

# Commission pledges €100 million to help Mozambique recover from cyclones Idai and Kenneth

The EU has pledged €100 million to help Mozambique recover from the devastating effects of cyclones Idai and Kenneth, which hit the country in March and April this year. Commissioner for International Cooperation and Development, Neven **Mimica**, made the announcement on June 1 at the International Donors Pledging Conference held in Beira, one of the areas hardest hit by the cyclones.

Commissioner for International Cooperation and Development, Neven **Mimica**, said: *“The European Union is founded on solidarity: solidarity between its Member States and solidarity with its partner countries worldwide. That is why I am here today, in Mozambique, to announce that the EU will mobilise €100 million to support the country in its efforts to recover, rebuild infrastructure and strengthen resilience. We will also be supporting Malawi and Zimbabwe, which have also been affected by the cyclones.”*

During his visit, Commissioner **Mimica** met the President of Mozambique, Filipe Nyusi. He also visited the Hospital of Beira.

## **Background**

Cyclone Idai was one of the worst ever weather-related disasters in Southern Africa. When it hit the region in March, it brought flooding, landslides and high winds, affecting nearly three million people and causing almost 1 000 deaths across Mozambique, Malawi and Zimbabwe. On 25 April a second disaster, category-four tropical cyclone Kenneth, hit the northern part of Mozambique, affecting around 300 000 people in Cabo Delgado, leaving 40 dead, and 20 000 houses destroyed.

The full extent of the impact of cyclones Idai and Kenneth and reconstruction needs are documented in a [Post-Disaster Needs Assessment](#). This assessment was coordinated by the Government of Mozambique, in collaboration with development partners, namely the European Union, the World Bank, the United Nations and the African Development Bank. Recovery needs across the seven provinces hit by the two cyclones stand at USD 3.2 billion.

The EU has already mobilised around €17 million in humanitarian assistance in the aftermath of this disaster for Mozambique (€10 million), Zimbabwe (€4.5 million) and Malawi (over €2 million). In addition, it will provide Zimbabwe with €10 million in extra funding to cover the essential food and non-food needs of the most severely affected populations. The EU Civil Protection Mechanism was also activated for Mozambique, with nine Member States (Austria, Denmark, France, Germany, Italy, Luxembourg, Portugal, Spain and the United Kingdom) providing crucial initial humanitarian assistance. In Malawi, assessment of the needs is ongoing.

During the June 1 International Donors Pledging Conference, the European Bank for Investment announced €100 million in concessional loans for Mozambique.

**For more information**

[EU support to Cyclone Idai in April 2019](#)

[EU cooperation with Mozambique](#)

[EU Delegation in Mozambique](#)

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## **Daily News 03 / 06 / 2019**

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### **L’Union de la défense en marche: des progrès substantiels ont été accomplis dans le cadre de la mobilité militaire**

L’amélioration de la circulation des troupes et des moyens militaires dans l’ensemble de l’UE contribue à la sécurité de tous les Européens ainsi qu’à une Union plus efficace, plus réactive et plus cohérente. La Commission européenne et la Haute Représentante de l’UE présentent un [rapport conjoint](#) sur la mise en œuvre du [plan d’action sur la mobilité militaire](#), adopté en mars 2018. La mise en œuvre concrète du plan d’action permettra aux États membres de l’Union européenne d’agir plus rapidement et plus efficacement dans le cadre de la politique de sécurité et de défense commune, ainsi que des activités nationales et multinationales. Ce plan respecte pleinement la souveraineté nationale et le processus décisionnel au sein des États membres de l’UE. La mobilité militaire est également un projet phare dans le cadre de

