

CMA secures offer of commitments from P&O Ferries and DFDS

In November 2021, the Competition and Markets Authority (CMA) launched [an investigation into an agreement between ferry companies P&O Ferries and DFDS A/S](#). This agreement – known as a ‘capacity sharing agreement’ – provides a ‘turn up and go’ function for freight customers at the Dover and Calais ports, allowing them to take the next available ferry regardless of which of the 2 operators they booked with. The agreement aims to reduce journey times and congestion at ports for freight customers, while also providing broader potential benefits for supply bottlenecks and the wider economy.

While the CMA recognises the flexibility such an agreement allows, it is concerned that aspects of the companies’ arrangements could, if unaddressed, ultimately lead to higher prices and fewer sailings.

For example, when implementing this agreement, P&O and DFDS created a single schedule to space out the firms’ departures more evenly. However, as part of this, the companies also removed some journeys entirely from their schedule and documentation gathered by the CMA showed they planned to further reduce the number of sailings in the future. Such behaviour could lead to higher prices and less frequent journeys for both tourists and freight customers.

The CMA is also concerned that the agreement could encourage each company to cancel off-peak sailings at short notice because it will allow them to keep revenue from customers even if they travel on the other firm’s ferry. Such cancellations would cause disruption to freight and tourist customers on the busy Dover-Calais route and could also lead to higher prices.

In addition, the CMA believes the agreement has the potential to fix the amount of freight customers each firm carries in relation to the other. Fixing amounts in this way would likely reduce the companies’ incentives to compete for customers by offering lower prices and better service quality.

Following CMA intervention, the companies have proposed to commit to:

- not agree with one another the number of sailings that each company operates
- put strict limits on the number of sailings that they may cancel
- amend the agreement to make clear that it does not fix the amount of freight customers that either company may carry

Michael Grenfell, Executive Director of Enforcement at the CMA, said:

The ‘turn up and go’ function this agreement provides is without doubt a positive thing for customers. However, as the UK’s competition authority, it is essential that we scrutinise business coordination to make sure it doesn’t lessen competition.

We found the agreement between P&O Ferries and DFDS was at risk of breaking competition law and could ultimately lead to higher prices and fewer sailings taking place – which is why we stepped in.

We have taken a close look at the commitments offered by these firms, and will also carefully consider any responses to our consultation, to see whether our concerns are addressed. If they aren't, our investigation will continue.

The CMA will now consult on the commitments offered, providing an opportunity for third parties to voice any thoughts or concerns. Any responses must be made by 5pm on 4 July 2022 and will be considered as the CMA reviews the commitments offered by P&O and DFDS.

For more information, visit the [Investigation into a capacity sharing agreement between P&O Ferries and DFDS case page](#).

Notes to editors

1. The competition legislation relevant to the CMA's investigation is the Competition Act 1998. The Chapter I prohibition of the Competition Act 1998 prohibits agreements, concerted practices and decisions by associations of undertakings which have as their object or effect the prevention, restriction or distortion of competition within the UK or a part of it and which may affect trade within the UK or a part of it unless they are excluded or exempt.
2. The CMA may launch an investigation under the Competition Act 1998 if it has reasonable grounds to believe that there has been an infringement of competition law. If the CMA decides that there has been a breach of competition law then it can impose a fine up to 10% of ESS's worldwide turnover, as well as issue legally binding directions to bring the breach to an end.
3. All enquiries from journalists should be directed to the CMA press office by email on press@cma.gov.uk or by phone on 020 3738 6460.
4. All enquiries from the general public should be directed to the CMA's General Enquiries team on general.enquiries@cma.gov.uk or 020 3738 6000.

[Government continues its plans for nature recovery in our seas](#)

News story

Four Marine Management Organisation (MMO) byelaws come into force today (June 13) to protect four offshore marine protected areas.



These are being introduced under new powers under the Fisheries Act, the first major fisheries legislation in almost 40 years. These new measures will prohibit fishing activities in MPAs where there is evidence that they harm wildlife or damage habitats.

