

# Daily News 20 / 04 / 2017

## **EU Maritime Ministers to sign declaration to boost sustainable blue economy**

EU Maritime Ministers will sign today a Declaration on Blue Growth, reaffirming their political commitment to further grow EU's sustainable blue economy. The Declaration will be adopted at the [Informal Ministerial Conference on Blue growth, Ocean Governance in the EU and the Mediterranean, Innovation and Nautical Tourism](#), co-chaired by Commissioner for Environment, Maritime Affairs and Fisheries Karmenu **Vella** today in Malta. It will give an additional boost to the sustainable development of key sectors including tourism, aquaculture, ocean energy and biotechnology. Blue growth has the potential to become a real European success story contributing more than €500 billion a year to EU's economy and representing 5.4 million jobs. The Informal Ministerial Conference will also discuss the Commission's recently launched [Western Mediterranean Blue Growth Initiative](#) and comes one month after the successful [MEDFISH4EVER declaration](#). The sustainable development of the Blue Economy will also be a major theme at the [Our Ocean conference](#) on 5-6 October 2017, co-hosted by High Representative/Vice-President Federica **Mogherini** and Commissioner **Vella**. The Commissioner's opening speech at the Informal Ministerial Conference on Blue Growth available [here](#). (For more information: Daniel Rosario – Tel.: +32 229 56185; Iris Petsa – Tel.: + 32 229 93321)

## **Agriculture: la Commission approuve deux nouvelles indications géographiques d'Italie**

La Commission a approuvé aujourd'hui l'addition de deux nouveaux produits d'Italie au registre de qualité des indications géographiques protégées (IGP). Le premier produit est la ['Marche'](#), une huile d'olive vierge extra identifiable par sa couleur jaune-vert et une intensité moyenne de fruité, d'amertume et de piquant. L'aire de production comprend la région adriatique 'Marche' située dans le nord-est de l'Italie où l'olivier représente la principale culture arboricole. L'huile «Marche» jouit depuis très longtemps d'une grande renommée. Les références historiques les plus anciennes datent du XII<sup>e</sup> siècle. L'huile était vendue aux commerçants florentins en 1347 et l'exportation vers les autres régions s'est poursuivie jusqu'à la moitié du XVII<sup>e</sup> siècle. Le deuxième produit est le ['Vitelloni Piemontesi della Coscia'](#), une viande bovine. Les bœufs sont élevés dans les régions du Piémont et de Ligurie dans le nord-ouest du pays. L'abondance d'eau et la fertilité des terrains constituent des conditions très favorables qui s'accordent particulièrement bien avec l'élevage traditionnel des 'Vitelloni Piemontesi della coscia'. Grâce à leurs caractéristiques anatomiques particulières, les animaux se différencient des autres bovins par une teneur très faible en lipides et une teneur élevée en protéines. Les nouvelles dénominations viendront rejoindre plus de 1390 produits déjà protégés. Plus d'informations sont disponibles sur le site web des [produits de qualité](#) et [la base de données D00R](#) des produits protégés. (Pour plus d'informations: Daniel Rosario

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### **Mergers: Commission clears acquisition of a business unit of Energhe by Duferco**

The European Commission has approved under the EU Merger Regulation the proposed acquisition of sole control by Duferco over a business unit of Energhe S.p.A., both of Italy. The target is a business unit of Energhe, mainly active in the supply of gas and electricity. Duferco controls companies active in different sectors, including steel, energy and shipping. Duferco's activities in the energy sector include trading, renewable energy generation, wholesale and retail supply. The Commission concluded that the proposed transaction would raise no competition concerns as there are very minor overlaps between the companies' activities. The transaction was examined under the simplified merger review procedure. More information is available on the Commission's [competition](#) website, in the public [case register](#) under the case number [M.8445](#). (For more information: Lucía Caudet – Tel. +32 229 56182; Yizhou Ren – Tel.: +32 229 94889)