la coopération UE-OTAN. Le rapport décrit les progrès substantiels et tangibles réalisés jusqu'à présent ainsi que la voie à suivre. En ce qui concerne l'infrastructure, des étapes clés telles les exigences militaires et l'analyse des écarts entre les besoins militaires et civils ont été achevées. Cela ouvre la voie au financement d'un double usage – civile et militaire – des infrastructures de transport par le biais d'une enveloppe de 6,5 milliards d'euros proposée dans le [cadre du mécanisme pour l'interconnexion en Europe \(MIE\) dans le cadre du prochain budget à long terme de l'UE \(2021-2027\)](#). Le Parlement européen et le Conseil sont parvenus à un accord sur le règlement MIE, comprenant des dispositions spécifiques pour le financement de projets à double usage. Compte tenu du taux de cofinancement de 50%, cet accord se traduirait par au moins 13 milliards d'euros de dépenses totales consacrées à ces projets. Vingt-trois États membres de l'UE ont adhéré à aux arrangements du programme de l'Agence européenne de défense relatif à « l'optimisation des procédures d'autorisation des mouvements transfrontaliers dans l'UE », visant à harmoniser et à simplifier les mouvements militaires dans l'UE. En outre, des progrès ont été accomplis dans la rationalisation des procédures douanières, de la taxe sur la valeur ajoutée et du transport des marchandises dangereuses. En particulier, une proposition a été faite concernant l'exonération de la taxe sur la valeur ajoutée pour les opérations militaires de l'UE. (*Pour plus d'informations: Enrico Brivio – Tél.: + 32 229 56172; Stephan Meder – Tél.: +32 229 13917*)

### **Mobilité des artistes: deuxième appel dans le cadre d'un projet pilote créant de nouvelles opportunités professionnelles**

Aujourd'hui, [i-Portunus](#), un projet pilote financé par la Commission européenne, lance le deuxième des trois appels à candidatures visant à financer la mobilité européenne des artistes. Doté d'un budget global d'un million d'euros, ce projet vise à aider jusqu'à 500 artistes à établir ou améliorer des collaborations et à créer de nouvelles œuvres en leur permettant de voyager dans un autre pays pendant une période de 15 à 85 jours. Il couvre deux secteurs: les arts de la scène et les arts visuels et est ouvert aux personnes résidant dans tous les pays participant au [programme Europe créative](#). Plus de 1 200 demandes ont déjà été soumises en réponse au premier appel publié en avril. L'année prochaine, la Commission investira 1,5 million d'euros supplémentaires dans des projets similaires. L'objectif est de se préparer pour 2021, date à laquelle la mobilité des artistes et des professionnels de la culture devrait être une action permanente dans le cadre du nouveau programme Europe créative. Tibor **Navracsics**, commissaire chargé de l'éducation, de la culture, de la jeunesse et des sports, a déclaré: « *La mobilité transfrontalière des artistes est essentielle pour stimuler la créativité et la compétitivité dans nos secteurs culturels. Le nombre de demandes pour le premier appel i-Portunus confirme que la demande pour notre initiative est élevée. Nous continuerons à piloter la mobilité des artistes cette année et l'année prochaine afin de pouvoir mener une action spécifique à l'avenir.* » Ce deuxième appel, ouvert jusqu'au 24 juin à 14 heures, propose de nouvelles fonctionnalités: mobilité de groupes (jusqu'à cinq personnes), mobilité segmentée (jusqu'à trois voyages d'au moins cinq jours chacun pour atteindre un minimum de 15 jours et 85 jours maximum) et un soutien financier supplémentaire aux artistes ayant des besoins spécifiques. Un troisième appel

est prévu pour début juillet. *(Pour plus d'informations: Nathalie Vandystadt – Tél.: +32 229 67083; Joseph Waldstein – Tél.: +32 229 56184)*

### **State aid: Commission opens in-depth investigation into Lithuanian electricity strategic reserve measure**

The European Commission has opened an in-depth investigation to assess whether Lithuanian support to energy company AB Lietuvos Energija in the context of a strategic reserve measure, which was in place in Lithuania until 2018, may have unduly favoured the company and distorted competition in the Single Market, in breach of EU State aid rules. From 2013 to 2018 (when the scheme was discontinued), the Lithuanian Power Plant (LPP), owned by AB Lietuvos Energija, Lithuania's state-owned incumbent, was selected by the Lithuanian government to provide strategic reserve services with the intention of increasing security of electricity supply in Lithuania. LPP was paid for the provision of these services. In 2016, the Commission received a formal complaint alleging that the measure was incompatible with EU State aid rules. At this stage, the Commission is concerned that the measure may not have been in line with EU State aid rules. The Commission will now investigate further to determine whether its initial concerns are confirmed. The opening of an in-depth investigation gives Lithuania and interested third parties an opportunity to submit comments. It does not prejudice the outcome of the investigation. A full press release is available online in [EN](#), [FR](#), [DE](#), [LT](#). *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Giulia Astuti – Tel.: +32 229 55344)*

