

CMA presentation to CLA

CMA's advocacy role and outreach in the Nations

The Office for the Internal Market

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- **Enterprise Act 2002**

CMA function of ‘making proposals or giving information / advice to any Minister of the Crown or other public authority in relation to any of its functions’

- **Small Business, Enterprise and Employment Act 2015**

CMA power to ‘make recommendations to ministers on the impact of proposals for legislation on competition within any UK market(s) for goods and services’

- **Government Strategic Steer, July 2019**

CMA should:

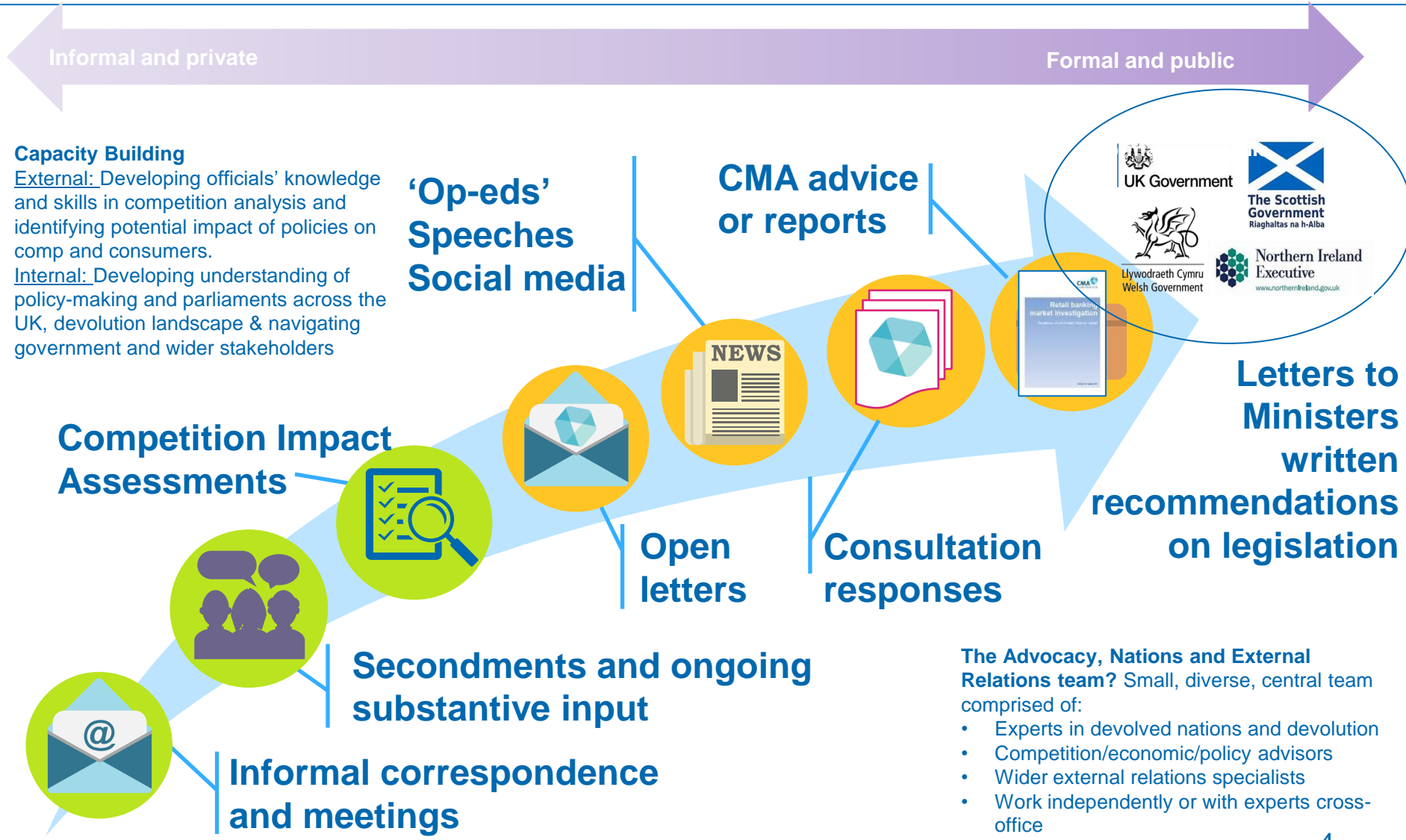
- be a prominent voice for consumers and improve public understanding of competition and consumer law
- make recommendations on regulatory, policy or legislative matters, and their implications for competition and consumers at either national or local level
- raise objections at the highest levels if ministers or civil servants are failing to use competition or protect consumers effectively

Govt commits to responding publicly to CMA recommendations within 90 days 2

What is 'Advocacy'?

