

Mergers: Commission approves acquisition of Hamburg Süd by Maersk Line, subject to conditions

Both Maersk Line and HSDG are active worldwide in **container liner shipping**. The clearance is conditional upon the withdrawal of HSDG from **five consortia on trade routes** connecting (i) Northern Europe and Central America/Caribbean, (ii) Northern Europe and West Coast South America, (iii) Northern Europe and Middle East, (iv) the Mediterranean and West Coast South America and (v) the Mediterranean and East Coast South America. On these routes, the merged entity would have faced insufficient competition after the transaction.

Commissioner Margrethe **Vestager**, in charge of competition policy, said: *"Competitive shipping services are essential for European companies and for the EU's economy as a whole. The commitments offered by Maersk Line and HSDG will maintain a healthy level of competition to the benefit of the very many EU companies that depend on these container shipping services."*

The Commission's competition concerns

The proposed transaction would lead to the combination of two leading container liner shipping companies. Maersk Line is the largest container shipping company, while HSDG is number nine worldwide. Like several other carriers, Maersk Line and HSDG offer their services on trade routes through cooperation agreements with other shipping companies. These are known as *"consortia"* or *"alliances"* and are based on vessel sharing agreements where members decide jointly on capacity setting, scheduling and ports of call, which are all important parameters of competition.

The Commission examined the effects of the merger on competition in this specific market for container liner shipping on seventeen trade routes connecting Europe with the Americas, Asia, the Middle-East, Africa and Australia/New Zealand.

The Commission found that the merger, as initially notified, would have created new links between the previously unconnected entities Maersk Line and five of the consortia HSDG belongs to (Eurosail 1/SAWC, Eurosail 2/SAWC, EPIC 2, CCWM/MEDANDES and MESA).

According to the Commission's analysis, this **would have resulted in anti-competitive effects** on the corresponding five trade routes (Northern Europe and Central America/Caribbean; Northern Europe and West Coast South America; Northern Europe and Middle East; Mediterranean and West Coast South America; Mediterranean and East Coast South America). In particular, these links could have enabled the merged entity to influence key parameters of competition, such as capacity, for a very large proportion of those markets, to the detriment of their commercial customers and, ultimately, of consumers.

The proposed transaction would also create (a) limited links between Maersk Line and HSDG in the markets for short-sea shipping and “tramp services” (unscheduled, on demand shipping), as well as (b) limited links between the two companies’ activities in container liner shipping and the container terminals, harbour towage, freight forwarding, container manufacturing and inland transportation sectors where Maersk Line or other companies belonging to the Maersk Group are active.

However, in both areas, the Commission found no competition concerns, in particular because several other service providers are active in these markets.

The proposed commitments

In order to address the Commission’s competition concerns, Maersk offered to terminate the participation of HSDG in the five consortia (Eurosail 1/SAWC, Eurosail 2/SAWC, EPIC 2, CCWM/MEDANDES and MESA). This will entirely remove the problematic links between Maersk Line and HSDG’s consortia that would have been created by the transaction.

HSDG will continue to operate as part of the five consortia during the notice period to guarantee an orderly exit. However, a monitoring trustee will ensure that no anti-competitive information is shared between these five consortia and the merged entity during that notice period.

In view of the proposed remedies, the Commission concluded that the proposed transaction, as modified, would no longer raise competition concerns. The decision is conditional upon full compliance with the commitments.

Companies and products

HSDG operates 130 container vessels. HSDG markets its services through its global Hamburg Süd brand and its CCNI (Chile) and Aliança (Brazil) brands. HSDG is a member of several consortia and in particular:

Trade route	Consortium
Northern Europe to Central America / Caribbean	Eurosail 1/SAWC
Northern Europe to West Coast South America	Eurosail 2/SAWC
Northern Europe to Middle East	EPIC 2
Mediterranean to West Coast South America	CCWM/MEDANDES
Mediterranean-East Coast South America	MESA

Maersk Line operates 611 container vessels, 324 of which are chartered, and sells its container liner shipping services worldwide. It markets its services through the Maersk Line, Safmarine, SeaLand (Intra-Americas), MCC Transport (Intra-Asia) and SeaGo Line (Intra-Europe) brands. In addition, the Maersk Group also provides container terminal services, freight forwarding services, inland transportation, container manufacturing, and harbour towage

services.

Merger control rules and procedures

The transaction was notified to the Commission on 20 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 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.8330](#).

ESMA clarifies CCPs' portfolio margining under EMIR

Under EMIR, CCPs can offset or reduce the required margin across instruments, which they clear if the price risk of one the instrument is significantly and reliably correlated to the price risk of other financial instruments. In those cases, CCPs may apply portfolio margining.

Given there is no specific definition of what constitutes the same product within EMIR and its implementing measures, ESMA's opinion clarifies:

- as to when two contracts can or cannot be considered as the same instrument for the purpose of portfolio-margining – the opinion contains such clarification for all asset classes; and
- that CCPs have to limit the reduction in margin requirement when portfolio-margining different instruments.