### **Mergers: Commission clears acquisition of a joint venture by VW Group, Intel and Allied Holdings**

The European Commission has approved, under the EU Merger Regulation, the acquisition of joint control of a newly created joint venture by Volkswagen Finance Luxembourg S.A. ("VWFL") of Luxembourg, Mobileye Vision Technologies Ltd. ("Mobileye") and Champion Motors Ltd., both of Israel. The joint venture will operate a ride hailing service based on a fleet of self-driving vehicles in Israel. VWFL is an investment company, controlled by Volkswagen AG of Germany and belonging to the VW Group. Mobileye is controlled by Intel Corporation of the US and active in the development of computer vision and machine learning, data analysis, localisation and mapping for advanced driver assistance systems and autonomous driving. Champion Motors is controlled by Allied Holdings Ltd. of Israel and the direct importer and distributor in Israel of the Volkswagen, Skoda, Audi and Seat brands. The Commission concluded that the proposed acquisition would raise no competition concerns given the very limited impact brought about by the transaction on the market. The operation was examined under the simplified merger review procedure. More information will be available on the Commission's [competition website](#), in the [public case register](#) under the case number [M.9355](#). *(For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)*

### **Mergers: Commission clears acquisition of Euroports by MRG, PMV and SFPI-FPIM**

The European Commission has approved, under the EU Merger Regulation, the acquisition of joint control over Euroports Holdings S.à r.l. (“Euroports”) of Luxembourg by Monaco Resources Group (“MRG”) of Monaco, Participatie Maatschappij Vlaanderen (“PMV”) and Société fédérale de participations et d’investissement – Federale participatie -en investeringsmaatschappij (“SFPI-FPIM”), both of Belgium. Euroports provides terminal operations, freight forwarding and value-added services such as processing, customisation, bagging or packaging. MRG is active in agribusiness, metals and minerals, energy, logistics and technology, as well as finance and investments. PMV is an investment company fully owned by the Flemish region and mainly active in financing for entrepreneurs, start-ups and growth companies, as well as infrastructure, real estate and energy investments. SFPI-FPIM is an investment company investing in public and private enterprises of strategic interest to the Belgian State, who is its full owner. The Commission concluded that the proposed acquisition would raise no competition concerns because of the limited impact it would have on the market. 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.9321](#). (For more information: Ricardo Cardoso – Tel.: +32 229 80100; Maria Tsoni – Tel.: +32 229 90526)

## **ANNOUNCEMENTS**

### **International Contact Group and Lima Group representatives meet on Venezuela situation**

Federica **Mogherini**, High Representative for Foreign Affairs and Security Policy/Vice-President of the European Commission and Foreign Ministers of Portugal and Uruguay, representing the [International Contact Group](#), meet today in New York with the Foreign Ministers of Canada, Chile and Peru, in representation of the Lima Group, to discuss the situation in Venezuela. The meeting follows an invitation from the Lima Group countries and is part of the International Contact Group efforts to intensify its outreach with other key international actors, with a view to contribute to a political, peaceful and democratic solution to the Venezuelan crisis. Photos of the meeting will be available on [EbS](#). (For more information: Maja Kocijancic – Tel.: +32 229 86570; Xavier Cifre Quatresols – Tel.: +32 229 73582)

### **Commissioner Avramopoulos in Turkey**

Today, Dimitris **Avramopoulos**, Commissioner for Migration, Home Affairs and Citizenship is in Istanbul, Turkey. Commissioner **Avramopoulos** will meet President Recep Tayyip Erdoğan, Minister of Foreign Affairs Mevlüt Çavuşoğlu and Minister of the Interior Süleyman Soylu. Discussions will focus on the

implementation of the EU-Turkey statement and on cooperation on migration, borders and security. (For more information: *Natasha Bertaud – Tel.: +32 229 67456; Tove Ernst – Tel.: +32 229 86764; Markus Lammert – Tel.: +32 229 58602*)