- Perhaps more easily understood as 'Public Policy' or 'Government in Markets'
- Complementary to the CMA's wider case work. Pursuing private restrictions of competition and consumer law needs to sit alongside engaging with government and public authorities to remove, limit or prevent public restrictions or distortions.
- Any time and cross-economy, so huge range of policy areas.
- Broad discretion informed among other things by CMA powers and functions, legislative and policy agenda of governments, CMA's portfolio and Annual Plan, work and priorities of our partners.

How CMA works with public bodies and policy makers



Capacity Building
External: Developing officials' knowledge and skills in competition analysis and identifying potential impact of policies on comp and consumers.
Internal: Developing understanding of policy-making and parliaments across the UK, devolution landscape & navigating government and wider stakeholders

- The Advocacy, Nations and External Relations team?** Small, diverse, central team comprised of:
- Experts in devolved nations and devolution
 - Competition/economic/policy advisors
 - Wider external relations specialists
 - Work independently or with experts cross-office

Advocacy - Examples



PCR Testing

Published advice to DHSC on PCR market for travellers, recommendations to government, open letter to providers supported by targeted enforcement



Slot Allocation

Advice to DfT on reforming allocation of slots at airport



Affordable school Uniforms

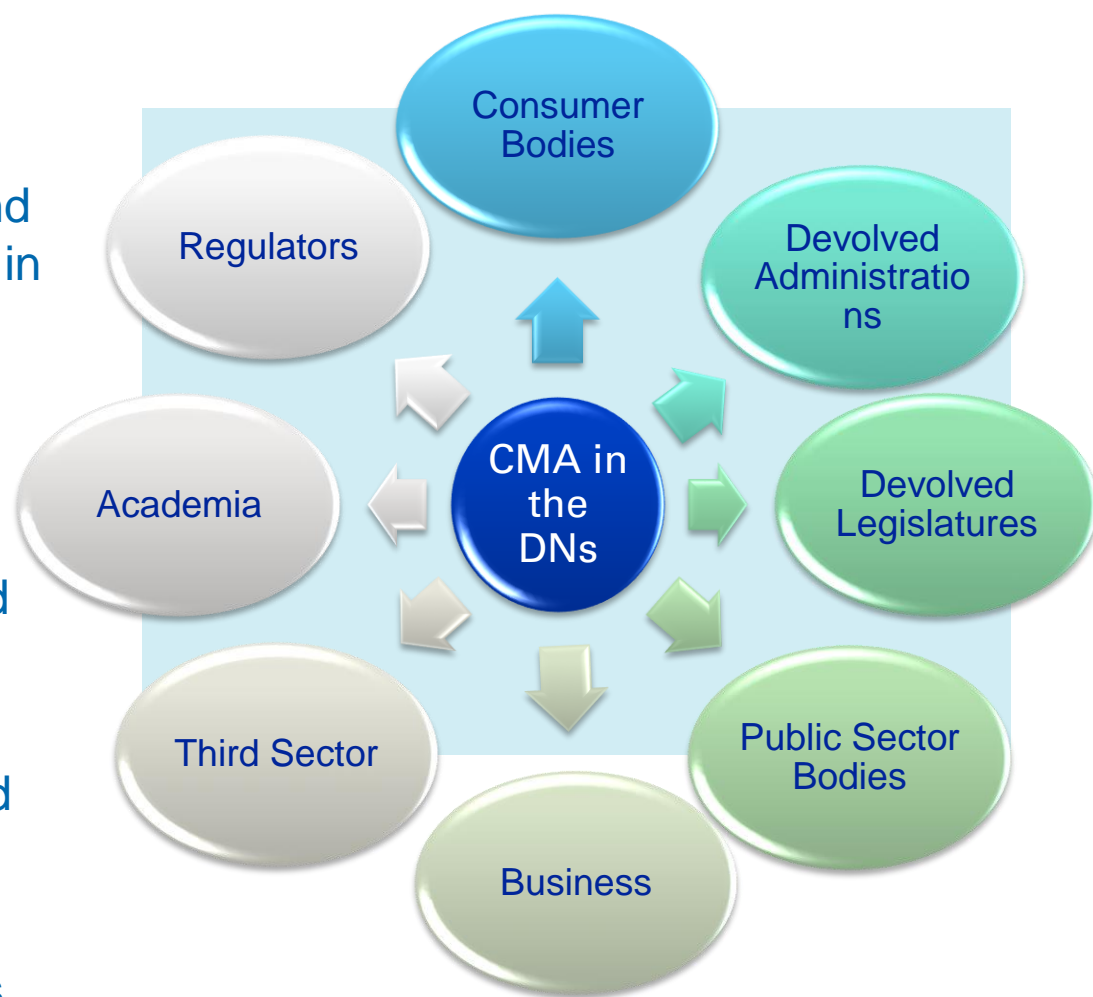
Commissioned own research into costs and wrote to over 30,000 schools asking them to review exclusive supplier arrangements. Department for Education issued statutory guidance to remove unnecessary branded items this month.

