CMA Strategic Review of Markets Remedies

Provisional Decision

NatWest Group Response

10 September 2026

NatWest Group ("**NWG**") welcomes the opportunity to respond to the CMA's Provisional Decision ("**PD**"). NWG has provided this response specifically in response to the PD for the Retail Banking Order 2017 ("**RBO**").

NWG agrees with the PD to revoke Parts 3, 4, 7, 9, 10 and 11. NWG provided in its initial submission, evidence outlining why there had been notable changes in circumstances meaning revocation of these Parts was appropriate.[1]

NWG disagrees with the PD regarding the retention of Parts 5 and 8. This submission is focused on responding to the PD for these Parts, outlining why we consider these should also be revoked.

Specifically greater weight should be placed on the changes of circumstances seen in light of the significant market developments, since the RBO came into force in 2017. These developments mean they have very limited impact and no longer address the original (and now outdated) adverse effects on competition found in the Retail Banking Market Investigation ("**MIR**").

NWG would be very happy to discuss this submission, or provide further information to the CMA if helpful.

- **Part 5**

The PD sets out two reasons for retaining Part 5.[2]

1. The transaction history lists ("THLs") enable former customers to evidence their financial position when applying for financial products or loans. Removing Part 5 may result in some customers being deterred from switching accounts

NWG believes the CMA should reconsider this position, in light of the clear evidence when it comes to significantly higher levels of customer switching currently seen since the MIR. NWG provided supporting evidence around higher levels of switching across personal and SME customers in its initial submission.[3]

Since this submission, the Current Account Switcher Service ("**CASS**") has published its H1 2026 update, again demonstrating how actively customers are considering their banking needs and switching.[4] This includes,

[1] NWG Response to Strategic Review of Markets Remedies, 2 March 2026 ("**NWG Response**")
[22] Provisional decision, para 31.30
[3] NWG Response pages 1, 9
[4] https://www.currentaccountswitch.co.uk/news-insights/switching-data/current-account-switch-service-reports-39-year-on-year-rise-in-h1-switching/

- 608,528 switches were completed in H1 2026, up from 439,324 in H1 2025 – a 39% year on year rise.[5]
- CASS has now facilitated 12.9 million switches since it launched, with 1.2 million of these being in the last 12 months.
- Customer awareness of CASS was at an average of 72% through Q2 2026.

Against the backdrop of this evidence and in the context of Part 5, CASS is not dependent on customers providing THLs.

NWG explained in its initial submission, how THLs have become much less of a dependency as part of the onboarding process, where customers are switching.[6] ✂

The PD also doesn't sufficiently acknowledge the change in circumstances seen in respect of both the market developments in retail banking and the age and, very limited, impact of Part 5 meaning it is no longer necessary to address the original MIR conclusions. Part 5 was introduced "*to provide assurance to PCA and BCA customers who are considering switching, or have switched accounts that their transactions history will continue to be available to them, thus reducing this barrier to switching*".[7]

Given the significant levels of switching, combined with the fact THLs are much less of a dependency within the CASS or onboarding journey, the justification for Part 5 does not apply today as it did in the MIR. Furthermore, as explained below, there are other routes available for customers to obtain their transaction histories outside of the Part 5 obligations.

There is an inconsistency in concluding, as the PD does, that removing Part 5 will impact switching since the two are not interlinked and dependent on one another, as seen since through the switching trends since the MIR. We encourage the CMA to reconsider this position, and revoke Part 5, by looking more holistically at all the relevant changes in circumstances seen in Retail Banking and reconsider if the original rationale for this remedy still applies today.

2. Regulatory developments since the RBO came into force do not replicate the obligations in Part 5. Subject access requests are not considered as a sufficient alternative to Part 5.

Whilst there is no direct equivalent of Part 5, for example within the FCA based regulation and rules, the PD fails to acknowledge the combined impact of a number of recent regulatory developments and current practices adopted by banks in respect of records retention.

✂. If a customer was in the process of taking out a new product and required their current account transaction history from a previous bank, this route would enable them to request it.

The PD also doesn't reflect on the positive impact of Open Banking and other ways customers can access their data (e.g. via digital and online banking). This has enabled customers (and third parties supporting them) to access and hold data relating to their current financial position, which will assist them when considering their banking needs and ultimately deciding to switch/take out a particular product or not.

