Statement to Parliament: Sky/Fox Merger - CMA Provisional Findings

Mr Speaker, I am here in my new capacity as the quasi-judicial decision-maker in relation to the proposed merger between 21st Century Fox and Sky Plc to update the House regarding the CMAs interim report that they issued today.

The decision-making role is one that my Rt Hon Friend, the Member for Staffordshire Moorlands discharged having met her commitment — given many times on the floor of this House — to the greatest possible transparency and openness the process allows.

And while I come to this fresh I intend to follow that process of being as open as possible while respecting the quasi-judicial nature of the decision.

Background and referral

As this House well knows, after the proposed acquisition was formally notified to the competition authorities last year, my Rt Hon Friend the Member for Staffordshire Moorlands issued an Intervention Notice on media public interest grounds — namely of media plurality and genuine commitment to broadcasting standards. This triggered a Phase 1 investigation of the merger, requiring Ofcom to report on the specified public interest grounds and the CMA on jurisdiction.

Having received advice from Ofcom and from the CMA, in September she referred the proposed Sky / Fox merger to the CMA for a Phase 2 investigation on both grounds.

CMA's final report

The original statutory deadline for the final report was 6 March but the CMA has, today, confirmed that this will be extended by a further eight weeks and that the revised deadline is 1 May.

Once I have received that final report I must come to a decision on whether — taking into account the specified public interest considerations of media plurality and genuine commitment to broadcasting standards — the merger operates or may be expected to operate against the public interest.

Following receipt of the final report, I will have 30 working days in which to publish my decision on the merger — so if I receive the CMA's report on 1 May that would be 14 June.

CMA's provisional report

To be clear the publication today is the CMA's provisional findings. I have placed a copy in the House Library.

With regards to the need for a genuine commitment to broadcasting standards — the CMA provisionally finds that the merger is not expected to operate against the public interest.

On media plurality grounds the CMA provisional finding is that the merger may be against the public interest. It cites concerns that the transaction could reduce the independence of Sky News and would reduce the diversity of viewpoints available to, and consumed by, the public. It also raised concerns that the Murdoch Family Trust would have increased influence over public opinion and the political agenda.

The CMA has identified three remedy approaches and seeks views from interested parties on them. These remedy approaches are:

Firstly, to prohibit the transaction.

Secondly, undertake structural remedies — either to recommend the spin-off of Sky News into a new company, or to recommend the divestiture of Sky News.

Thirdly, behavioural remedies which could for example include enhanced requirements around the editorial independence of Sky News.

The CMA also recognises that the proposed acquisition of Fox by Disney could address concerns set out in the provisional findings; however the uncertainty about whether, when, or how, that transaction will complete means the CMA has also set out potential approaches which include introducing remedies which would fall away subject to the Disney / Fox transaction completing.

The CMA has invited written representations on the provisional report's findings, and the potential remedy approaches, with 21st Century Fox and Sky — as well as other interested parties — before producing a final report.

As such, and given the quasi-judicial nature of this process, I hope the House will understand that I cannot comment substantively on the provisional report before us and I must wait for the final report before I comment.

I am, however, aware of the keen interest of the House on this important matter. I know that Right Honourable and Honourable Members will be closely scrutinising the CMA's provisional findings and will have views on them.

The CMA's investigation will continue over the coming weeks — it has set out the process for making representations on the remedy options outlined, and on the provisional findings, with deadlines of 6 February and 13 February, respectively. I feel sure that today's debate will provide helpful context for that work.

Next steps

What I am able to confirm today is that - I will undertake to keep the House fully informed, and follow the right and proper process considering all the evidence carefully when the time comes to make my decision on receipt of the CMA's final report.

News story: UK launches new anti-money laundering watchdog

The Office for Professional Body Anti-Money Laundering Supervision (OPBAS) is based within the FCA and will work with all the UK's Anti-Money Laundering (AML) supervisors to help improve standards, and with law enforcement to strengthen cooperation.

OPBAS will directly oversee the 22 accountancy and legal professional body AML supervisors in the UK. It will ensure these 22 organisations meet the high standards set out in the <u>Money Laundering Regulations 2017</u>, and has powers to investigate and penalise those that do not.

The Economic Secretary to the Treasury, John Glen, said:

This new watchdog will deepen the government's partnership with the private sector as we work together to tackle illicit finance whilst minimising the burdens on legitimate businesses. This sends a clear message to criminals and terrorists that their dirty money is not welcome here.

Launching OPBAS delivers on the government's commitment to reform the AML supervisory regime, a key part of the <u>2016 Action plan</u> for anti-money laundering and counter-terrorist finance.

