

Conference on investigations of online child sexual violence on the Darknet



Eurojust/Council of Eurojust joint press release

The Hague, 30 September 2019

Criminal investigators and prosecutors should make the best possible use of tools for international cooperation available to them when performing online investigations, especially when dealing with alarming threats such as Darknet criminality or online sexual violence against children – this is the message of the [2nd joint conference on cybercrime organised by Eurojust and the Council of Europe](#).

The event, focusing specifically on investigations of online sexual violence against children on the Darknet, is gathering over 100 participants from countries supported by cybercrime capacity-building projects of the European Union and the Council of Europe, as well as Eurojust National Members and representatives of international organisations, internet service providers, industry and civil society.

Over the course of two days, discussions will focus on the tools available to practitioners when dealing with cross-border cybercrime and collection of electronic evidence, as well as on strengthening international cooperation in this process.

According to Europol's [2018 Internet Organised Crime Threat Assessment \(IOCTA\)](#), the amount of detected online child sexual exploitation material continues to grow, with more extreme material available on the Darknet, posing serious challenges for police investigations and victim identification efforts. Law enforcement officers and prosecutors are increasingly required to deal with identification of cybercriminals in foreign jurisdictions or with acquisition of data located abroad or somewhere on the Darknet. Tools such as 24/7 Points of Contact networks or mutual legal assistance treaties (MLATs) have become keys to successful investigations and prosecutions.

Before the meeting, Mr Ladislav Hamran, Eurojust's President, said; *'Of all the types of cross-border crime we have to deal with, the online sexual exploitation of young and vulnerable children is particularly upsetting. To tackle this atrocious crime and the growth of Darknet criminality, we need to join forces. Our cooperation with the Council of Europe and other major actors in this field is of prime importance to us.'*

Mr Alexander Seger, Head of the Cybercrime Division at the Council of Europe, highlighted the global relevance of the Budapest Convention on Cybercrime: *'With this treaty, an international framework for cooperation on cybercrime and e-evidence is in place and functioning. We are now negotiating an additional protocol to provide even more effective tools to secure evidence*

on servers in the cloud or on the Darknet'.

Mr Carlos Bandin Bujan, Programme Manager at the European Commission DG DEVC0, expressed the EU's continuous support to the Council of Europe and the Budapest Convention, recognising univocally the Convention and its protocols as the main global instrument to fight against cybercrime. He further stressed the importance of alliances such as the one being forged through this conference: *'Eurojust and the Council of Europe joining forces to fight against cybercrime – this alliance should set an example to many other bodies and agencies and of course is also applicable in other contexts. The capability of Eurojust to bring together the different national authorities – investigators, prosecutors and similar bodies – in solving a type of crime that has no borders combines in a perfect fashion with the capability of the Council of Europe, as the guardians of the Budapest Convention, to reach out to the remotest corners of the Earth, building the necessary capacities to effectively fight online criminality in full compliance with international standards and safeguards.'*

The conference sessions will cover topics such as the Council of Europe's Convention on the Protection of Children against Sexual Exploitation and Sexual Abuse (Lanzarote Convention); Eurojust's mission, objectives and available judicial tools for international cooperation on cybercrime; current procedures and issues encountered in obtaining electronic evidence under the Budapest Convention; issues and opportunities in collaborating with national and multinational service providers; case studies from country representatives, EU and international organisations on internet investigations on the Darknet and online sexual violence against children.



Photo © Eurojust

ESMA analyses use of derivatives by UCITS equity funds

The study, included in the latest [Trends, Risks and Vulnerabilities report](#) uses data collected under the EMIR framework, and finds that the tendency, and frequency, of these funds to trade derivatives is explained to a large extent by asset managers characteristics, such as fund family and fund family size. Over time, cash inflows as well as currency risk seem to have a significant influence, which suggests that derivatives are used for transaction costs or risk reduction purposes.

After the financial crisis in 2008, global regulators started to shed more light on derivatives markets, including the use of derivatives by market participants. Under various regulatory frameworks (such as EMIR in the EU)

derivatives transactions are reported to the authorities, enabling a granular analysis of derivatives transactions, leading to a better understanding of the market and making it easier to spot potentially problematic development at an earlier stage.

The analysis included in this study provides new insight into the type of derivatives that are traded by UCITS equity funds, why some of them trade derivatives whilst others do not, what makes some more active traders and to what extent the trading in derivatives is a reaction to daily changes in the market. UCITS equity funds mainly use forward contracts on currencies (80% of trades) and futures or options on equities (26%).