Formal consultation was held between 1 February and 28 March 2021 on proposed management measures to manage fishing within four Marine Protected Areas (MPAs) in the English offshore region. Having reviewed the consultation responses, the MMO has now made these four byelaws which were confirmed by the Secretary of State and have come into force today.

The byelaws will bring in management measures on fishing within these four MPAs in English waters:

- Dogger Bank Special Area of Conservation
- Inner Dowsing, Race Bank and North Ridge Special Area of Conservation
- South Dorset Marine Conservation Zone
- The Canyons Marine Conservation Zone

Under these byelaws, bottom trawls, dredges, demersal seines, and semi-pelagic trawls, collectively known as bottom towed gear, cannot be used over certain areas. Two of the sites also prohibit the use of certain static gear such as pots, nets, or lines over particularly sensitive areas.

Protecting the features of these MPAs is important to safeguard the ecosystem services which they provide. These may include providing nursery areas for commercially important fish species, providing food for marine birds and other threatened species, and sequestering and storing “blue” carbon. These measures also provide an opportunity to better understand how these services change as ecosystems recover.

These first four MPAs were selected as a priority to preserve their vibrant and productive undersea ecosystems. They include the Dogger Bank Special Area of Conservation, which has the largest shallow sandbank in British waters and supports commercial fish species such as cod and plaice, as well as sand eels that provide an important food source for kittiwakes, puffins and porpoises. They also include the Canyons Marine Conservation Zone which protects rare and highly sensitive deep water corals.

The names of the byelaws are:

Chancellor's opening address to London Tech Week

Good morning – welcome to London tech week.

Your success is personal to me.

I had the privilege of living, studying, and working in California.

That experience left a lasting mark on me.

I lived and breathed the culture that was adventurous, optimistic, and forward-thinking.

Willing to take risks.

To be imaginative.

To build new products, services, businesses that could change the world.

And I see that culture here at home, too.

I've been travelling a lot in the last few months, right across the UK.

And wherever I go, I meet young people who are hungry, ambitious, unencumbered by timidity and orthodoxy.

And looking at all of you, I know that we'll see that same spirit here at Tech Week, too.

So I'm optimistic.

And the statistics show there is good cause to be optimistic.

The UK has created more tech unicorns than any other country, bar the US and China.

We have extraordinary, distinctive strengths in FinTech, life sciences, and creative industries.

Our corporate and capital gains tax rates are internationally competitive.

And we're known around the world for our agile approach to regulation...

...which acts, where needed, to address concerns about large, dominant players...

...while backing innovation.

You can see that in our approach to financial regulation, where we've pioneered:

The regulatory sandbox, Open Banking, and now, an innovative framework for crypto and blockchain.

So we already have an incredible, thriving tech ecosystem.

But we know we need to do more.

Perhaps the biggest question we face right now is where our future growth is going to come from.

The answer is innovation.

Just look at our history.

Over the last 50 years, innovation broadly defined created around half of the UK's productivity growth.

But since the financial crisis, like many countries around the world, our rate of innovation does seem to have slowed.

But I am confident that we can turn that round.

With the rise of general-purpose technologies like AI, it is plausible to believe we are on the cusp of a new wave of innovation.

But we need to make sure we are ready to capitalise.

To do that, there are three tools at our disposal – capital, people, and ideas. And we are deploying them all.

First, capital.

The UK is already a natural home for growing businesses to raise finance.

In 2021, even in the midst of covid, VC investment in the UK didn't just grow – it more than doubled.

London is fourth for VC investment globally, behind only Beijing, San Francisco, and New York.

Our tax reliefs for investing in start-ups are internationally best in class.

And it's not just private markets, but public too.

In 2021, over 120 companies chose to list in London; confirming that London is the dominant European IPO market.

And we want to go further.

We're reforming our Listing Rules to make it even easier for companies to raise public funding.

We're overhauling Solvency II and the charge cap regime to unlock pensions and insurance industry capital.

And through the Future Funds and British Business Bank...

...we're providing direct government backing to some of the most exciting, fastest-growing scale-up businesses.