It is the latest step in the government's biggest reform of the UK's AML regime in a decade, building on wider work including enhancing law enforcement's powers through the Criminal Finances Act and updating the Money Laundering Regulations to implement the latest international standards, both of which took effect in 2017. It also complements the government's work with the private sector to raise awareness of financial crime and how to guard against it, including through the Flag It Up and the Take Five campaigns.

The Oversight of Professional Body Anti-Money Laundering and Counter Terrorist Financing Supervision Regulations 2017, which underpin OPBAS, took effect on 18 January. OPBAS will not directly monitor the businesses that the professional bodies supervise.

News story: Millions of pounds for innovative businesses: new opportunities

A worker at a Chemoxy manufacturing site.

Innovate UK has millions of pounds to invest in innovative UK businesses up to April 2018.

The funding will be awarded through competitions in a range of areas, which will open for applications in the coming months.

Businesses can also apply into an open funding competition with ideas for any game-changing or disruptive innovations.

Opportunities for funding

Emerging and enabling technologies and health and life sciences

Up to £19 million will be invested to support productivity and cutting-edge innovation across these 2 industry sectors.

In the area of health and life sciences, we will seek projects that show significant innovation in one of the following:

- increasing agricultural productivity
- improving food quality and sustainability
- advanced therapies, such as cell and gene therapies
- precision medicine
- medicines discovery
- advanced biosciences

For emerging and enabling technologies, projects should focus on an Innovate UK priority area:

- emerging technologies
- digital
- enabling capabilities
- space applications

Open programme

A share of up to £19 million will be available for game-changing or disruptive innovations that have the potential to impact the UK economy.

Projects may come from an Innovate UK industry sector — emerging and enabling technologies, health and life sciences, infrastructure systems and manufacturing and materials — or be outside of them.

Biomedical catalyst

This is the first biomedical catalyst competition of 2018, which will offer up to £12 million to SMEs working on projects that solve healthcare challenges. These could include:

- disease prevention and proactive management of health and chronic conditions
- earlier and better detection and diagnosis of disease, leading to better patient outcomes
- tailored treatments that either change the underlying disease or offer potential cures

Industrial Strategy Challenge Fund: Faraday Battery Challenge

The Faraday Battery Challenge supports the design, development and manufacture of batteries for the electrification of vehicles as part of the Industrial Strategy Challenge Fund.

In this second round of innovation funding up to £25 million will be invested in projects that stimulate new automotive battery technologies and build the supply chain in the UK.

Industrial Strategy Challenge Fund: digital health technology catalyst

Up to £10 million will be available under the digital health technology catalyst, which is part of the Industrial Strategy Challenge Fund.

We will seek projects that support the development of digital health products or digitally-enabled medical technologies, which:

- improve patient outcomes
- transform healthcare delivery
- enable more efficient delivery of healthcare

Industrial Strategy Challenge Fund: robotics

Up to £20 million will be available in this competition. It is being funded as part of the Industrial Strategy Challenge Fund for robotics and artificial intelligence in extreme environments.

This challenge aims to take people out of extreme work environments such as deep mining, nuclear, space and offshore energy.

Industrial Strategy Challenge Fund: medicines manufacturing

Innovate UK is investing up to £10 million in innovation projects in medicines manufacturing through the Industrial Strategy Challenge Fund.

We will be seeking collaborative research and development projects that focus on the technical or commercial challenges of manufacturing new medicines.

Find funding opportunities

New opportunities will be published on the Innovation Funding Service as and when they are available. <u>Search for funding.</u>

Press release: Thousands benefit from A14 community fund

Some 16 local projects have been funded by the A14 Community Fund since it launched in July 2016. The initiative was launched by Highways England to fund projects connecting local communities with the A14 upgrade, and it has already been making a difference within the communities living along the road in Cambridgeshire.

The £400,000 funding pot was launched in July 2016 and £110,000 of it has already been allocated to projects ranging from education and environment, to encouraging cycling and walking.

Gerard Smith, legacy lead for the A14 Cambridge to Huntingdon project at Highways England, said:

This different approach to community engagement is a first for Highways England.

We care about the impact our road improvement projects have on people's lives and at the same time, we understand the critically important role that communities play in shaping our schemes as well as the economic, social and physical landscape around them.

An initiative like the A14 Community Fund makes it possible for us to support community-led projects that will leave a positive legacy for the local area long after we have finished our construction work and the new road is open to traffic. And I'm delighted to say it's been very successful in supporting great projects so far.

Grants of up to a maximum value of £10,000 are available to people living along the A14 in Cambridgeshire in a series of quarterly grant rounds until the end of the project in December 2020 or when all the money has been allocated — whichever comes soonest.

