

Delivering the 4Ps under the Digital Markets Competition Regime

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1. Summary

- 1.1 The government's Strategic Steer for the CMA sets out a framework for how the CMA should prioritise and carry out its work, rooting this squarely in the government's overriding national priority of economic growth. The Steer outlines how we should use the new Digital Market Competition Regime (DMCR) flexibly, proportionately and collaboratively to unlock opportunities across the UK digital economy and the wider economy.
- 1.2 The CMA is committed to supporting the growth mission as we independently fulfil our fundamental responsibilities to promote competition and protect consumers. This includes both the work we do and the way in which we carry it out.
- 1.3 Following extensive engagement with businesses and investors, both domestic and international, and in line with the Strategic Steer, the CMA has introduced a new '4Ps' framework – to deliver meaningful changes to how we go about key aspects of our work. These 4Ps – pace, predictability, proportionality, and process – are designed to support growth, investment and business confidence in the UK's competition and consumer regimes.
- 1.4 As the DMCR has been designed to follow best practice principles for modern regulation of innovation-led markets, the qualities highlighted by the 4Ps are already embedded within it. Procedurally, the regime is carefully designed to apply only to the very largest firms, with clear conditions related to turnover, market power, and strategic significance. Rather than imposing blanket rules across all companies, if a firm is designated with SMS, the CMA can take a tailored, bespoke approach to identifying and addressing specific harms.
- 1.5 We are now challenging ourselves to go even further. For businesses, this will mean:
 - (a) Deeper collaboration with the CMA to inform our priority areas of work and potential interventions in digital markets.
 - (b) More transparency about the work we are doing, and why. As we continue to set a clear direction and scope at the outset of DMCR investigations, and supplement this with additional information at key milestones, stakeholders will have greater certainty about what to expect from us.
 - (c) An efficient and streamlined process. Stakeholders will see the CMA focusing on issues where we can deliver positive outcomes for UK businesses and consumers.

2. Pace

- 2.1 Digital markets move quickly. We know that it is essential that our work in digital markets is developed and implemented at a pace that keeps up with market dynamics, and avoids creating protracted uncertainty that could chill investment and innovation. The Digital Markets, Competition and Consumers Act (DMCCA) already imposes tight statutory time limits. We will continue to progress our DMCR work as quickly as we can whilst maintaining robust, collaborative processes and evidence-based decisions.

What are we already doing to deliver pace?

- 2.2 Operation of the DMCR is already subject to statutory time limits including:
- (a) a nine-month Strategic Market Status (SMS) designation investigation limit
 - (b) a nine-month Pro-Competition Interventions (PCI) investigation limit
 - (c) a six-month Conduct Requirement (CR) breach investigation limit.
- 2.3 In addition, the DMCCA imposes a broader statutory duty of expedition on us. This requires us to have regard to the need for making decisions or taking action as soon as reasonably practicable.
- 2.4 Alongside these legislative requirements, we have already started progressing work on potential interventions in parallel with our SMS investigations – without prejudice to the designation decisions. We expect to consult on proposals for initial CRs at the end of the nine-month SMS designation investigation. For our current live cases, that would see consultations on CRs begin in October 2025, if required.

How we are going further to deliver pace under the regime

- 2.5 We are taking an even more targeted approach to our investigations. This includes:
- (a) focusing as quickly as possible on key areas of potential concern, and rapidly standing down lines of inquiry where no clear evidence of concern arises.
 - (b) prioritising issues where we can deliver positive outcomes for UK businesses and consumers quickly and effectively.
 - (c) conducting targeted, efficient and proportionate information-gathering and keeping our decision documents as short and clear as possible.

- 2.6 Where we are making decisions on prioritisation of work under the DMCR, we will tell stakeholders as early as possible.

3. Predictability

- 3.1 Predictability is key to the successful operation of this regime, which is why the legislation set out clear and explicit thresholds for which firms may be designated, and the process to make that determination. We know that predictability is vital in giving businesses the confidence to invest and innovate. Whilst the evolution of digital markets may be unpredictable, the regulatory environment should not be.

What are we already doing to deliver predictability?

- 3.2 The targeted and bespoke nature of the regime is one of its key strengths and distinguishing features. This has many advantages, but we recognise it could create uncertainty around whether a firm will be designated and, if it is, what rules will apply. The legislation provides some clarity in this regard:
- (a) Before a firm can be designated as having SMS, the CMA must show:
- (i) that a firm meets the turnover thresholds (£1 billion UK turnover, or £25 billion globally)
 - (ii) that a firm has substantial and entrenched market power in relation to a digital activity, and
 - (iii) that a firm has a position of strategic significance in relation to that activity.
- 3.3 In practice, this means a very small number of firms are likely to be candidates for SMS. Even where those tests are met, designation is not automatic. SMS designation only comes after a robust, evidence-led investigation.
- 3.4 Where the CMA deems intervention necessary, Conduct Requirements can only be implemented with respect to one of three objectives (fair trading, open choices and trust and transparency); and they must be one of thirteen 'permitted types'.
- 3.5 The CMA has also published [guidance](#) on how it will operate the regime, providing further clarity on our approach to implementing the DMCCA.
- 3.6 In addition to the legislative requirements set out above, we have already gone further by:
- (a) Publishing administrative timetables for the cases so all stakeholders can see in advance how an investigation is due to progress

- (b) Committing to updating our statutory guidance as we gain more insight and experience of operating the regime, and
- (c) Setting out transparent timelines, published online, for each of our cases.

