

NORTHERN IRELAND PCA BANKING MARKET INVESTIGATION ORDER 2008 VARIATION ORDER 2011

Background

1. In March 2006, the Competition Commission (CC) published a report of its investigation of the Northern Ireland banks personal current account (PCA) market. The CC found that there was a detrimental effect on customers resulting from the adverse effect on competition and set out a remedy package intended to address the adverse effect on competition which it had found.
2. The CC decided to implement the remedy package through an enforcement order made under [section 161](#) of the Enterprise Act 2002 (the Act). The Northern Ireland PCA Banking Market Investigation Order 2008 came into force on 22 February 2008, except Articles 5 and 6 which came into force on 1 July 2008 and Articles 7 to 11 which came into force on 1 April 2009.
3. Under [section 162](#) of the Act, the Office of Fair Trading (OFT) has a duty to consider whether, by reason of any change of circumstances, an enforcement order made under sections [158](#), [160](#) or [161](#) of the Act is no longer appropriate and needs to be varied or revoked. The OFT advised the CC that the coming into force of the Payment Services Directive (PSD) and the Consumer Credit Directive (CCD) constituted a change of circumstances by reason of which it may be appropriate to vary parts of the Northern Ireland PCA Banking Market Investigation Order 2008.
4. The PSD has been transposed into UK law by the Payment Services Regulations 2009 which came into force for most purposes on 1 November 2009. The CCD has been transposed into UK law via a group of six Consumer Credit Act 1974 Regulations which came into force on 30 April 2010 and 26 August 2010 and which were required to be complied with in full from 1 February 2011.
5. The CC considered the OFT's advice and found that, pursuant to [section 161\(4\)](#) of the Act, it was appropriate to vary the Northern Ireland PCA Banking Market Investigation Order 2008 to reflect the change of circumstances.
6. On 10 January 2011 the CC in accordance with paragraph 2 of [Schedule 10](#) to the Act as applied by [section 165](#) of the Act gave notice of its intention to vary the Northern Ireland PCA Banking Market Investigation Order 2008 (the Notice).
7. The CC has considered all the representations it has received following publication of the Notice.
8. The CC makes this order exercising its powers under [section 161\(4\)](#) of the Act for the purpose of varying the Northern Ireland PCA Banking Market Investigation Order 2008.

The Order

The CC makes this order in exercise of the powers it has in [section 161\(4\)](#) of the Enterprise Act 2002 for the purpose of varying the Northern Ireland PCA Banking Market Investigation Order 2008 having received advice from the OFT that by reason of a change of circumstances variation or revocation is appropriate. The Northern Ireland PCA Banking Market Investigation Order 2008 was made to remedy, mitigate or prevent the adverse effect on competition and any detrimental effects on customers so far as they have resulted, or may be expected to result, from the adverse effect on competition specified in the report of the CC entitled *Personal current account banking services in Northern Ireland market investigation* (15 May 2007).

1. Citation, commencement and purpose

- (1) This order may be cited as 'The Northern Ireland PCA Banking Market Investigation Order 2008 Variation Order 2011'.
- (2) This order shall come into force on 28 February 2011 which is the date this order is signed.
- (3) The purpose of this order is to vary the Northern Ireland PCA Banking Market Investigation Order 2008.

2. Interpretation

- (1) In this order:
 - (a) 'The CC' means the Competition Commission.
 - (b) 'The Northern Ireland PCA Banking Market Investigation Order 2008' means the order made by the Competition Commission on 19 February 2008.

3. Variation

- (1) The Northern Ireland PCA Banking Market Investigation Order 2008 is varied by deleting all text from the sub heading 'Contents' in The Northern Ireland PCA Banking Market Investigation Order 2008 to the end of Schedule 3 and inserting the text set out in Annex A commencing at the subheading 'Contents'.

Signed by authority of the CC

PETER FREEMAN
Group Chairman
Competition Commission
28 February 2011