There have been five rounds so far, with more opportunities coming up to bid for grants to support projects across a wide range of areas including the environment, health and well-being, heritage, arts, skills, and culture.

As examples, projects could:

- focus on the new leisure opportunities opened up by the scheme
- chronicle changes to the local area over time
- complement the environmental measures being put in place
- revisit how public spaces are used

Gerard added:

We realise it can be daunting for small organisations to write a grant application for the first time. Initially, we noticed people found it hard to demonstrate how their project linked to the A14 road improvement project. We have now put in place a two-stage process which encourages applicants to talk to our team so we can help them frame their project to give it the best chances.

Most of the best projects we've seen are the ones where the bidders have worked closely with our team at design stage to understand the wider impacts.

We've had some great bids so far and I am sure there are more to come. What we'd really like to see are bids that build on the positive legacy we are leaving with the road improvement scheme: a much improved network of cycling and walking routes that communities can link into or capitalising on improved access to areas which didn't have it before for instance.

I look forward to seeing the bids we get for this and future rounds!

Case study 1: University of Cambridge Institute of Continuing Education A14 Writer in Residence

The University of Cambridge Institute of Continuing Education (ICE), successfully bid for funding last year for a post of A14 Writer in Residence based at Madingley Hall, a stone's throw from the A14 in Cambridgeshire.

The post was taken up by Daisy Johnson, a librarian, children's writer and blogger from York, from 6 September. Since then, Daisy has been encouraging people living and travelling along the A14 in Cambridgeshire to reflect on roads and the nature of travel via a series of free creative writing initiatives including face to face courses, pop up sessions, visits to schools and a Facebook page where she has been offering regular writing prompts to followers.

The hope is for local people from all walks of life to re-discover their love of stories, and the ultimate outcome will be for all involved to contribute to an anthology to be launched at a free event held at Madingley Hall this March.

Midge Gillies, Academic Director, Creative Writing, University of Cambridge

Institute of Continuing Education, said:

Our A14 Writer in Residence, Daisy Johnson, has done a wonderful job of taking ideas about travel to many corners of the community. She has been particularly successful at engaging youngsters who see travel in a completely different way — you're stuck in a traffic jam? Luckily, you're wearing your edible outfit that will stop you from becoming peckish. Or wait till it's dark to see the dragon races along the A14.

Daisy has also been active on Facebook where the A14 Stories site has persuaded people to think about their local community and to write something creative — often for the first time or after a very long gap.

And we've been thrilled by the response from the diverse group of students (and one lovely hearing dog) who have turned up to our three, free creative writing courses.

Roads take us to school, on holiday, to hospital, to a wedding or a funeral. We've all got a story about a special journey. I look forward to seeing which stories make it into the A14 writing anthology!

Case study 2: Cambridge Science Centre, On the Road school workshops

The Cambridge Science Centre successfully bid early last year for funding to create a new cross-disciplinary workshop for schools, aimed at years 6 to 10 (10 to 15 year olds), that ties in the environmental theme of their 'LifeWorks!' exhibition with engineering, using the A14 as a case study.

The team developed a workshop called 'On the Road', which investigates the materials used in road construction and looks at the environmental considerations to take into account in road building.

To date, the workshop has been delivered to more than 700 students living near the A14 (and some further afield), mainly in secondary schools (key stage 3) but also in a number of primary schools.

The workshops were tailored to the local environment and needs of the schools, with some interested in bridge construction while others looked at general construction skills, engineering or environmental science.

Helen Slaski, CEO of the Cambridge Science Centre, said:

"This funding has enabled Cambridge Science Centre to develop an exciting, hands-on workshop entitled 'On the Road' for the A14 project. Nearly 1,000 students throughout the East of England, particularly in areas impacted by the construction, have benefitted from this outreach programme which fulfils Cambridge Science Centre's objectives of enhancing education and inspiring

young people to think about STEM that is all around them in their daily lives. Thank you for the funding, it has made a real difference and inspired youngsters to get involved with STEM related activities."

More than £110,000 out of the £400,000 fund has been allocated and 16 local projects have been granted funding under the A14 Community Fund.

More funding rounds are planned between now and when the project completes, with applications accepted until the fund runs out.

