# [China allocates more funding for poverty relief]

China’s central government has allocated another 30.7 billion yuan (about US$4.52 billion) in funding to help people living in poverty, the finance ministry said Monday.

That has brought this year’s total central government poverty relief funds to nearly 86.1 billion yuan, which has all been allocated at local levels, the Ministry of Finance said.

Up to 97.4 percent of the funding has gone to 22 provincial regions in the central and western parts of the country, the main battleground for poverty alleviation, said the ministry.

The central government has assigned 196.1 billion yuan of poverty relief funding over the past four years, representing annual average growth of 19.22 percent. This year’s funding marks a 30.3 percent increase year on year.

The Chinese government has vowed to lift all impoverished citizens out of poverty by 2020 to build a moderately prosperous society. In 2016 alone, China helped 12.4 million rural residents move above the poverty line.

By the end of last year, there were 43.35 million people living in poverty in China.

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# [One missing, 120,000 affected by heavy rain in Guizhou]

One person remains missing and 120,000 residents have damaged property after torrential rain since Friday in southwest China’s Guizhou Province, the local government said Monday.

Heavy rain lashed 16 counties and cities, inundating farmland, damaging houses, forcing the evacuation of 1,079 residents and causing direct economic losses estimated at 48.7 million yuan (7.16 million U.S. dollars), according to the latest tally.

The local civil affairs department is investigating the damage and sending relief goods to affected areas.

Rain hit most parts of China’s central, eastern and southern regions over the weekend. China Central Meteorological Station Monday morning maintained rainstorm alerts for a third consecutive day in Guangdong, Guizhou, Hebei, Jiangxi and Zhejiang provinces.

Typhoon Merbok, the second typhoon of the year, is forecast to make landfall in Guangdong late Monday, intensifying rainstorms in southern and eastern regions.

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# Concentrations: la Commission autorise sous conditions l’acquisition d’Intrum Justitia par Nordic Capital

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# Fusionskontrolle: Kommission genehmigt Übernahme von Intrum Justitia durch Nordic Capital unter Bedingungen

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# Mergers: Commission approves acquisition of Intrum Justitia by Nordic Capital, subject to conditions

The Commission’s investigation focused on the markets for **debt collection** and **debt purchasing** where both Intrum Justitia and Lindorff, a portfolio company of Nordic Capital, are active. The Commission was concerned that the takeover would reduce competition in both markets in Denmark, Estonia, Finland, Norway and Sweden.

**Debt collection** involves the recovery of outstanding debt. The Commission's investigation revealed that Lindorff and Intrum Justitia are very strong players on this market. Both companies are unique in their scale, reputation and ability to serve large customers that generate high volumes of claims (e.g. banks, utility and telecoms companies). A merger between Lindorff and Intrum Justitia in the five countries concerned could have led to insufficient competition in the market, resulting in lower quality of services and higher prices.

**Debt purchasing** involves the transfer of a creditor's debt portfolios to another party, the debt purchaser. In most cases, the acquired debt is then collected by the purchaser itself. The Commission's investigation found there is a strong link between debt collection and debt purchasing as a strong position on the debt collection market helps a competitor to build a strong position on the debt purchasing market, and vice versa. The Commission discovered that there is a limited number of players able to purchase certain types and volumes of debt. In the five countries concerned, the companies are mostly active in the purchase of unsecured debt (i.e. debt not protected by collateral), in which large international investors are generally not present. The combination of Lindorff and Intrum Justitia in the five countries concerned could have reduced already limited number of potential debt purchasers and in result debt sellers could have been unable to sell their debt portfolios. Preserving competition in this market will allow debt sellers to better manage their assets and risks and thus to act more efficiently to the ultimate benefit of their customers including retail clients.

**The proposed remedies**

In order to address the competition concerns identified by the Commission, Nordic Capital offered to divest the whole of the debt collection and debt purchasing businesses of Lindorff in Denmark, Estonia, Finland and Sweden, and the whole of the debt collection and debt purchasing business of Intrum Justitia in Norway.

These commitments fully remove the overlap between Lindorff and Intrum Justitia in the five countries where the Commission had identified competition concerns.

The Commission was therefore able to conclude that the proposed transaction, as modified by the commitments, would no longer raise competition concerns. The decision is conditional upon full compliance with the commitments.

**Companies and products**

**Nordic Capital** is a private equity company headquartered in Jersey and primarily investing in large and medium-sized companies in the Nordic region and in German-speaking parts of Europe.

**Lindorff**, of Norway, is one of Nordic Capital's portfolio companies. It is active in the provision of credit management services, in particular debt collection, and in debt purchasing. Lindorff is present in a number of

European countries.

**Intrum Justitia**, of Sweden, is active in the provision of credit management services, including debt collection, and in debt purchasing. Intrum Justitia is present in a number of European countries.

**Merger control rules and procedures**

The transaction was notified to the Commission on 12 April 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 cases where remedies are submitted by the parties, such as in this case.

More information will be available on the Commission's competition website, in the Commission's public case register under the case number M.8287.