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Main Topics

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- Enviroment
- Media/Telecom
- Competition/SA
- Healthcare
- Aviation/Transport
- Foreign Trade
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LAW

■ Digital Taxation

The EC presented two legislative proposals on the taxation of digital companies.

The first proposal aims to reform European corporate tax rules enabling Member States to tax profits that are generated in their territory in case a company has a “significant digital presence”: it exceeds a threshold of 7 million euro in annual revenues; or it has more than 100.000 users in a taxable year; or over 3000 business contracts for digital services are created between the company and business users.

The second proposal introduces a short term measure for the period until the first solution has been implemented. An indirect tax would apply to revenues created from those activities which are not covered entirely by the current framework and in case the company belongs to a group with total annual worldwide revenues of 750 million euro and tax revenues in the EU of 50 million euro.

The legislative proposals will now be submitted to the Council for adoption and to the EP for consultation. Any decision on taxation must be made unanimously, therefore the European Commission is already considering putting pressure on those Member States that expressed some concerns in the past. However, the final goal of the European Commission is to have unified action within the OECD.

[Proposal for a Council Directive laying down rules relating to the corporate taxation of a significant digital presence – Annexes](#)

[Proposal for a Council Directive on the common system of a digital services tax on revenues resulting from the provision of certain digital services](#)

[Commission Recommendation relating to the corporate taxation of a significant digital presence](#)

■ EU – US Insurance Agreement

The Council adopted a decision concluding an agreement with the US on prudential measures regarding insurance and reinsurance.

[Council decision – Bilateral agreement](#)

■ Fair Taxation

The EC adopted a Communication providing guidance on the implementation of new requirements regarding the assessment of projects involving entities in jurisdictions listed as non-cooperative for tax purposes by the Commission.

[EC Communication on new requirements against tax avoidance in EU legislation – Annexes](#)

■ Competition in Aviation

The Committee on Transport of the EP voted on the amendments tabled to the draft legislative report on the proposal for a Regulation on safeguarding competition in air transport, repealing Regulation 868/2004. The new law aims to establish a more effective complaints-handling mechanism to investigate possible unfair practices by non-EU countries. In particular, for parliamentarians investigations should take no longer than 12 months of the two-year time limit for proceedings, which could be reduced to six months in case of risk for EU carriers; provisional redressive measures can be taken when investigations are still on-going, unless those are against the Union interest. The adopted report will be available soon. Inter-institutional negotiations with the Council will start as soon as Member States agree on a common position.

[Draft report](#)

■ Internal Market in Natural Gas

The Energy Committee of the EP approved the report on the proposal for a Directive concerning common rules for the internal market in natural gas, amending Directive 2009/73/EC. The new rules would apply to all future gas

pipelines to the EU from non-EU countries. Inter-institutional negotiations with the Council will start as soon as the latter has agreed on a common position. The adopted report will be available soon.

[Draft report on the proposal for a Directive](#)

■ Environment

The Council decided not to object to a Commission Regulation amending Annex IV to Regulation 1221/2009 on the voluntary participation by organisations in a Community eco-management and audit scheme (EMAS). Unless the EP objects, the Commission may adopt the proposed measures.

[EC Regulation – Annex](#)

■ Global Pact for the Environment

The EC asked Council for a mandate to negotiate the international Global Pact for the Environment on behalf of the EU. The Pact would consolidate the fundamental principles of international environmental law.

[Recommendation for a Council Decision authorising the opening of negotiations – Annex](#)

■ Multilateral Investment Court

The Council adopted the negotiating directives authorising the Commission to negotiate, on behalf of the EU, a Convention establishing a multilateral court for the settlement of investment disputes. The objective is to set up a permanent body to settle investment disputes.

[Text of the negotiating Directives](#)

■ RAPEX Weekly Report

The EC published its weekly report for all dangerous consumer products, with the exception of food, pharmaceutical and medical devices.

[Weekly Overview Report](#)

POLITICS/GENERAL

■ Single Market

The European Council called for the completion and implementation before next year elections of the European Parliament of the Single Market Strategy, the Digital Single Market Strategy, the Energy Union and the Capital Markets Union Action Plan.

