EXPLANATORY MEMORANDUM TO

THE ENTERPRISE AND REGULATORY REFORM ACT 2013 (COMPETITION AND MARKETS AUTHORITY) (CONSEQUENTIAL AMENDMENTS) ORDER 2013

2013 No. 2268

1. This explanatory memorandum has been prepared by Department for Business, Innovation and Skills and is laid before Parliament by Command of Her Majesty.

2. Purpose of the instrument

The Competition and Markets Authority ("CMA") will be established on 1st October 2013 when section 25 of the Enterprise and Regulatory Reform Act 2013 ("the ERRA") is commenced by the Enterprise and Regulatory Reform Act 2013 (Commencement No. 3, Transitional Provisions and Savings) Order 2013 (SI 2013/2227). The ERRA also provides for the abolition of the Office of Fair Trading ("OFT") and the Competition Commission and for functions of these bodies to be transferred to the CMA. This Order makes an amendment which is consequential on the establishment of the CMA on 1st October. The provisions of the ERRA which abolish the OFT and Competition Commission have not yet been brought into force.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None

4. Legislative Context

4.1 Section 25 of and Schedule 4 to the ERRA provide for the establishment of the CMA. Section 26 and Schedules 5 and 6 of the ERRA provide for the transfer of functions from the Competition Commission and OFT to the CMA and for the abolition of the OFT and Competition Commission.

4.2 Members of the OFT and Competition Commission are prohibited from membership of the National Assembly of Wales. This Order will impose the same prohibition on members of the CMA by amending the National Assembly for Wales (Disqualification) Order 2010 (S.I. 2010/2969).

5. Territorial Extent and Application

This instrument amends an Order which relates only to membership of the National Assembly for Wales.

6. European Convention on Human Rights

As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

The ERRA provides for the creation of a new regulatory body, the CMA, and for the transfer of functions which are currently performed by the OFT and Competition Commission to the CMA. The CMA will be established on 1st October 2013. This Order amends secondary legislation so that the CMA is treated in the same way as the OFT and Competition Commission in that legislation.

8. Consultation outcome

Not applicable

9. Guidance

No guidance is proposed.

10. Impact

- 10.1 There is no impact on business, charities or voluntary bodies.
- 10.2 There is no impact on the public sector.
- 10.3 An Impact Assessment has not been prepared for this instrument.

11. Regulating small business

The legislation does not apply to small business.

12. Monitoring & review

There are no proposals to monitor or review this Order.

13. Contact

Paul Griffiths at the Department for Business, Innovation and Skills Tel: 020 7215 1722 or email: paul.griffiths@bis.gsi.gov.uk can answer any queries regarding the instrument.