More than 2,000 people are estimated to benefit at some point from the approved projects Other examples of funded projects include:

- The Countryside Restoration Trust: received £9,005 to support water voles in the area of the A14 improvements
- Great Paxton Community Village Shop Ltd: received £9,965 to provide a convenience shop for the local community including volunteering and work experience opportunities
- The Offords Recreation Hut (Offord Village Hall): received £2,160 to provide a secure bicycle parking facility for village hall users
- Histon & Impington Community Orchard Project: received £1,752 to complete and help maintain the orchard by providing a motorised brush cutter & hedge trimmer and an information sign
- Groundwork East: received £10,000 to improve confidence and employability of people furthest from employment by growing wildflower plugs for use on the borrow pit nature reserves created by the A14
- Alconbury C of E Primary School: received £5,000 for an artist to work with the whole community to update 5 murals in the school hall
- Great Paxton Parish Council: received £3,000 to conduct a feasibility study into options to provide a safe alternative to the hazardous B1043 for cyclists

For more information about the A14 Community Fund, which is administered by the Cambridgeshire Community Foundation, and to apply, visit the Cambridgeshire Community Foundation website.

Highways England is upgrading a 21-mile stretch of the A14 between Cambridge and Huntingdon to three lanes in each direction including a brand new 17-mile bypass south of Huntingdon, with four lanes in each direction between Bar Hill and Girton. The project will add additional capacity, boost the local and national economy and cut up to 20 minutes off journeys.

The 2,200 strong construction team is keeping to the project's challenging timetable, with the improvements on track to open to traffic by the end of 2020.

You can see a new fly-through simulation of the A14 Cambridge to Huntingdon improvement scheme below.

A14 Cambridge to Huntingdon improvement scheme fly-through

For the latest information about the A14 Cambridge to Huntingdon improvement scheme, including job and training opportunities, visit

www.highways.gov.uk/A14C2H follow @A14C2H on Twitter and like our Facebook
page

To book the A14 Cambridge to Huntington mobile visitor centre to attend a public event for free, call 0800 270 0114 or email A14CambridgeHuntingdon@highwaysengland.co.uk.

Tell the A14 communications team what you think, <u>complete the annual</u> communications survey.

General enquiries

Members of the public should contact the Highways England customer contact centre on 0300 123 5000.

Media enquiries

Journalists should contact the Highways England press office on 0844 693 1448 and use the menu to speak to the most appropriate press officer.

<u>Press release: Britain honours its</u> Holocaust heroes

At an event at the Foreign Office hosted with the Israeli embassy, the Foreign Secretary Boris Johnson, Communities Secretary Sajid Javid, Archbishop of Canterbury Justin Welby, Chief Rabbi Ephraim Mirvis and Israeli Ambassador Mark Regev, will gather to honour heroic men and women with the British Hero of the Holocaust Medal.

The award, whose previous recipients include Sir Nicholas Winton, recognises those Britons who undertook extraordinary acts of courage and self-sacrifice, in order to help Jewish people and others.

Foreign Secretary Boris Johnson said:

The moral conviction and bravery of the British Heroes of the Holocaust should fill us with pride.

These exceptional individuals saved hundreds of lives and went above and beyond the call of duty in the most difficult circumstances to do the right thing.

As a government we are committed to ensuring that society learns the lessons of the Holocaust so that bigotry and prejudice are given no place to take root. Communities Secretary Sajid Javid said:

Nazi oppression was defeated not only through military force but also through quiet acts of courage and compassion.

These eight individuals are true British heroes and a source of national pride for us all, fully deserving of our lasting respect and lifelong gratitude. Their willingness to stand up to hate with often little regard to their own personal safety is an inspiration to us all.

Award Recipients

The eight recipients of the award are:

- 1. British Diplomats John Carvell and Sir Thomas Preston who issued almost 1500 Jews with certificates to enable them to escape to Palestine. Margaret Reid who worked in the Passport Control Office of the Berlin Embassy and issued visas that allowed thousands of Jews to emigrate. She often bent the rules for issuing visas, a practice that was deliberately overlooked by the British Consul-General Sir George Ogilvie-Forbes, another recipient of the award;
- 2. Academic Doreen Warriner and Trevor Chadwick who worked closely with the 'British Schindler' Sir Nicholas Winton in Prague to organise the evacuation of hundreds of Jewish children from the then Czechoslavakia to Britain.
- 3. Dorothea Weber (née LeBrocq) who sheltered her Jewish friend Hedwig Bercu during the German occupation of the Channel Islands at great personal risk. She was aided by a German soldier, Kurt Ruemmele, whom she married after the war and:
- 4. Otto Schiff who helped to create the Jewish Refugees Committee which arranged to bring Jews out of Germany and Austria to Britain during the war, as well as supporting them financially once here.

This Government is determined that the genocide of six million Jews will never be forgotten. That is why it will be building a spectacular and poignant Holocaust Memorial and Learning Centre, right next to Parliament, reminding all of us of the depths to which humanity can sink, and the importance of robustly opposing all forms of bigotry. Holocaust Memorial Day 2018 will take place on Saturday 27 January with thousands of activities and events taking place across the country at community centres, schools, libraries, museums, arts venues, prisons and places of worship.

Further information