

# Anticipated joint venture between Liberty Global Plc and Telefónica S.A.

## Terms of reference

1. In exercise of its duty under section 33(1) of the Enterprise Act 2002 (the **Act**) the Competition and Markets Authority (**CMA**) believes that it is or may be the case that:
  - (a) arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, in that:
    - (i) enterprises carried on by Liberty Global plc will cease to be distinct from enterprises carried on by Telefónica S.A.; and
    - (ii) the condition specified in section 23(1)(b) of the Act is satisfied; and
  - (b) the creation of that situation may be expected to result in a substantial lessening of competition within a market or markets in the United Kingdom for goods or services, including as a result of input foreclosure in relation to the supply of: (i) wholesale access and call origination on public mobile networks to mobile virtual network operators in the UK; and (ii) passive fibre leased lines to mobile network operators, at each of the access and aggregation layers on a local basis.
2. Therefore, in exercise of its duty under section 33(1) of the Act, the CMA hereby makes a reference to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 in order that the group may investigate and report, within a period ending on 27 May 2021, on the following questions in accordance with section 36(1) of the Act:
  - (a) whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
  - (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the United Kingdom for goods or services.

**Joel Bamford**  
**Senior Director, Mergers**  
**Competition and Markets Authority**  
**11 December 2020**