



Retail Banking Market Investigation

**Provisional Decisions of 17 May 2016 relating to the Northern
Ireland PCA banking order and the 2002 SME banking
undertakings**

Response on behalf of Barclays Bank PLC

7 June 2016

1. **Introduction**

1.1 This submission is made on behalf of Barclays in response to the CMA's Provisional Decisions of 17 May 2016 relating to the Northern Ireland PCA banking order (“**NI Order**”) and the 2002 SME banking undertakings (“**SME Undertakings**”).

2. **NI Order**

2.1 Barclays welcomes the CMA’s Provisional Decision to revoke the entirety of the NI Order. Barclays agrees with the CMA's assessment that market and regulatory developments, and the proposed remedies package in the retail banking market investigation, represent a change of circumstances such that the NI Order in its entirety should be revoked.

2.2 As stated previously, Barclays considers that a harmonised UK-wide regulatory regime would offer the best outcome for customers in Northern Ireland.

3. **SME Undertakings**

3.1 Barclays agrees with the CMA’s assessment in its Provisional Decision that market and regulatory developments, and the proposed remedies package in the retail banking market investigation, represent a change of circumstances such that (at least) the majority of the undertakings should be released.

3.2 In relation to the the CMA’s provisional decision to retain the bundling undertakings, as stated previously, Barclays does not consider that there are strong product linkages between BCAs and SME lending. Barclays also does not agree with the CMA’s view that the longer-established banks are better placed to compel a customer to open or maintain a BCA as a condition for granting a loan or deposit account if the undertakings were not in place.

3.3 If the CMA is minded to retain the bundling undertakings, Barclays considers that the undertakings should apply to all providers of SME banking services to ensure consistency of approach across the sector and to ensure that nothing dilutes the CMA's proposed remedies that are designed to benefit SMEs.