- Growing presence in the devolved nations
- Regional engagement pilot with the North West of England – expand to wider regions
- Footprint in the regions – Manchester, Darlington announcements



Key goals

- CMA is devolution aware
- CMA portfolio includes cases and projects with a particular impact in the nations
- Bespoke advice and support to CMA case teams on specific projects
- Business across the nations and regions understand competition and consumer law and our role
- Devolved institutions understand why competition matters
- Undertake advocacy, external relations and compliance across the devolved nations



Advocacy in the Nations

- Scottish legal services
- Electric Vehicle charging – post Market Study, engagement with the devolved administrations



External Relations in the Nations

- Post-election engagement strategy
- Annual Plan events
- Online bespoke events with a nations focus – Competition Fringe series



Contact us: Advocacy@cma.gov.uk

The CMA's new Office for the Internal Market Function

Rachel Merelie

Senior Director, Office for the Internal Market

www.gov.uk/oim

What do we mean by the internal market ?

Office for the Internal Market

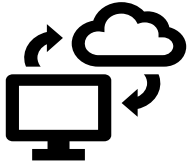
Part of the Competition and Markets Authority

Video also available [here](#).

The UK Internal Market Act sets out the OIM's role:

- Statutory objective: **“to support, through the application of economic and other technical expertise, the effective operation of the internal market in the UK”**.
- To monitor and report on the health of the UK internal market and to provide, on request, technical and economic advice to all four governments in the UK on the effect of a regulatory provision on the internal market.
- Our work is intended to assist governments in identifying trade barriers within the UK that could have harmful economic effects – e.g. on competition; consumer choice; investment; the ability of people to work in different parts of UK.
- An advisory, not a decision-making, role – reports and advice to governments are non-binding.

Monitoring, Advice and Reporting



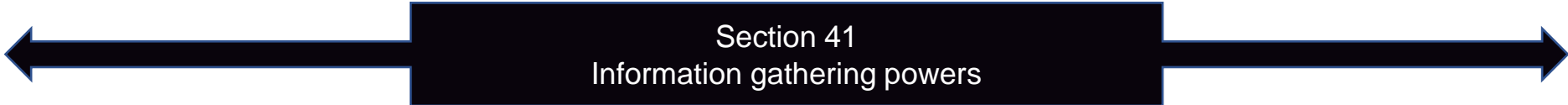
'Report a UK internal market issue' webform



Economic data – data and intelligence from ONS & DAs



Stakeholder Engagement



Section 33

The OIM may conduct a review of any relevant matter on its own initiative. The OIM may receive proposals from any stakeholders for such review.