### **Commissioner Bieńkowska in Poland to discuss the role of local authorities in shaping EU's future**

Today, Commissioner Elżbieta **Bieńkowska**, responsible for the Internal Market, Industry, Entrepreneurship and SMEs is in Gdańsk to hold a debate, the last in the series of dialogues that she conducted in Poland over the last weeks. This time, she is participating in the events commemorating the 30th anniversary of the 1st free elections in Poland in June 1989. The Commissioner will take part in a discussion on the role of the regional and local authorities in shaping the EU's future, organised in memory of the former [Mayor of the city of Gdansk Pawel Adamowicz](#). The Commissioner will be on stage together with Aleksandra Dulciewicz, Mayor of the city of Gdansk, Rafał Trzaskowski, Mayor of the city of Warsaw, Rafał Dutkiewicz, former Mayor of the city of Wrocław and Andrij Sadowyj, Mayor of the city of Lwiw. The Commission supports regional and local authorities' efforts in shaping a sustainable and prosperous development. EU funds have for example helped to further develop a fast, comfortable and clean transport network in Warsaw. The EU finances cohesion projects in Poland to 85% of their value yielding tangible results such as 12,200 km of road built or upgraded, 9.1 million people with access to broadband and 2.4 million people with access to better water and waste water networks (see [factsheet](#)). (For more information: *Lucía Caudet – Tel.: + 32 229 56182; Victoria von Hammerstein – Tel.: +32 229 55040*)

### **Commissioner Navracsics in Serbia for Western Balkans ministerial**

Commissioner for Education, Culture, Youth and Sport, Tibor **Navracsics**, is in Belgrade today to open the annual ministerial meeting of the [Western Balkans Platform on Education and Training](#). All Ministers of Education from the region are invited to review the state of educational system in their countries, learn about the latest EU initiatives, identify priorities, agree on follow-up to studies and reports and deeper cooperation. This year, discussions will mainly focus on early childhood education and care. Ahead of the meeting, Commissioner **Navracsics** said: "Since 2015 the Erasmus+ programme has supported 27,000 student and staff exchanges in higher education to and from the Western Balkans. However, to tackle the common challenges facing our economies and societies, we need to start much earlier. That is why I am very pleased that we will be discussing early childhood education and care which lays the foundations for children's development and their later success in life – and can play a role in building fairer, more resilient societies." The Platform's longer-term perspective is to assist the Western Balkans with their reform efforts and prepare them for EU membership responsibilities including full participation in the EU's education programmes. (For more information: *Nathalie Vandystadt – Tel.: +32 229 67083; Joseph Waldstein – Tel.: +32 229 56184*)

**Le commissaire Moscovici en visite demain sur le site d'Eurotunnel et le port**

## de Calais

Le commissaire Pierre **Moscovici**, en charge des affaires économiques et financières, la fiscalité et les douanes, sera en déplacement demain sur le site d'Eurotunnel et le port de Calais. Le Commissaire a déclaré : « *La sortie du Royaume-Uni représente un défi pour la région des Hauts-de-France, ses entreprises, ses citoyens, et pour les douanes françaises. Le travail de préparation est largement engagé mais il doit se poursuivre. C'est pour porter ce message et pour constater les progrès accomplis que je me rends sur le terrain ce mardi.* » Pendant sa visite, il participera à une réunion de travail sur les principaux dispositifs mis en place dans le cadre du Brexit et visitera les nouvelles installations douanières. Il se rendra ensuite au port de Calais où il tiendra une conférence de presse avec Fabien Sudry, préfet du Pas-de-Calais, Michel Lalande, préfet de la région Hauts-de-France, et Xavier Bertrand, président du Conseil régional des Hauts-de-France. (Pour plus d'informations : Vanessa Mock – Tél.: +32 229 56194; Patrick McCullough – Tel.: +32 229 87183)

[Upcoming events](#) of the European Commission (ex-Top News)

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## [ESMA publishes a supervisory briefing on pre-trade transparency requirements in commodity derivatives](#)

The Supervisory Briefing was developed after ESMA became aware that the provisions were not implemented in a consistent manner across the European Union. It aims to increase supervisory convergence among national competent authorities (NCAs), in their implementation of the requirements, and to provide a common timetable for the enforcement of the commodity derivatives pre-trade transparency regime, with the objective of ensuring a level playing field across EU trading venues.

