

Press release: CMA accepts Wood Amec remedy proposals

The Competition and Markets Authority (CMA) began investigating the merger of the 2 companies in June 2017. Both provide engineering services to the Upstream Offshore oil and gas sector in the UK Continental Shelf.

After the CMA found that competition concerns could arise in the supply of engineering and construction services and operation and maintenance services, the companies offered to sell Amec Foster Wheeler's businesses in these areas to address the CMA's concerns.

The CMA found that this proposal would, in principle, be suitable to address its competition concerns and opened a public consultation in August. Following this, the CMA is now satisfied the issues it identified will be fully addressed by the remedy offered. The CMA has therefore decided that the merger will not be referred for an in-depth, phase 2, investigation.

Kate Collyer, Deputy Chief Economic Adviser and decision maker in this case, said:

It is crucial that competition is maintained in this major UK industry. We have therefore conducted a thorough investigation into this merger, and believe that the sale of Amec Foster Wheeler's assets will address our concerns and ensure that customers in the North Sea continue to be able to obtain competitive bids.

The CMA is committed to conducting merger investigations as quickly and efficiently as possible. In this case, the CMA worked with the companies on a 'twin-track' approach, engaging with them on shaping remedies that might mitigate competition concerns, if any were found, whilst still investigating whether such concerns arose.

This enabled us to promptly reach a final view on the proposed remedy after competition concerns were identified, helping to reduce uncertainty about the potential impact of the merger for customers within this industry.

Amec Foster Wheeler's relevant assets will now be sold to a purchaser approved by the CMA.

All information relating to the investigation is available 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 more information on the CMA see our [homepage](#) or follow us on Twitter [@CMAgovuk](#), [Flickr](#) and [LinkedIn](#). Sign up to our [email alerts](#) to receive updates on merger cases.

2. Merger review in the UK is primarily the responsibility of the CMA, which is an independent public authority. For more information on how we undertake such work read our [Quick Guide to UK Merger Assessment](#).
3. Under paragraphs 8.7 and 8.8 of the [CMA's Mergers – Jurisdiction and Procedure Guidance](#), the merger parties can engage with the CMA's case team on remedies prior to any decision for reference. However, the case team is not able formally to agree with the parties whether a particular package of undertakings in lieu would or would not be sufficient. This is because the final decisions on whether, first, the duty to refer arises and, (if it does) second, whether to accept undertakings in lieu are not to be pre-judged and remain with the phase 1 decision maker.
4. The text of this decision will be placed on the [case page](#) in due course.
5. Media enquiries should be directed to press@cma.gsi.gov.uk or journalists can call 07774 134814.