### **Mergers: Commission clears acquisition of sole control of ITP by Rolls-Royce, subject to conditions**

The European Commission has cleared under the EU Merger Regulation the proposed acquisition of aircraft engine components maker ITP (Spain) by aircraft engine maker Rolls-Royce (UK). Rolls-Royce, together with ITP, MTU of Germany and Safran of France, is a member of the military engine consortium EPI (*Europrop International GmbH*). EPI designs and manufactures the engine powering the Airbus A400M, which competes with the Lockheed Martin C-130J aircraft, powered by a Rolls-Royce engine. The Commission had concerns that the transaction, as originally notified, would have enabled Rolls-Royce, by acquiring ITP, to obtain additional influence on the decision-making process of the EPI consortium, on matters that affect its competitiveness against the Lockheed Martin C-130J. In order to remove these concerns, Rolls-Royce offered commitments in relation to the EPI governance rules that will eliminate the conflict of interest created by the merger and ensure that the EPI consortium remains competitive. The Commission also examined whether the merged entity would have the ability and incentive to shut out the supply of ITP's engine components to other manufacturers of aircraft engines competing with Rolls-Royce, however this was not the case. The Commission concluded that the transaction, as modified by the commitments, would no longer raise competition concerns. The decision is conditional upon full compliance by Rolls-Royce with its commitments. A full press release is available online in [EN](#), [FR](#), [DE](#) and [ES](#). (For more information: Lucía Caudet – Tel. +32 229 56182; Yizhou Ren – Tel.: +32 229 94889)

### **Concentrations: la Commission autorise, sous conditions, le rachat du fabricant de cartes intelligentes Morpho par Advent International**

La Commission européenne a autorisé, en vertu du règlement de l'UE sur les concentrations, le projet d'acquisition de Morpho, fournisseur de solutions en matière d'identité et de sécurité établi en France, par l'entreprise américaine Advent International. Morpho, qui appartient au groupe Safran,

fournit des solutions en matière d'identité et de sécurité. Advent International est une société de capital-investissement. Elle contrôle Oberthur, qui fabrique des cartes intelligentes et fournit des prestations de sécurité numérique. Tant Oberthur que Morpho conçoivent et fournissent des solutions en matière d'identification et de sécurité, dont des cartes intelligentes destinées aux secteurs des banques, des télécommunications et des documents d'identité. La Commission a considéré que l'opération, telle que notifiée, soulevait des doutes sérieux quant à sa compatibilité avec le marché unique en ce qui concerne le marché des cartes de paiement intelligentes en France. Afin de lever ces craintes, les parties ont proposé de céder CPS, la filiale française de Morpho qui fournit et personnalise des cartes intelligentes de paiement certifiées CB pour la clientèle bancaire en France. Compte tenu des mesures correctives proposées, la Commission est parvenue à la conclusion que l'opération envisagée, telle que modifiée, n'entraverait pas de manière significative la concurrence dans l'Espace économique européen ou une partie substantielle de celui-ci, y compris en France. Un communiqué de presse est disponible en ligne en [FR](#), [EN](#) et [DE](#). (Pour plus d'informations: Lucía Caudet – Tel. +32 229 56182; Yizhou Ren – Tel.: +32 229 94889)

### **Eurostat: Février 2017 comparé à janvier 2017 – La production dans le secteur de la construction en hausse de 6,9% dans la zone euro – En hausse de 4,4% dans l'UE28**

En février 2017 par rapport à janvier 2017, la production dans le secteur de la construction, corrigée des variations saisonnières, a progressé de 6,9% dans la zone euro (ZE19) et de 4,4% dans l'UE28, selon les premières estimations d'Eurostat, l'office statistique de l'Union européenne. En janvier 2017, la production dans le secteur de la construction avait reculé de 2,4% dans la zone euro et de 1,5% dans l'UE28. Un communiqué de presse est disponible [ici](#). (Pour plus d'informations: Lucía Caudet – Tel.: +32 229 56182; Mirna Talko – Tel.: +32 229 87278)