ESMA will continue to use its regulatory data to provide analysis and insights into the functioning of different sectors of the financial markets in the EU.

[EIOPA issues opinion on sustainability within Solvency II](#)

□**Frankfurt, 30 September 2019** – The European Insurance and Occupational Pensions Authority (EIOPA) published today an [Opinion on Sustainability and Solvency II](#).

The Opinion addresses the integration of climate-related risks in Solvency II Pillar I requirements.

While Solvency II – as a risk-based, forward-looking and market-consistent framework – is well equipped to accommodate sustainability risks and factors, climate change brings considerable challenges to the valuation of assets and liabilities, underwriting and investment decisions and risk measurement.

Climate change increases the uncertainty about the occurrence and the impact of physical or transition risks, which can happen at any time and suddenly, with far-reaching consequences. Hence, undertakings should not be complacent about these risks.

(Re)insurance undertakings are called to implement measures linked with climate change-related risks, especially in view of a substantial impact to their business strategy. Consequently, EIOPA stresses the importance of scenario analysis in the undertakings' risk management.

To increase the European market and citizens' resilience to climate change, (re)insurers should consider the impact of their underwriting practices on the environment. Consistently with sound actuarial practice, where risk

mitigation and loss prevention can make a significant difference, the development of new insurance products, adjustments in the design and pricing of the products and the engagement with public authorities, should be part of the industry's stewardship activity.

Gabriel Bernardino, Chairman of EIOPA, said: *"EIOPA's overall goal is securing a resilient industry in a sustainable environment for the benefit of consumers. The stewardship role of (re)insurers in contributing to climate change adaptation and mitigation is more important than ever. This Opinion outlines how (re)insurers can contribute to identifying, measuring and managing risks arising from climate change, through their investment and underwriting activities.*

In the interest of our society and the next generations – before it is too late – immediate actions are needed by all players globally. A sustainable environment is a precondition for a sustainable economy."

The Opinion on Sustainability within Solvency II is available via [this link](#).

Note for Editors

In August 2018, EIOPA received [a request from the European Commission for an Opinion](#) on Sustainability within Solvency II, with a particular focus on aspects relating to climate change mitigation.

The European Commission will take the Opinion into account in the preparation of its report on Directive 2009/138/EC (Solvency II Directive), due by 1 January 2021.

The European Commission invited EIOPA to provide its Opinion by 30 September 2019.

The **European Insurance and Occupational Pensions Authority (EIOPA)** was established on 1 January 2011 as a result of the reforms to the structure of supervision of the financial sector in the European Union. EIOPA is part of the European System of Financial Supervision consisting of three European Supervisory Authorities, the National Supervisory Authorities and the European Systemic Risk Board. It is an independent advisory body to the European Commission, the European Parliament and the Council of the European Union. EIOPA's core responsibilities are to support the stability of the financial system, transparency of markets and financial products as well as the protection of insurance policyholders, pension scheme members and beneficiaries.

Effects of product intervention measures regarding CFDs and binary options on market participants and clients

Responding to this paper

ESMA invites comments on this paper and in particular on the specific questions summarised in Chapter 5.

ESMA will consider all comments received by 4 November 2019.

All contributions should be submitted online at www.esma.europa.eu under the heading 'Your input – Consultations'.

Publication of responses

All contributions received could be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Who should read this paper

All interested stakeholders are invited to respond to this call for evidence. This call for evidence is primarily of interest to (i) investment firms and credit institutions providing investment services (and in particular providers of contracts for differences or binary options impacted by ESMA product intervention measures) and (ii) consumer groups and investors. When mentioning ESMA product intervention measures, reference is made to the measures in relation to the marketing, distribution or sale of contracts for difference (CFDs) and binary options to retail clients as set out in ESMA Decisions (EU) 2018/7961, (EU) 2018/1636 2, (EU) 2019/155 3, (EU) 2019/679 4, (EU) 2018/795 5, (EU) 2018/1466 6, (EU) 2018/2064 7 and (EU) 2019/509 8.

ESMA launches call for evidence on the

effects of product intervention measures

The European Commission asked ESMA to report on its experience with product intervention powers, including the practical effects of the product intervention measures. As part of its review and renewal process of the temporary measures in relation to binary options and CFDs, ESMA has collected significant information on the impact of its product intervention powers. This call for evidence invites market participants, consumers and their associations to share any further information on the effects of the measures.

Next Steps

ESMA will consider the responses to this call for evidence when drafting its response to the European Commission. The call for evidence closes by 4 November 2019. Please submit your contributions online via [‘Your input – Consultations’](#).