also Daimler, DAF, Iveco, MAN and Volvo/Renault. Together, these companies produce more than 9 out of every 10 medium and heavy trucks sold in Europe. In other words, the large majority of trucks that European consumers and companies rely on for the transport of goods across the internal market.

One year ago, the other five companies (Daimler, DAF, Iveco, MAN and Volvo/Renault) involved in the trucks cartel acknowledged their liability for the cartel and reached a settlement with the Commission.

Scania, on the other hand, decided not to settle with the Commission. Since then our investigation regarding the company has continued under our standard cartel procedure.

So, with today's decision we have sanctioned all companies involved in this cartel. We have fined the 6 companies a total of €3.8 billion – a record fine for a cartel in the EU's 60 year history.

## **The cartel**

What happened in this cartel?

Our investigation found that the first meeting between senior managers of all six truck producers took place right here in Brussels, in January 1997. This was the beginning of a collusion that continued for 14 years.

The cartel dealt with the sales of medium and heavy trucks throughout the European Economic Area. These are large vehicles weighing more than 6 tonnes each. Scania specialises in producing heavy trucks over 16 tonnes.

The truck producers met regularly to manage the cartel. For the first few years of the cartel, this involved senior managers from the companies' head offices meeting frequently. From 2004 onwards the cartel was organised at a lower level by the truck producers' subsidiaries in Germany.

Scania was an active member of the cartel and was responsible for organising some of the meetings. For example, one of the invitations for a meeting sent by Scania openly stated their purpose. It read: *"An exchange of information should always be the basis of our meeting and therefore I expect from every member of our group a proper preparation."*

*"Our group"* here really means *"our cartel"*. A properly organised one.

The discussions between the companies in the cartel focused on two main topics:

First, the truck producers discussed the "gross price list" increases they were planning for medium and heavy trucks and coordinated these with each other. These gross list prices are the basis for pricing in the trucks industry. The final price paid by buyers is then based on further adjustments, done at national and local level, to these gross list prices.

Second, the truck producers also discussed their response to increasingly strict European emissions standards. These have been progressively tightened over the years, reducing the acceptable limits for exhaust emissions from trucks.

The truck producers coordinated both on the pricing for the new technologies that were needed to meet the stricter standards and on when to actually introduce new technologies.

It is important that the truck producers compete on prices, but it is also very important that the truck producers compete on new environmentally friendly technologies and try to bring these to market as early as possible. This is not only necessary to give customers a choice to adopt these technologies but it is also of great value to our environment.

## **Fines**

It was our leniency programme that helped us discover this cartel. This is our system for encouraging companies that participate in cartels to reveal

their existence to the Commission, and to provide enough evidence for the Commission to investigate them. Companies receive immunity from fines in return for being the first to denounce other cartel members and reduced fines for cooperating with the Commission by providing important evidence.

In the case of the trucks cartel you may recall that MAN was the first to reveal the cartel, and so received immunity from fines. Volvo/Renault, Daimler and Iveco also cooperated by providing evidence and so had their fines reduced.

These five trucks producers who settled in July last year also had their fines further reduced by 10% under our settlement procedure. These five companies admitted that they were involved in the cartel, helping us take a decision quicker and free our resources for other investigations.

Scania chose not to cooperate with the Commission during the investigation and therefore does not benefit from any fine reduction.

## **Conclusion**

Transport of goods is essential for our Single Market and plays a major role in the proper functioning of the European economy. Over the past 10 years, the Commission has remained committed to protecting competition in this crucial sector – we have uncovered 9 cartels in the automotive sector and fined companies a total of more than €6 billion for their illegal behaviour. And we still have a number of ongoing investigations into alleged cartels in the automotive sector, which we are pursuing as a matter of priority.

Our objective is to ensure fair competition and today's decision against the last member of the cartel is important for safeguarding effective competition in the trucks sector in Europe, as well as ensuring that customers will be offered new environmentally friendly technologies as soon as the technology is available.