### **ANNOUNCEMENTS**

#### **Commissioner Jourová on official visit to Estonia**

Today, Commissioner **Jourová** will visit Tallinn to prepare the upcoming Estonian presidency in the field of Justice. She will also discuss the European Public Prosecutor's Office and justice in the cyberspace. She will meet the Prime Minister, Jüri Ratas, the Minister of Social Protection, Kaia Iva, and Lavly Perling, Prosecutor General of Estonia. Tomorrow, she will exchange views with the European Affairs Committee of the Riigikogu (the Parliament of Estonia). She will also meet the Minister of Justice, Urmas Reinsalu and Merike Saks, Secretary General of the Ministry of Economic Affairs and Communication of Estonia. Finally, she will visit eu-LISA, the European Agency for the operational management of Large-Scale IT Systems in the area of freedom, security and justice, as well as the e-Estonia Showroom. (For more information: Christian Wigand – Tel: +32 229 62253; Sophie Dupin de Saint-Cyr – Tel.: +32 229 56169)

## [February 2017 compared with January 2017-Production in construction up by 6.9% in euro-area -Up by 4.4% in EU28](#)

In February 2017 compared with January 2017, seasonally adjusted production in the construction sector increased by 6.9% in the **euro area** (EA19) and by 4.4% in the **EU28**, according to first estimates from **Eurostat, the statistical office of the European Union**. In January 2017, production in construction fell by 2.4% in the **euro area** and by 1.5% in the **EU28**.

[Full text available on EUROSTAT website](#)

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## [Benoît Cœuré: Central clearing: reaping the benefits, controlling the risks](#)

### *Summary*

*As a result of structural changes in financial markets and the introduction of mandatory central clearing obligations for standardised over-the-counter (OTC) derivatives, central clearing has expanded significantly in recent years. In parallel, public authorities have devoted greater attention to strengthening the global safeguards for central clearing, notably with the adoption of the CPMI-IOSCO Principles for Financial Market Infrastructures in 2012, a complementary CPMI-IOSCO report on recovery of financial market infrastructures in 2014, and dedicated Financial Stability Board guidance on how to apply the “Key Attributes of Effective Resolution Regimes for Financial Institutions” to financial market infrastructures in 2014. In 2015 global standard-setting bodies launched a comprehensive work plan on central counterparty (CCP) resilience, recovery, resolution and clearing interdependencies to further enhance this framework.*

*This article takes stock of the latest achievements in this area and outlines future priorities, concerning the finalisation of the CCP work plan, interactions between requirements for central counterparties and those for*

*banks, greater granularity of central counterparty supervision and oversight, cross-border cooperation between authorities as well as macroprudential safeguards for central clearing.*

The article is available from this page or directly from the [website of the Banque de France](#).

[Media contacts](#)

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## [Mergers: Commission clears acquisition of smart card maker Morpho by Advent International, subject to conditions](#)

**Morpho** is the identity and security solutions business of the Safran group. **Advent International**, a private equity firm, controls smart card and digital security provider Oberthur. Both Oberthur and Morpho develop and supply identification and security solutions, including smart cards for the banking sector, telecommunication sector and identity document sector.

The Commission's investigation found that in France there are currently only three viable suppliers of payment smart cards holding the necessary national certifications and production sites to effectively supply French banks. The takeover would reduce that number to only two, which would significantly reduce competition.

### **The Commission's competition concerns**

The Commission's investigation focused in particular on the parties' overlapping activities in **smart card markets**.

For **SIM cards** and **electronic ID documents** (e.g. e-passports, e-ID cards, e-health cards) the Commission concluded that the merged entity would continue to face a number of credible competitors.

However, the investigation found that for **payment smart cards**, the proposed transaction, as initially notified, would have significantly reduced competition in the market for payment smart cards in France. This market is particularly difficult to enter, reducing the ability of suppliers not currently active in France to compete effectively.

The Commission found that in order to supply payment smart cards in France, manufacturers need to obtain and maintain certification for the domestic debit card scheme *Cartes Bancaires* (CB), on top of the global EMV certification standard. In addition, to compete effectively, suppliers must

run in France a CB-certified manufacturing site for the personalisation of CB-certified cards.

