

Norwich–Ely rail passengers protected by CMA

The Competition and Markets Authority (CMA) is responsible for looking into the awarding of rail franchises as part of its mergers work, and has therefore been investigating the award of the East Midlands Rail Franchise to Abellio.

The Phase 1 probe has found competition concerns on 2 of the routes Abellio would operate – Norwich to Ely and Thetford to Ely. This is because under current proposals for the franchise, Abellio would operate both East Midlands Trains and Greater Anglia, and so provide the only train services on this line. The CMA is concerned that this could reduce competition, as passengers have no other rail options, which could lead to higher fares. The CMA has found no concerns on the other routes.

Joel Bamford, Senior Director of Mergers at the CMA, said:

Thousands of people rely on this route, so it's crucial that passengers don't suffer as a result of reduced competition.

If the franchise is awarded to Abellio as currently planned, we're concerned passengers could face increased prices.

We look forward to hearing from Abellio about how they will seek to overcome these concerns.

Abellio has offered to work with the CMA to keep fares and advance ticket availability at current levels on the 2 routes. In previous similar cases, such as the award of the [Northern franchise to Arriva](#) and [FirstGroup and MTR's acquisition of South Western](#), the CMA's concerns were resolved by the operator agreeing to price-caps on the affected lines.

The CMA's decision comes in advance of the start of the franchise, due to begin on 18 August. Further details can be found on the [case page](#).

Notes for editors

1. The CMA is the UK's primary competition and consumer authority. It is an independent non-ministerial government department with responsibility for carrying out investigations into mergers, markets and the regulated industries and enforcing competition and consumer law. For CMA updates, follow us on Twitter [@CMAgovuk](#), [Facebook](#), and [LinkedIn](#).
2. Under the merger control provisions of the Enterprise Act 2002 in conjunction with the Railways Act 1993, the CMA may look into the award of UK rail franchises to ensure that no competition concerns arise.
3. Under the Enterprise Act, Abellio East Midlands Ltd will now have 5 working days to propose undertakings in lieu (UILs) of reference to

resolve the competition concerns raised by the CMA. If it does not propose UIIs, or if the CMA is not satisfied with them, the merger will be referred to an in-depth ('phase 2') investigation.

4. The CMA will announce by 2 August 2019 its preliminary decision on whether any UIIs offered by Abellio might be sufficient to resolve the competition concerns identified. If the CMA provisionally accepts UIIs, a consultation will follow.

Media enquiries to the CMA should be directed to press@cma.gov.uk or 020 3738 6460.