■ Brexit

The EC released a revised and consolidated version of the draft agreement reached between the UK and the EU negotiators. However, further discussions will continue on some important topics such as the border between Ireland and Northern Ireland.

The European Council welcomed the agreement reached by the negotiators and adopted guidelines on the framework for post-Brexit relations with the UK.

[Draft Agreement on the withdrawal of the UK – European Council Guidelines](#)

■ Capital Requirements Regulation

The European Banking Authority published an updated list of regional governments and local authorities that may be treated as central governments for the calculation of capital requirements.

[EBA dedicated page](#)

■ Credit Risk Mitigation

The European Banking Authority published a report on the current Credit Risk Mitigation framework, as part of the review of the IRB approach.

[EBA report](#)

■ REMIT

The Agency for the Cooperation of Energy Regulators published guidance on capacity hoarding in intraday electricity markets that could constitute market manipulation under the Regulation on Wholesale Market Integrity and Transparency.

[ACER Guidance](#)

DECISIONS

EC Decision of 21 March – Bayer / Monsanto

■ Manufacture of pesticides and other agrochemical products

The EC approved the acquisition of Monsanto by Bayer, subject to conditions.

[Case information](#)

EC Decision of 21 March – Capacitors

■ Manufacture of electronic components

The EC fined Elna, Hitachi Chemical, Holy Stone, Matsuo, NEC Tokin, Nichicon, Nippon Chemi-Con, Rubycon for participating in a cartel for the supply of aluminium and tantalum electrolytic capacitors between 1998 and 2012.

[Case information](#)

EC Decision of 20 March – Borealis / Nova Chemicals / Total / JV

■ Manufacture of plastics in primary forms

The EC approved the acquisition of joint control over the joint venture Bayport Polymers LLC by Nova Chemicals Inc, Total Petrochemicals & Refining and Borealis AG.

[Case information](#)

EC Decision of 19 March – Frankfurter Leben Holding / Pro BAV Pensionskasse

■ Insurance, reinsurance and pension funding

The EC approved the acquisition of sole control over Pro BAV Pensionskasse AG (“PPAG”) by Frankfurter Leben Holding GmbH & Co (“FL Group Holding”) and controlled by Fosun International Holdings Ltd.

[Case information](#)

EC Decision of 19 March – Richemont / Yoox Net-a-Porter Group

■ Manufacture of jewellery, bijouterie and related articles

The EC approved the acquisition of YOOX Net-a-porter by Richemont.

[Case information](#)

EC Decision of 19 March – Marubeni Itochu Steel / Sumitomo Corporation / JV

■ Manufacture of basic iron and steel and of ferro-alloys

The EC approved the acquisition of joint control over Hiroshima Steel Center by Marubeni-Itochu Steel Inc. (“MISI”) and Sumitomo Corporation.

[Case information](#)

EC Decision of 19 March – DK / DE Interconnector

■ Transmission of electricity

The EC opened a formal investigation to assess whether German grid operator TenneT’s limitation of capacity from Denmark is in line with the European law.

[Case information](#)

FROM THE OJEU

■ Withdrawal of notifications

Withdrawal of the notified concentration Quaker / Global Houghton – Case M.8492 has been published.

[Document 2018/C 106/01](#) – [Case information](#)

■ Non-opposition to concentrations

Non-opposition to the notified concentration Frankfurter Leben Holding / Pro BAV Pensionskasse – Case M.8784 has been published.

[Document 2018/C 110/01](#) – [Case information](#)

Non-opposition to the notified concentration Diamond Transmission Corporation / InfraRed Capital Partners / JV – Case M.8728 has been published.

[Document 2018/C 107/02](#) – [Case information](#)

Non-opposition to the notified concentration APMH Invest / Mitsui / Maersk Product Tankers – Case M.8697 has been published.

[Document 2018/C 106/03](#) – [Case information](#)

Non-opposition to the notified concentration Ardian / DRT – Case M.8810 has been published.

[Document 2018/C 106/02](#) – [Case information](#)

Non-opposition to the notified concentration CPPIB / BHL / BGL – Case M.8752 has been published.