Based on the results of its extensive market investigation, the Commission considered that the transaction, as notified, raised serious doubts as to its compatibility with the Single Market with regard to the market for payment smart cards in France.

### **The proposed commitments**

In order to address these concerns, the parties offered to divest Morpho's French subsidiary CPS, which supplies and personalises CB-certified payment smart cards to banking customers in France.

In view of the remedies proposed, the Commission concluded that the proposed transaction, as modified, would not significantly reduce competition in the European Economic Area (EEA) or any substantial part of it, including France. The Commission's decision is conditional upon full compliance with the commitments.

### **Companies and products**

**Advent International** is a US based private equity firm with holdings in various sectors.

**Oberthur**, a portfolio company controlled by Advent International, is a global digital security provider based in France which is active in the payment, identity and telecommunication sectors.

**Morpho** (Safran Identity & Security) is a global provider of identity and security solutions based in France. Morpho provides solutions and services to manage citizen identities, applications in the area of public security, and connectivity and security solutions, in particular smart cards, to serve banks, telecom operators and other commercial service providers.

### **Merger control rules and procedure**

The transaction was notified to the Commission on 24 February 2017.

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). This deadline is extended to 35 working days in case remedies are submitted by the parties, such as in this case.

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

## Remarks by the High Representative Mogherini following the 7th EU-China Strategic Dialogue

Beijing, 19 April

*Check against delivery!*

First of all, Mr. State Councillor [Yang Jiechi], thank you very much for hosting me in Beijing today. This is the third session of the EU-China Strategic Dialogue that we have co-chaired since I took office as the European Union High Representative and also my third visit to Beijing in just over two years. And it has been, as always but even more than always, a very productive, a very positive meeting.

I am also personally particularly pleased to say that we have established an excellent working relation, for which I would like to thank you particularly, and yesterday I also had the honour of meeting Premier Li Keqiang. We had a very good and productive exchange, notably on the upcoming EU-China Summit in Brussels and on how we can strengthen our cooperation in times when the world needs it.

We are living clearly in times of growing tensions and geopolitical unpredictability, so our cooperation has never been so important. China and the European Union are global powers: we have a joint responsibility to work together towards a more cooperative, rules-based global order.

And especially after such a long, good, productive Dialogue that we had – more than three hours together covering different issues -, I can definitely say that we can meet, together, these expectations of a joint EU-China role for improving the conditions of our world and our citizens, and that our Strategic Partnership has indeed reached an unprecedented level of maturity.

First of all, on the many dramatic crises we have open on the world scene, we value the role of China as a Permanent Member of the Security Council and a key security and foreign policy partner for the European Union. Working together, we can make a difference not only for our respective citizens but also for the entire world starting from the many crises that worry us around the European region or the Asian region.

Looking at the European Union's region – to start with -, our priority is to bring to an end the dramatic war in Syria. We discussed at length together ways to actively support the UN-led process while working to improve the humanitarian access into the country. We share the assessment that the process has to be political, that all parties have to engage, that on the use of chemical weapons we need a clear investigation – that the OPCW [Organisation for the Prohibition of Chemical Weapons] is conducting – and that only once a credible political transition will be underway will we mobilise the necessary resources to help the Syrians on the reconciliation and the reconstruction, as we affirmed together during the *Brussels conference we hosted on the future of Syria and the region* at the beginning of April, also together with the UN Secretary General António Guterres.

We also discussed at length, as the State Councillor mentioned, the rising tensions on the Korean peninsula where we both support the urgent objectives of de-nuclearisation, de-escalation of tensions and a return to dialogue. And as Mr State Councillor mentioned, the European Union is ready to do its part to help on these objectives. The European Union fully and robustly implements the UN Security Council Resolutions when it comes to the violations of the DPRK [Democratic People's Republic of Korea] and we are equally committed to support a political process that can lead to these objectives we share.