ESMA's opinion helps to build a common Union supervisory culture and consistent supervisory practices, as well as ensuring uniform procedures and consistent approaches throughout the Union.

[ESMA clarifies CCPs' portfolio margining under EMIR](#)

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[Opinion on portfolio margining requirements under Article 27 of EMIR Delegated Regulation](#)

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EU Justice Scoreboard 2017: justice systems becoming more effective, but challenges remain

Commenting on today's presentation of the main findings of this year's EU Justice Scoreboard, Commissioner **Jourová** said: *"The 5th edition of the EU Justice Scoreboard confirms that effective justice systems are essential to build trust in a business and investment-friendly environment in the single market. I encourage Member States to ensure that any justice reform respects the rule of law and judicial independence. This is key for citizens and businesses to fully enjoy their rights. An independent and well-functioning justice system is a fundamental pillar of every democracy."* The EU Justice Scoreboard which gives a comparative overview of the efficiency, quality and independence of justice systems in the EU Member States. Its aim is to assist national authorities in their efforts to improve their justice systems by providing this comparative data. In this fifth edition, the Justice Scoreboard includes, for the first time, information on how consumers can access justice and data on the length of anti-money laundering cases. On the situation of judicial independence in Member States, this edition presents a new survey on the reasons for the perceived lack of independence of the justice system by citizens and companies and shows new data on safeguards for protecting judicial independence. The Commission also published today the results of Eurobarometers analysing the perceived independence of the national justice systems in the EU among the general public and among companies. You'll find more information in the [press release](#), the full [2017 Scoreboard](#), the [Q&A](#), the [factsheet](#) and the [press conference](#). (For more information: Christian Wigand – Tel: +32 229 62253; Melanie Voin – Tel: +32 229 58659)

L'Union européenne renforce son soutien au Tchad

Le Commissaire européen en charge de la coopération internationale et du développement Neven **Mimica**, en visite à N'Djamena, annonce un soutien supplémentaire de 100 millions d'euros. Le Commissaire Neven **Mimica** a fait la déclaration suivante: *«Ce nouveau paquet de 100 millions d'euros témoigne de la détermination de l'Union européenne à aider le Tchad à faire face à la crise économique et budgétaire, ainsi que soutenir ses efforts de réforme et de lutte contre la pauvreté. Le Tchad est un partenaire important de l'Union européenne, il fait face à de nombreux défis et nous sommes à ses côtés.»* Cet appui vise à soutenir des secteurs essentiels tels que la nutrition, la sécurité alimentaire et la résilience, l'agriculture durable, la gouvernance démocratique, la promotion de l'Etat de droit. Au cours de sa visite, le Commissaire Neven **Mimica** va également signer un engagement financier relatif à la gestion des aires protégées et des écosystèmes fragiles pour un montant de 33 millions d'euros issus du [Fonds Européen de Développement](#). Un second engagement financier concerne un projet pour l'insertion socio-professionnelle des jeunes pour un montant de 10.3 millions d'euros, issus du [Fonds fiduciaire d'urgence pour l'Afrique](#) et mis en œuvre à travers l'Agence Française de Développement. (Pour plus d'information: Carlos Martín Ruiz de Gordejuela – Tel.: + 32 229 65322; Christina Wunder – Tel.: + 32 229 92256)

Commission publishes latest round report and EU proposals for trade agreement with Mercosur

The Commission today published as part of [its commitment](#) to a more transparent trade and investment policy – a report summarising the progress

made during the latest round of negotiations for a trade agreement between the EU and Mercosur (Argentina, Brazil, Paraguay and Uruguay), which took place in Buenos Aires during the week of 20 March. During the round, the EU tabled textual proposals on trade and sustainable development, transparency, access to energy and raw materials, an annex on technical barriers to trade in the automotive sector, and a proposal on agriculture including provisions on bilateral and multilateral cooperation, wine and spirits, and other topics. These proposals are now also available online on DG Trade's [Transparency in Action](#) portal. The latest round of negotiations included meetings in working groups covering 15 different areas. Parties also agreed to merge their proposals into consolidated texts and, in the area of competition, reached provisional agreement on a full text. After the round, the EU and Mercosur also published a joint communiqué, which is available [here](#). Both sides agreed to hold an inter-sessional round in Buenos Aires at the end of May. The next full round is scheduled before the summer break. More information on the EU-Mercosur talks is available on the [website of DG Trade](#). (For more information: Daniel Rosario – Tel.: + 32 229 56185; Axel Fougner – Tel.: +32 229 57276)

Mergers: Commission clears 21st Century Fox's proposed acquisition of Sky under EU merger rules