How we are going further to deliver predictability under the regime

3.7 In addition to what is set out above, we will:

- (a) Incorporate a new 'roadmap' into our SMS investigations, for possible future interventions if the firm were to be designated with SMS. These will provide clarity on:
 - (i) those issues we are considering for early CRs
 - (ii) those issues we are exploring for potential future interventions but which will require more time to assess
 - (iii) those we are not proposing to pursue further at this time
- (b) Seek input from stakeholders on the roadmap and keep it under review.
- (c) Set out in the CMA's Annual Plan our priorities for future work under the DMCR.

3.8 For our current investigations, we intend to publish roadmaps alongside our consultations on the proposed SMS decisions in June (for the investigation into Google's general search and search advertising services), and July (for the investigations into Apple's and Google's mobile ecosystems).

4. Proportionality

- 4.1 The principle of proportionality is at the core of the DMCR. There is no automatic process for designations and no automatic regulatory requirements. To spur investment and innovation across digital markets, we have been clear that any regulatory intervention we make must be proportionate, targeted, evidence-led, and tailored to maximise impact whilst minimising costs.

What are we already doing to deliver proportionality?

- 4.2 Proportionality is embedded in the legislation:
- (a) Designations are limited to specific digital activities, and firms with substantial and entrenched market power, strategic significance, and turnover above a specified level.
 - (b) There is no automatic process for designations – the legislation requires that companies and digital activities are designated on case-by-case basis following a targeted, evidence-based investigation.
- 4.3 There is no list of blanket rules that apply to designated companies; the CMA can only impose Conduct Requirements within specific defined categories, and can only impose interventions (CRs and PCIs) on firms when it is proportionate to do so.
- 4.4 We have also integrated our commitment to proportionality in our first SMS investigations by:
- (a) Structuring SMS investigation launches to allow all stakeholders, particularly those involved or interested in multiple investigations, the time required to engage sufficiently
 - (b) Making accommodations to enable firms to engage with and respond to RFIs (e.g. limiting the number of questions and engaging with firms to help them understand the practicalities)

How we are going further to deliver proportionality under the regime

- 4.5 We will use the CMA [Prioritisation Principles](#) to make proportionate choices about how we undertake our DMCR work:
- (a) **Impact** – we will prioritise those interventions which have a clear and beneficial impact for UK consumers and businesses and the UK economy
 - (b) **Strategic significance** – we will consider whether the action fits with the CMA's objectives and strategy. As part of this, we will prioritise pro-growth

and pro-investment interventions, focusing particularly on markets and harms that impact UK-based consumers and businesses, and those which support growth and international competitiveness in the industrial strategy's eight key sectors.

- (c) **Whether the CMA is best placed to act** – we will consider the interplay of digital markets issues with the actions of other regulators and government bodies domestically and internationally. We are best placed to act where DMCR intervention is likely to be the most effective route to delivering the desired outcome, and the issue is not squarely within scope of another UK regulator. In dealing with issues also addressed by international counterparts, we will only act where effective interventions in other jurisdictions do not adequately and effectively address UK harms. Where this is the case, we will take action to ensure positive outcomes for the UK, adopting a more bespoke approach for the UK where there is an opportunity to be more effective and proportionate.
- (d) **Risk** – we will rate as high risk interventions where the overall impact is unlikely or highly uncertain, or there is a high risk of unintended effects.
- (e) **Resources** – we will rate an intervention as requiring high resources where significant resource from the CMA is needed to design, implement, monitor or enforce.

5. Process

- 5.1 In the context of the 4Ps, we focus on process as a way to drive deep and constructive engagement with relevant stakeholders. The DMCR has been designed from the outset to be highly participative, based on engagement with a diverse set of stakeholders. It will maximally contribute to growth and investment through the CMA working constructively and collaboratively with businesses, investors and consumer groups. A participative approach is inherent in the design of the regime with wide-ranging consultation and inclusive engagement at every step.

What are we already doing to deliver process?

- 5.2 The legislation puts in place statutory duties to consult stakeholders, including:
- (a) Consultation on provisional decisions
 - (b) Consultation on proposed interventions (both CRs and PCIs).
- 5.3 We have been implementing this through:
- (a) Consulting with stakeholders through Invitations to Comment
 - (b) Holding roundtables and bilateral meetings with a range of stakeholders on each case
 - (c) Engaging broadly to hear views, through participation in conferences and events in the UK and internationally
 - (d) Committing to working with firms to seek participative ways to resolve issues where appropriate
 - (e) Facilitating additional representations from SMS candidate firms to relevant case decision makers on all live investigations

How we are going further to deliver process under the regime

- 5.4 We will now go further by:
- (a) Establishing a regular programme of engagement – a ‘go to you’ approach where we proactively make available a wide range of quick and straightforward opportunities for businesses to connect with us, alongside the statutory processes.

- (b) Engaging relevant members of our Growth and Investment Council during our SMS investigations, so that we hear key industry and expert perspectives.
- (c) Continuing to strengthen relationships with trade associations and UK-based venture capital firms, partnering on a series of events over 2025.
- (d) Deepening direct engagement with the UK startups and scaleups that stand to gain from our work.
- (e) Engaging with large UK-listed companies – including beyond the tech and digital sectors – to understand their perspectives on DMCR-related issues.

6. Next steps

- 6.1 Over the coming months, you will see us taking forward the steps set out above. We look forward to deepening our engagement across the tech ecosystem and more broadly, with a shared ambition of driving positive outcomes for UK businesses and consumers built on strong foundations of innovation, investment and economic growth. In the short term, some upcoming milestones include:
- (a) Provisional decision on our SMS investigation into Search and Search Advertising, alongside publication of our Roadmap: June 2025
 - (b) Provisional decision on our SMS investigation into Mobile Ecosystems, alongside publication of our Roadmap: July 2025
 - (c) Issue of SMS Decision notices in both investigations: October 2025.