So if you're an entrepreneur looking for funding – I want you to look at the UK and say: that's where I want to be.

Now our second priority is to equip our people with the skills they need to thrive.

We have some of the best educated people in the world.

And the percentage of tertiary-level graduates studying STEM courses here in the UK, is higher than even the US.

But we don't have a monopoly on talent.

Nearly half of our STEM researchers are immigrants...

...and around half of our most innovative fastest companies have an immigrant founder.

So we're making our visa system for international talent the most competitive in the world.

Let me give you just one example.

We've just announced a new High Potential Individual visa.

If you're a young person...

Who's graduated from a global top 50 university...

You can come to the UK...

With virtually no conditions...

No job offer...

And stay here, with your family, for two years...

To just explore. Work. Study. Invent. Figure out what you want to do.

And that should send a strong and clear message to the brightest global talent:

If you come to the UK, we will back you to succeed.

Nothing like that exists anywhere else in the world.

And it sums up our philosophy when it comes to visas:

Less 'build it and they will come', and more 'let them come and they will build it'.

So, capital, people, and third – ideas.

The UK has less than 1% of the world's population, but four of the world's top 20 global universities.

The 2nd most Nobel laureates out of any nation.

The third highest number of research publications worldwide.

But we can't be content to rest on our laurels.

We need to do more to support private sector R&D.

And that includes tax.

On the face of it, we have one of the most generous tax regimes for R&D investment anywhere, measured by how much we spend on it.

But despite spending huge and rapidly growing sums, clearly it is not working as well as it should.

In the UK, business spending on R&D amounts to just three times the value of the R&D tax relief.

The OECD average? 13 times.

So I will make sure that our tax regime for innovation is globally competitive and creates proper incentives for all of you to invest and invent.

And of course, the government will do our bit, too.

Over the next few years, we're increasing government investment in R&D by almost 50%.

As a % of GDP, that will put us above Germany, France, Israel, Canada, Japan, and the US.

And one technology that will become ever-more critical in the years to come – is advanced computing.

The extraordinary power of the emerging generation of super computers will change every aspect of our economy.

So I'm delighted to launch today, a new review into the future of compute.

Led by Professor Zoubin Ghahramani... [GAR-A-MAA-NEE]

AI Professor at the University of Cambridge and Director of Google Brain.....

It will report later this year with recommendations for how we can deliver the UK's computing needs not just this year, but for decades to come.

Let me close with one final thought.

My political opponents actually love to paint me as some kind of tech geek.

As I'm sure you've gathered this morning – that's a label I'm actually proud of.

I will always be on the side of entrepreneurs, innovators, young people inventing the future.

Because the biggest lesson I took from my time in California still guides me now, as Chancellor.

What really matters for economic success – is innovation.

If we want our country to succeed, we need to do what we've always done and embrace new technologies, and the people and culture that creates them.

No serious analysis of our prospects could conclude anything different.

Because if we can get this right...

If we can back our capital, people, and ideas...

If we can encourage that incredible spirit I see everywhere in this country...

Then we can be confident that Britain stands on the cusp of a new era of innovation and change.

And ultimately, what gives me that confidence is standing here at this podium and looking out at all of you.

People of talent and ambition and imagination, searching relentlessly...

...for that next new idea that will shape our lives and change the world.

Thank you.

**Gaia discovers rarely spotted
“starquakes” in most detailed galaxy**

survey to date

- Data forms a multi-dimensional map of asteroids, planets, stars and galaxies that act as a “DNA map” that will revolutionise our understanding of the cosmos
- UK-built technologies crucial to Gaia instruments, including 1-billion-pixel camera
- Findings enabled by Gaia’s first large scale spectroscopy data release
- Release marked by event at Goonhilly Earth Station Ltd in Cornwall, which has been upgraded to receive Gaia data

The Gaia observatory has revealed new data from its travels in space, including tsunami-like starquakes – small movements on stars’ crusts similar to earthquakes we experience on our planet – changing the spherical shape of thousands of stars.

