



# Financial Services and Markets Act 2000

## 2000 CHAPTER 8

### PART XVIII

#### RECOGNISED INVESTMENT EXCHANGES AND CLEARING HOUSES

### CHAPTER II

#### COMPETITION SCRUTINY

##### *Role of Competition Commission*

#### **306 Consideration by Competition Commission.**

- (1) If subsection (2) or (3) applies, the Commission must investigate the matter which is the subject of the [<sup>F1</sup>OFT's] report.
- (2) This subsection applies if the [<sup>F2</sup>OFT] sends to the Competition Commission a report—
  - (a) issued by [<sup>F3</sup>the OFT] under section 303(3) which concludes that one or more regulatory provisions have a significantly adverse effect on competition, or
  - (b) made by [<sup>F3</sup>the OFT] under section 304(2).
- (3) This subsection applies if the [<sup>F2</sup>OFT] asks the Commission to consider a report—
  - (a) issued by [<sup>F3</sup>the OFT] under section 303(3) which concludes that one or more regulatory provisions do not have a significantly adverse effect on competition, or
  - (b) made by [<sup>F3</sup>the OFT] under section 304(3).
- (4) The Commission must then make its own report on the matter unless it considers that, as a result of a change of circumstances, no useful purpose would be served by a report.

*Status: Point in time view as at 01/04/2003.*

*Changes to legislation: Financial Services and Markets Act 2000, Cross Heading: Role of Competition Commission is up to date with all changes known to be in force on or before 07 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (5) If the Commission decides in accordance with subsection (4) not to make a report, it must make a statement setting out the change of circumstances which resulted in that decision.
- (6) A report made under this section must state the Commission's conclusion as to whether—
  - (a) the regulatory provision or practice which is the subject of the report has a significantly adverse effect on competition, or
  - (b) the regulatory provisions or practices or combination of regulatory provisions and practices which are the subject of the report have such an effect.
- (7) A report under this section stating the Commission's conclusion that there is a significantly adverse effect on competition must also—
  - (a) state whether the Commission considers that that effect is justified; and
  - (b) if it states that the Commission considers that it is not justified, state its conclusion as to what action, if any, the Treasury ought to direct the Authority to take.
- (8) Subsection (9) applies whenever the Commission is considering, for the purposes of this section, whether a particular adverse effect on competition is justified.
- (9) The Commission must ensure, so far as that is reasonably possible, that the conclusion it reaches is compatible with the obligations imposed on the recognised body concerned by or under this Act.
- (10) A report under this section must contain such an account of the Commission's reasons for its conclusions as is expedient, in the opinion of the Commission, for facilitating proper understanding of them.
- (11) The provisions of Schedule 14 (except paragraph 2(b)) apply for the purposes of this section as they apply for the purposes of section 162.
- (12) If the Commission makes a report under this section it must send a copy to the Treasury, the Authority and the [F<sup>2</sup>OFT].

#### **Textual Amendments**

- F1** Words in s. 306 substituted (1.4.2003) by Enterprise Act 2002 (c. 40), ss. 278, 279, Sch. 25 para. 40(13); S.I. 2003/766, art. 2, Sch. (with art. 3)
- F2** Words in s. 306 substituted (1.4.2003) by Enterprise Act 2002 (c. 40), ss. 278, 279, Sch. 25 para. 40(13); S.I. 2003/766, art. 2, Sch. (with art. 3)
- F3** Words in s. 306 substituted (1.4.2003) by Enterprise Act 2002 (c. 40), ss. 278, 279, Sch. 25 para. 40(13); S.I. 2003/766, art. 2, Sch. (with art. 3)

#### **Commencement Information**

- I1** S. 306 wholly in force at 1.12.2001; s. 306 not in force at Royal Assent see s. 431(2); s. 306 in force for specified purposes at 3.9.2001 by S.I. 2001/2632, art. 2(2), Sch. Pt. 2; s. 306 in force in so far as not already in force at 1.12.2001 by S.I. 2001/3538, art. 2(1)

**Status:**

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**Changes to legislation:**

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