Requirement to publish yearly and 5-yearly reports on the state of internal market

Section 34 to 36

National authorities may ask the OIM to provide advice or a report on a proposed or enacted regulatory provision

s36 requests may relate to another national authority's regulation

Report a UK Internal Market Issue

The OIM's secure webform allows businesses, business groups, consumer groups and members of the public to report issues and submit intelligence relating to the effective operation of the UK internal market.

This is to inform:

- Our mandatory reporting on the health of the UK internal market
- Our discretionary reporting on issues of relevance to the UK internal market
- Stakeholders guided through a webform requesting relevant information
- Ability to upload supporting evidence

Report UK Internal Market issue

Use this service to:

- report an issue you have faced when buying or selling goods or services between different parts of the UK
- report a difficulty using a professional qualification awarded in one part of the UK to work in a different part of the UK

The information you provide will be analysed by the Office for the Internal Market (OIM). The OIM advises the UK government and the devolved administrations on how specific laws, rules and regulations affect the movement of goods and services between different parts of the UK (the "UK internal market"), and reports on how well the UK internal market is working. The OIM provides its reports to the UK government, the Northern Ireland Executive, the Scottish Government, and the Welsh Government to help them understand the impact of legislation on businesses and consumers around the UK.

For further information about the Office for the Internal Market, please see [About the OIM](#).

Next steps

1. Tell us about yourself and, if applicable, your organisation.
2. Describe the issue. What is the problem and what impact is it having?
3. Upload any supporting documentation. This can give us useful context. We accept most common file formats.

What happens next?

Once you have reviewed your submission and pressed 'Submit', you will see confirmation that we have received your submission, along with a reference number.

We provide you with a reference number to enable you to follow up with us should you wish to. We may also quote it if we contact you to ask for additional information.

The information you share with us about issues in the UK internal market is invaluable in helping us to monitor how effectively goods and services are moving between different parts of the UK and to identify emerging issues.

Although we can bring issues to the attention of the UK government and devolved administrations through our reporting, the OIM cannot resolve issues directly, enforce the requirements set out in the UK Internal Market Act or provide advice and support to individuals or businesses. However, the OIM will respond to your submission individually, signposting relevant guidance and potential sources of assistance where possible.

[Start now >](#)

'State of the UK Internal Market' Report

- **Plan to publish initial report in Spring 22 (first statutory report due Mar 23)**
- We expect to include:
 - An overview of UK internal market and OIM's role
 - A summary of intra-UK trade based on published statistics and survey work as well as key economic data for the four nations
 - An overview of the regulatory environment and any issues that have arisen since the end of the Transition Period
 - A forward look (e.g. expected changes to the regulatory environment, collaborative work to enhance intra-UK trade data)
- OIM is currently surveying businesses on prevalence and importance to UK businesses of intra-UK trade, expectations on divergence, and awareness of Market Access Principles and OIM.

What kinds of issues could be in scope?

- A few current published examples of proposed divergent approaches such as:
 - Consumer packaging and waste (single use plastics and recycling schemes)
 - Agricultural production techniques (gene editing)
 - Registration of electricians

Hypothetical Goods Example

Regulatory change:

A national authority introduces new statutory regulations for raspberry jam in its jurisdiction. The minimum fruit content for raspberry jam (per 1000g) is decreased to 350 grams. Minimum fruit content remains 500 grams in other UK nations.

OIM functions in practice

- Another national authority requests ex post report, arguing that divergence by first national authority from previous level playing field has been 'detrimental' to UKIM.
- The regulatory change increases choice for consumers by introducing the possibility of buying cheaper but lower fruit content jam.
- What does the divergence do to the price and sales of higher fruit content jam?

How does OIM sit alongside other CMA functions?

- Government asked the CMA to take forward these new functions because of our independence, transparency, and analytical expertise
- OIM focus:
 - a) scope: advice/reports to governments only on regulations covered by Market Access Principles
 - b) analysis: focuses primarily on trade
 - c) focus on even-handedness across the nations
 - d) formality of procedures and outputs from OIM's advice to governments (including transparency requirements)
 - e) mandatory activities for OIM laid out under s33, alongside discretionary advice/reporting functions
 - f) no enforcement role for OIM in the IM regime