The findings form part of an enormous catalogue of data from objects both inside and beyond our galaxy that could revolutionise astronomy by allowing scientists to test theories about the evolution of stars and the formation of galaxies. Starquakes, also known as non-radial oscillations, are an unexpected discovery, as Gaia was only designed to pick up on radial oscillations that cause stars to change their size.

The Gaia data release was marked by an event at Goonhilly Earth Station Ltd in Cornwall, which is now able to directly receive Gaia data alongside counterpart European Space Agency (ESA) stations across Europe.

Crucial to Gaia’s success are its scientific instruments developed by experts across the UK. These include Chelmsford-based Teledyne e2v, which provided the highly sensitive photon detectors for Gaia’s 1bn pixel camera – the largest focal plane ever flown in space – and Airbus in Stevenage, which designed and built elements such as Gaia’s electrical service module.

The team of scientists and engineers working on Gaia from the UK is led by Cambridge University and supported by a total £23 million of investment from the UK Space Agency and a further £2.4 million from the Science and Technology Facilities Council (STFC).

Science Minister George Freeman said:

This breakthrough by the Gaia observatory in our understanding of the galaxy we live in, the evolution of stars, asteroids and rarely seen starquakes is a major milestone for the space and astronomy community worldwide.

The central role of UK astronomers, instrument engineers and data scientists is a sign of our global leadership in space science and technology, at the heart of our commercial £16.5 billion space tech sector.

Gaia's view of the Milky Way's neighbouring galaxies. Credit: ESA/Gaia/DPAC; CC BY-SA 3.0 IGO. Acknowledgement: L. Chemin; X. Luri et al (2020)

Dr Colin Vincent, STFC Associate Director Astronomy, said:

The UK Space Agency and STFC have jointly supported data centres in the UK, which are essential to the exciting science from this unique mission.

By developing and applying advanced data extraction and processing techniques, our UK experts can turn raw data into science to make new discoveries.

As part of a strong international collaboration, the UK continues play such a key part of this scientific endeavour to better understand our galaxy.

Developed by a consortium of 20 countries, including the UK, through ESA, Gaia was launched in 2013 to piece together the largest and most accurate multi-dimensional map of the Milky Way.

As well as starquakes, the spacecraft has now returned findings on binary stars (pairs of stars that revolve around each other or a common centre), moons, around 155,000 asteroids, and numerous of galaxies outside our own, recording details such as distance, motions, chemical compositions, stellar temperatures, colours, masses, ages, and the speed at which stars move towards or away from us (radial velocity).

The new data release also includes Gaia's first major release of spectroscopy data, which measures the absorption and splitting of starlight.

The Large and Small Magellanic Clouds (two dwarf galaxies orbiting the Milky Way) colour-coded by stellar density

Dr Nicholas Walton, Institute of Astronomy at University of Cambridge and member of the ESA Gaia Science Team, said:

This major data release from Gaia not only allows astronomers to map the distances and motions of some two billion stars in our galaxy, but it also gives detailed measures of the physical and chemical makeup of a large number of those objects for the first time.

With this incredible database we can build a comprehensive picture of the Milky Way and delve into its incredible history of formation, seeing direct evidence of both violent past interactions with other galaxies, and internal bouts of intense star formation along its spiral arms.

This new data release creates a detailed bank of information, essentially working as a DNA map that allows us to understand the stellar population of our Galaxy, and track its past, present and future.

The UK space sector employs 47,000 people and generates an income of £16.5 billion, with the number of space organisations growing across the UK.

Matthew Cosby, Chief Technology Officer at Goonhilly Earth Station Ltd, said:

We are very grateful to the Gaia team for supporting the commissioning of Goonhilly's Deep Space Antenna, which now allows us to receive data directly from the observatory.

We are thrilled to be hosting the UK event for the latest Gaia data release in celebration of this milestone, and we look forward to being an integral part of the Gaia journey.

You can see more of the latest images, footage and data from the data release on [the ESA web page](#).