We also agreed to work more together to mobilise international support for a peace process in Afghanistan that still needs to start. I will, by the way, discuss this issue in particular, but also others, in the coming days in Delhi and in Moscow later this week. And we decided that in particular on the work on the DPRK and the increased tensions in the Korean Peninsula, but also on Syria and Afghanistan we will keep close coordination in the weeks to come.

Moving a little bit to the West, I thanked China for the excellent role that it is playing on the full implementation of the JPCOA [Joint Comprehensive Plan of Action] – the agreement we reached together on the nuclear programme of Iran, and we reaffirmed together the strong determination to have all elements of the JPCOA fully implemented and continue to consider the agreement as a key pillar for arms control and the nuclear non-proliferation regime and we will continue to work together in this direction within the Joint Commission that I continue to chair, and in which China is an active, constructive and very valued member.

We also discussed our positions on the Middle East Peace Process, reaffirming that the framework for us stays the one set in the UN Security Council Resolutions. We exchanged views on the crisis in Libya and we decided to increase our cooperation, in particular in regard to Africa, where we have a lot of potential, including trilateral cooperation.

We also discussed how to increase our cooperation in the field of security and defence, including on creating further opportunities for us to work together on challenges related to peacekeeping and counter-piracy, but also on counter-terrorism – another area where we decided to increase our cooperation.

The European Union and China have one of the world's biggest trade and investment relationships and our partnership has an increasingly global dimension that goes beyond the bilateral one. The European Union listened very carefully to President Xi Jinping's speeches earlier this year in Davos and Geneva and to the commitments he made on behalf of China to free trade, multilateralism and sustainable development. More than ever, we must work together not only to uphold but to promote the rules-based international system which underpins our common prosperity and security.

At the global level, the European Union and China were behind two of the most successful agreements the world managed to achieve, meaning the multilateral agreements in Paris on climate change and on the Sustainable Development Goals in New York. Now we come to the implementation phase and we decided to work very closely together to ensure that both the European Union and China continue to play a key role on the global scene – especially on these two files – but also on others that are in our common interest.

I mentioned two fields of global issues where we see the need to work closely together to guarantee the world order is sustained: the need to implement the Paris climate change agreement; and the need to work on the UN Sustainable Development Goals. Let me add a third element: we both recognise the need to support the WTO [World Trade Organisation] and to avoid any protectionist policy or attitude. The European Union and China will work together in this direction.

All these elements of cooperation between the European Union and China on regional and global issues will be covered, among others, at the EU-China Summit that will take place in June in Brussels, together with important elements of the bilateral dimension of our relations.

We discussed today at length, and also yesterday with the Premier [Li Keqiang], the important positive agenda we share. We aim to launch talks on visa facilitation and tackling irregular migration, to strengthen infrastructure links via the EU-China Connectivity Platform, and make substantial progress on the negotiation of a Comprehensive Agreement on Investment.

China and the European Union recognise that we have a vested interest in the success of each other's structural reforms, with full respect of internal proceedings, but also with a clear stake we both have. This success of structural reforms will also increase the possibility of market openings which is key to our respective economies.

The relationship – the strategic, important relationship – between the European Union and China is based on strong elements: partnership, engagement, respect for the principles of the UN Charter and international law. We also have the wisdom and experience – and I would like to add, the friendship – that allows us to tackle our differences in a constructive and open manner. I conveyed to the State Councillor the European Union's concern about human rights in China. We firmly believe that frank and constructive dialogue is the best way to address all issues, as good friends who respect each other tend to do.

So, let me conclude by sharing the assessment that the State Councillor mentioned before: of an extremely positive state of play of our relationship; of an extremely positive agenda for this visit, for this strategic dialogue; and a good basis for the preparation of our upcoming summit.

I believe, especially after today's meeting, that we have an excellent basis not only to assess good progress made during the last year, but most of all to agree on a positive agenda and tackle differences that might remain, in a constructive manner.

Link to the video:

<http://ec.europa.eu/avservices/video/player.cfm?ref=I137075>