It clarifies that NCAs should ensure that trading venues do not operate trading functionalities which allow the formalisation of negotiated trades in the absence of a compliant waiver.

To achieve this objective, the Supervisory Briefing sets the following common three-step timetable:

1. NCAs should gather information on the plans of each relevant trading venue to comply with the pre-trade transparency requirements, and ESMA should assess those plans. At the time of publication, this first phase has already been completed;

2. NCAs should make sure that all the relevant trading venues either operate under a compliant pre-trade waiver or are pre-trade transparent. This phase should be completed by the end of 2019; and
3. NCAs should take supervisory measures in case of non-compliance, starting from 1 January 2020

### **Next steps**

ESMA will closely cooperate with NCAs and regularly monitor the application of the Supervisory Briefing. In particular, ESMA will review the progress and measures undertaken six months after the beginning of the third step.

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## **State aid: Commission opens in-depth investigation into Lithuanian electricity strategic reserve measure**

**The European Commission has opened an in-depth investigation to assess whether Lithuanian support to energy company AB Lietuvos Energija in the context of a strategic reserve measure may have unduly favoured the company and distorted competition in the Single Market, in breach of EU State aid rules.**

The Commission's investigation concerns an electricity **strategic reserve** measure, which was in place in Lithuania until 2018. Strategic reserves generally keep certain generation capacities outside the electricity market for operation only in emergencies. They can be necessary to ensure security of electricity supply when electricity markets are undergoing transitions and reforms, and are meant to guard against the risk of supply interruptions during such transitions.

From 2013 to 2018 (when the scheme was discontinued), the Lithuanian Power Plant (LPP), owned by AB Lietuvos Energija, Lithuania's state-owned incumbent, was selected by the Lithuanian government to provide strategic reserve services with the intention of increasing security of electricity supply in Lithuania. LPP was paid for the provision of these services.

In 2016, the Commission received a formal complaint alleging that the measure was incompatible with EU State aid rules. The Commission has reached the preliminary conclusion that the measure constituted State aid. The Commission will now assess the aid to ensure it did not unduly distort competition within the EU's Single Market.

In order for the Commission to approve a capacity measure under EU state aid rules, the Member State must demonstrate the need for the measure, ensure that it is fit for purpose and open to all capacity providers.



At this stage, the Commission is concerned that the measure may not have been in line with EU State aid rules. The Commission's in-depth investigation will examine in particular whether:

(i) The strategic reserve was necessary to ensure security of electricity supply for the period 2015-2018, when Lithuania became significantly more interconnected with neighbouring countries;

(ii) It was appropriate and proportionate for Lithuania to assign the service directly and exclusively to LPP, without considering other potential capacity providers such as other power plants, storage or demand response;

(iii) The design of the strategic reserve distorted the formation of market prices and undermined investment by other market operators that could have contributed to security of supply.

The Commission will now investigate further to determine whether its initial concerns are confirmed. The opening of an in-depth investigation gives Lithuania and interested third parties an opportunity to submit comments. It does not prejudge the outcome of the investigation.

## **Background**

Strategic reserves such as the Lithuanian measure are capacity mechanisms.

The Commission carried out a [sector inquiry](#) into capacity mechanisms between April 2015 and November 2016, which [concluded](#) that strategic reserves may be appropriate interventions where Member States identify temporary risks. Strategic reserves should only be deployed in emergency situations. They should be held outside the market to minimise distortions to market functioning. Strategic reserves should be transitional measures, which accompany market reforms and are phased out as soon as the reforms take effect.

The Commission has assessed strategic reserves in two previous cases regarding Germany (SA.45852) and Belgium (SA.48648) and [approved such measures in February 2018](#).

The non-confidential version of the decision will be published in the [State aid register](#) on the [competition](#) website under the case numbers SA.44725 and SA.45193, once eventual confidentiality issues have been resolved. The [State Aid Weekly e-News](#) lists new publications of State aid decisions on the internet and in the EU Official Journal.

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**[Main topics and media events 31 May –](#)**

**16 June 2019**

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