Chancellor launches review of UK's advanced computing at London Tech Week

- Rishi Sunak launches Future of Compute Review, during opening address at London Tech Week, as part of the government's new Digital Strategy
- World-leading AI expert, Professor Zoubin Ghahramani, will lead the review
- The project will look at the UK's compute needs, develop cost-effective solutions to ensure researchers and industry have what they need to lead the way, and inform a long-term plan for the UK

The review will report to the Chancellor and the Secretary of State for Digital, Culture, Media and Sport. It is being launched as part of the government's new Digital Strategy, which will be unveiled later today.

During his opening address at the Queen Elizabeth II Centre in London, Rishi Sunak said high-performance computers and cloud capabilities were vital for powering technologies of the future, such as Artificial Intelligence, and

this would be critical for the UK's productivity, prosperity and innovation.

Advanced compute – the large-scale processing power, memory and data storage that is used to tackle tasks beyond the capabilities of everyday computers – is an important component of our digital infrastructure and a building block for future capability.

It is becoming essential to biology, chemistry, physics, and nearly every other area of research and can also increase business innovation by enhancing R&D and product design processes, driving economic growth and productivity.

The Chancellor of the Exchequer, Rishi Sunak, said:

From modelling the effects of climate change, to powering the discovery of new drugs and increasing business innovation, the capabilities of advanced compute are endless.

The UK is a world leader in innovation and this review will help us maintain that position – as we embrace new technologies and the people that create them to drive forward our growth and productivity.

The Future of Compute Review, announced by the Chancellor at the Spring Statement, will provide recommendations to form the basis of a long-term plan for the government's approach to compute.

It will be led by world-leading AI researcher, Professor Zoubin Ghahramani, Professor of Information Engineering at the University of Cambridge and Vice President of Research at Google AI and Director of Google Brain.

The UK's ability to do the hardest science, and help businesses be even more competitive, depends on more powerful computers. Advanced compute helps us model incredibly complex systems, such as what's happening to the climate and how to stop the spread of pandemics.

Advanced compute is fundamental to the UK's national interest. This review will deliver a long term plan for UK compute, enabling government, business and academia to remain at the forefront of innovation and be prepared to fight the biggest challenges of this century.

I am delighted to lead this review and look forward to bringing my industry and research experience to this important work.

Digital Secretary Nadine Dorries added:

We witnessed our most powerful computers speed up the development of vaccines during the pandemic. But all the data generated in the coming years will be meaningless without the capacity to process

it.

This review will ensure we have the advanced computing abilities to keep the UK at the forefront of the most complex science and cutting edge tech to deliver major benefits for people and businesses.

In the past decade, the type and use of compute has changed – and the UK's capability in this field is falling behind the needs of our world-leading tech sector. To support the government's Integrated Review ambition for the UK to be a Science and Technology Superpower, we need a targeted approach to compute.

This review will therefore consider the UK's future compute needs at this crossroads of a new generation of compute.

Further information

- Zoubin Ghahramani FRS is Vice President of Research at Google, Professor of Information Engineering at the University of Cambridge, and a Fellow of St John's College, Cambridge. Before joining Google, he was Chief Scientist and VP for AI at Uber. He served as the founding Cambridge Director of the Alan Turing Institute, the UK's national institute for data science and AI, and founding Deputy Director of the Leverhulme Centre for the Future of Intelligence. He was co-founder of Geometric Intelligence (which became Uber AI Labs) and has advised a number of AI and machine learning companies. In 2015, Zoubin was elected a Fellow of the Royal Society for his contributions to machine learning, and he is the winner of the 2021 Royal Society Milner Award for outstanding achievements in computer science in Europe.

- The goals of the review are to:

i. Understand the UK's compute needs over the next decade.

ii. Develop cost-effective, future-forward solutions to ensure that research users and industry have internationally competitive access to compute.

iii. Establish a view of the role of compute in delivering the Integrated Review and Science Superpower this decade.

- The review is launched as part of the Government's new Digital Strategy, unveiled today, which demonstrates the potential for digital technologies like compute to foster business innovation and increase the UK's international competitiveness.