[5] This is across personal customers, small businesses and charities
[6] NWG Response pages 9 and 10
[7] MIR para 14.96

- **Part 8**

The PD proposes retaining Part 8 on the grounds that the FCA does not have equivalent rules, for example through the Consumer Duty or Consumer Credit ("**CONC**") requirements on business lending and overdrafts.[8]

As with Part 5, NWG considers the PD doesn't sufficiently acknowledge the change in circumstances seen in respect of both the market developments in SME lending and the age and, very limited, impact Part 8 has today. The rationale in the MIR for introducing these requirements was to "*reduce the time and effort involved when SMEs search for loans and overdrafts, reducing search costs and promoting greater customer engagement*"[9]

The impact of Part 8 today is very limited due to the shift in customer behaviour towards relying on live and tailored pricing. In our Initial Submission we provided supporting evidence demonstrating how customer behaviour is changing, as seen by the entry and growth of non-bank providers offering such tools.[10] This means that customers have greater tools and options available to them to reduce the search costs and effort involved, which wasn't the case at the time of the MIR.

The significant increase in the level of competition since the MIR, through the growth of neo banks and new entrants (especially in respect of the products Part 8 covers) represents a significant change in circumstances and demonstrates the much greater levels of customer engagement.[11] In the context of the Part 9 review in the PD, the CMA acknowledges "*the market for SME lending has become less concentrated (and therefore increasingly competitive since the [RBO] was introduced*".[12] This point does not appear to have been read across to the Part 8 section of the PD.

NWG considers these developments therefore merit the full revocation of Part 8. The PD is too narrowly and disproportionately focused on the regulatory landscape, rather than more holistically considering this broader change~~s~~. All of these should be considered in light of the original rationale for Part 8 and if the requirements are still delivering the same benefits and positive impacts in today's market.

NWG considers they do not and requiring in-scope providers to comply with the requirements, and the cost/resource overhead that brings, is disproportionate in light of these developments and the nature of the SME lending market today.

The PD also doesn't refer to the positive impacts of Open Banking and how this has altered the regulatory landscape to the benefit of SMEs covered by Part 8. Open Banking enables SMEs and intermediaries to share data to allow for more accurate and individual lender price comparisons. This

[8] Provisional decision, paras 31.43 and 31.45 - 46
[9] MIR para 16.24 (a) and (b)
[10] NWG Response, page 14, "*Parts 8 [and 9] haven't driven these changes, as customers are using more live personalised pricing rather than indicative tools. Third-party fintech companies like Loan Tube, Compare My Funding, Funding Xchange, Swoop, Iwoca, Funding Circle, and Funding Options have introduced these solutions, expanding SME lending options. For instance, Iwoca has lent over £4.5 billion since it's launch in 201236 and £1.3 billion in the prior 12 months to October 2025*."
[11] NWG Response, page 13
[12] Provisional decision, para 31.54

avoids the more manual approach of comparing representative rates and in fact supports the original rationale for Part 8 better, by reducing the time and effort of such comparisons.

Should the CMA decide to retain Part 8, NWG considers that the CMA should revisit reviewing Part 8 again once the FCA has sufficiently advanced its discussion on APRs. NWG understands the FCA expects to publish feedback to its initial consultation and final policy updates later this year.[13]

NWG also agrees with the CMA that should it retain Part 8, it should not add to these requirements by requiring the publication of additional information. As NWG outlined previously, we consider that SMEs instead will rely on a more personalised approach to pricing, and adding this requirement would deliver no additional benefits to these customers.

Additional comments

Should the CMA decide to retain certain parts of the RBO, then NWG requests that the CMA formally embeds into the revised RBO, the current compliance reporting requirements which are currently in place. This includes a series of helpful amendments, including introducing a suitable materiality threshold in the context of Article 56.2 and to the annual compliance reporting process.

Assuming the CMA does retain certain parts of the RBO, NWG would also request the CMA considers the need to revoke the requirement to provide the account number compliance report under Article 45. This may not be required to assess the relevant de minimis thresholds (as relevant Parts may be revoked) or funding notices under Part 3 for example.

Finally in the NWG response, comments were also raised in respect of Article 5 and the application of the Order to private banks.[14] NWG again considers that Article 5 should be revoked so private banks are excluded from the revised RBO requirements and requests these comments are addressed in the final decision.

[13] FCA reviewing whether APRs support consumers' choices | FCA
[14] NWG Response, page 15