[Document 2018/C 103/02](#) – [Case information](#)

Non-opposition to the notified concentration Goldman Sachs / Centerbridge / Robyg – Case M.8816 has been published.

[Document 2018/C 103/01](#) – [Case information](#)

■ Prior notification of concentrations

Prior notification of the concentration Standard Life Aberdeen / Neptune / PensionDanmark / NGT – Case M.8817 has been published.

[Document 2018/C 110/07](#) – [Case information](#)

Prior notification of the concentration Elia System Operator / Eurogrid International – Case M.8826 has been published.

[Document 2018/C 110/06](#) – [Case information](#)

Prior notification of the concentration Vapo / OP Financial Group / JV – Case M.8815 has been published.

[Document 2018/C 107/13](#) – [Case information](#)

Prior notification of the concentration TA Associates / Rothschild / Datix – Case M.8845 has been published.

[Document 2018/C 106/11](#) – [Case information](#)

Prior notification of the concentration Apple Inc. / Shazam Entertainment Limited – Case M.8788 has been published.

[Document 2018/C 106/10](#) – [Case information](#)

Prior notification of the concentration AXA / CDC / Cible dans Toulon Grand Var – Case M.8853 has been published.

[Document 2018/C 106/09](#) – [Case information](#)

Prior notification of the concentration UTC / Rockwell Collins – Case M.8658 has been published.

[Document 2018/C 105/07](#) – [Case information](#)

Prior notification of the concentration Accuride / Mefro wheels – Case M.8652 has been published.

[Document 2018/C 105/06](#) – [Case information](#)

Prior notification of the concentration Cathay Capital Private Equity / Equistone Partners Europe / E.Winkemann – Case M.8848 has been published.

[Document 2018/C 105/05](#) – [Case information](#)

Prior notification of the concentration LKQ / Stahlgruber – Case M.8766 has been published.

[Document 2018/C 103/08](#) – [Case information](#)

BRUSSELS INTERN

■ Screening of Foreign Direct Investments

The Members of the European Parliament debated on the proposal for a Regulation establishing a framework for screening of foreign direct investments into the EU. Some parliamentarians asked for the inclusion of the principle of reciprocity in the text, while for the European Commission a check of reciprocity is outside the scope of the regulation, at least for the moment. The lead Committee of the Parliament will vote on the proposal on 17 May.

■ Governance of the Energy Union

In view of the second trilogue, the Council released a compromise text on the proposal for a regulation on the governance of energy union.

[Presidency compromise proposal](#)

■ ePrivacy

The Council Telecommunications Working Party will discuss on 28 March the presidency paper on the proposal for a Regulation concerning the respect for private life and the protection of personal data in electronic communications and repealing Directive 2002/58/EC.

[Presidency proposal](#)

■ Circular Economy Package

At the April's plenary session (16 - 19) the European Parliament is expected to adopt the Circular Economy package, which is composed of a proposal for a Directive on packaging and packaging waste; a proposal for a Directive on end-of-life vehicles, on batteries and accumulators and waste batteries and accumulators, and on waste electrical and electronic equipment; a proposal for a Directive on waste and a proposal for a Directive on the landfill of waste.

■ Greenhouse Gas Emissions

The EU Heads of States and Governments called on the European Commission to present by the first quarter of next year a proposal for a strategy for long-term reduction of EU greenhouse gas emissions.

■ Public Procurement Strategy

The Internal Market Committee of the European Parliament is expected to vote in June its own-initiative report on the Public Procurement Strategy Package.

For suggestions, comments please contact:

Noerr LLP
Boulevard du Régent 47-48
1000 Brussels
Belgium

Head of Regulatory & Governmental Affairs



Dr. Holger Schmitz
T +49 30 2094 2160
holger.schmitz@noerr.com

Head of Antitrust & Competition Law



Dr. Alexander Birnstiel
T +49 89 28628 241
alexander.birnstiel@noerr.com

Regulatory Affairs Advisor



Giovanna Ventura
T +32 2 2745573
giovanna.ventura@noerr.com

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