The European Commission has approved unconditionally under the EU Merger Regulation the proposed acquisition of Sky by Twenty-First Century Fox, a US-based diversified global media company. The proposed transaction would combine Sky plc (Sky), the leading pay-TV operator in Austria, Germany, Ireland, Italy and the UK and Twenty-First Century Fox, Inc (Fox), one of the six major Hollywood film studios (20th Century Fox), as well as a TV channel operator (Fox, National Geographic). The Commission found that the proposed transaction would lead to only a limited increase in Sky's existing share of the markets for the acquisition of TV content as well as in the market for the wholesale supply of TV channels in the relevant Member States. Given that the merging companies are mainly active at different levels of the market, the Commission's assessment focused on whether, as a result of the proposed transaction: (a) Fox would be able to prevent or significantly limit access by Sky's competitors to its films and other TV content, as well as to its TV channels, (b) Sky would have the incentive to cease purchasing content from Fox's competitors and (c) Sky could prevent competing channels from accessing its platform. Based on the results of its market investigation, the Commission concluded that the proposed transaction would raise no competition concerns. As the Commission's findings concern solely the competition aspects of the proposed transaction, today's clearance decision is without prejudice to the UK's ongoing media plurality review of the proposed transaction. A full press release is available online in [EN](#), [FR](#) and [DE](#) (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)

Mergers: Commission clears acquisition of Delta Lloyd by NN Group in Dutch insurance sector

The European Commission has approved under the EU Merger Regulation the acquisition of sole control over Delta Lloyd N.V. by NN Group N.V., both of the Netherlands. Delta Lloyd and NN are insurance companies that provide company pension schemes, individual life insurance policies and non-life insurance. They are both also active in banking and asset management. The Commission's investigation focused particularly on the possible effects on competition in pensions in the Netherlands, where the companies have the strongest market position. The Commission concluded that the proposed transaction would not raise competition concerns either in this or any of the other areas where the companies' activities overlap in insurance and insurance distribution in the Netherlands and Belgium. In the Dutch pensions market, the Commission found that the new entity would continue to face competition from both other major insurance companies and from other pension providers. This is partly due to recent changes on the Dutch pensions market, which have increased competition by allowing a range of new actors to offer pension solutions. In all other areas, the Commission concluded that the merged entity would continue to face significant competition, and that the transaction would not have any detrimental effect on consumer choice. Following notification of the transaction to the Commission, the Dutch authorities requested a referral of the case to the Dutch Competition Authority. As the transaction does not give rise to any competition concerns, the legal grounds for referral are not met and the Commission therefore rejected the referral request. More information will be available on the Commission's [competition](#) website, in the public [case register](#) under the case number [M.8257](#). *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)*

Mergers: Commission clears acquisition of Żabka Polska by CVC Capital Partners

The European Commission has approved under the EU Merger Regulation the acquisition of Żabka Polska S.A. of Poland by CVC Capital Partners of Luxembourg. Żabka Polska S.A. operates a franchise network of grocery retail stores in Poland. CVC Capital Partners is a private equity company. The Commission concluded that the proposed acquisition would not raise competition concerns because the companies are not active in the same markets and because market shares in all vertically linked markets remain limited. 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.8428](#). *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)*

ANNOUNCEMENTS

L'Union européenne et l'Algérie renforcent leurs relations dans le domaine de l'énergie

Le 11 Avril, le Commissaire européen chargé de l'Action pour le climat et de l'Energie Miguel **Arias Cañete** rencontra à Bruxelles le Ministre algérien de l'Energie M. Noureddine Boutarfa. Ils discuteront du [Partenariat Stratégique](#) sur l'énergie entre l'Union européenne et l'Algérie. Le Commissaire Miguel **Arias Cañete** a déclaré, avant la rencontre : «Le

Partenariat stratégique euro-algérien sur l'énergie a été lancé il y a deux ans lors de ma première visite à Alger et est maintenant une composante permanente et structurelle des relations euro-algériennes. L'UE et l'Algérie sont dans une relation d'interdépendance: l'Europe s'appuie sur le gaz algérien pour sa sécurité d'approvisionnement et l'Algérie compte sur le marché européen pour la sécurité de la demande. Mais l'Algérie a également un grand potentiel dans les domaines des énergies renouvelables et de l'efficacité énergétique. L'UE est fortement engagée à soutenir l'Algérie dans ces domaines politiques.» Le Partenariat Stratégique UE-Algérie prévoit une coopération dans les domaines du gaz naturel et du pétrole brut ainsi que de l'électricité, des énergies nouvelles et renouvelables, de l'efficacité énergétique et du développement des infrastructures. Dans le cadre de ce partenariat le premier [Forum d'Affaires Euro-Algérien](#) sur l'énergie a eu lieu en mai 2016. Lors de la réunion de demain le Commissaire **Arias Cañete** et le ministre Boutarfa examineront les progrès qui ont été faits depuis lors dans la coopération sur l'énergie, surtout en ce qui concerne les investissements européens dans la production et l'approvisionnement de gaz et le secteur de l'énergie renouvelable en Algérie. Un coin VIP aura lieu le 11 Avril à 11:30 CET au Berlaymont avec le Commissaire et le Ministre algérien de l'Energie, il sera retransmis par [Europe by Satellite](#). (Pour plus d'informations: Anna-Kaisa Itkonen – Tél.: +32 229 56186; Nicole Bockstaller – Tél.: +32 229 52589)

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