

News story: Deal agreed to ease restrictions on flights between the two nations

The UK and India have today (9 February 2017) agreed to ease restrictions on the number of scheduled flights between the two countries, following successful talks in India this week.

Limits on flights from key Indian cities including Chennai and Kolkata have been scrapped, allowing for a greater range of flights for passengers while providing a boost to trade and tourism for the UK and India. Building new links with important trading partners is a key part of the government's plans for a Global Britain, opening up new export markets and creating jobs and economic growth.

India is a rapidly expanding and important market for aviation and the agreement signed today will allow airlines to develop new services and routes.

Aviation Minister Lord Ahmad of Wimbledon said:

India is one of our closest allies and key trading partners and this new agreement will only serve to strengthen this crucial relationship. We are unlocking new trade and tourism opportunities which will boost our economies, create new jobs and open up new business links. This is great news for both the UK and India and is yet another sign that we are open for business and ready to build and strengthen our trade links.

With about 2.5 million passengers flying direct between the UK and India each year, and 88 scheduled services per week in each direction between the two countries, the agreement today will open up even more routes and opportunities.

Indian Civil Aviation Minister Pusapati Ashok Gajapathi Raju said:

The increase in number of flights between the UK and India is encouraging news for our businesses and tourists. We already enjoy strong ties with the UK and we welcome such continued association which in the long run will not only encourage business activity, but also people-to-people contact. I am sure that this agreement will bring direct and indirect benefits to many sectors of the economies of our two countries.

Tourism from India makes an important contribution to the UK economy. In

2015, there were 422,000 visits from India to the UK, bringing more than £433 million to the economy.

The agreement was formally signed during a [visit to India by Lord Ahmad](#), where he led a delegation of British companies for the 2017 CAPA India Aviation Summit. The Cabinet Minister of Civil Aviation, Puspapati Ashok Gajapathi Raju, signed on behalf of India.

Meeting with the Cabinet Minister for Civil Aviation Mr Puspapati Ashok Gajapathi Raju, Minister of State at the Ministry of Civil Aviation Mr Jayant Sinha, and India's leading airlines, UK Aviation Minister Lord Ahmad encouraged Indian businesses to partner with UK aerospace companies to capitalise Britain's world-class aviation expertise.

The final decision on additional flights between the UK and India is a commercial one for airlines.

[Speech: Celebrating the aviation ties between India and the UK](#)

Introduction

It's an honour to speak to the Indian aviation community today (8 February 2017).

And I'm grateful for your warm welcome.

I've come to India as a representative of the British government, and with a clear purpose.

To meet the Indian government, Indian airlines, and the aerospace industry, and in so doing to strengthen the ties between our countries.

As the UK's Minister for Aviation, I have something of a natural advantage in achieving that purpose.

Because what makes the aviation industry so special is that it is – by definition – an industry founded on international ties.

On the links between distant places.

On the common enterprise between peoples.

And it's an industry with a goal: to bring those peoples together, for trade or for pleasure.

There are few greater examples of this than the links aviation provides between India and the UK.

British Airways has been flying to India for over 90 years.

And when Air India established its first ever international route, in 1948, it was to London.

Now three and a half million people travel between our two countries by air every year.

More people fly from the UK to India than from almost any other country.

And the 1.5-million-strong Indian diaspora in the UK – of which I count myself a member – is kept in contact with friends and family half a world away by the unceasing passage of Indian and UK airliners between our airports.

Era of expansion

There are also great parallels between our respective industries.

Both have begun a new era of expansion.

It is a thrill for me come to this country at the most exciting time in Indian aviation history.

To see for myself its rate of growth and global reach.

The number of Indian airlines has more than doubled in 10 years.

Last month, the aviation market in this country hit 13 consecutive months of passenger growth.

And you are on track by 2030 to become the largest aviation market in the world.

In the UK, too, aviation is growing, and set to grow much further still.

Each record year of passenger numbers is broken by the next.

New routes to new destinations are added almost every month.

Heathrow

And in October we took a long overdue decision – to support the construction of a [third runway at Heathrow airport](#).

Those of you who have flown to Heathrow – perhaps even flown there in the pilot's seat – will know how busy that airport is.

In fact, it is the busiest two-runway airport anywhere on earth.

Heathrow's popularity helps make the UK the best connected country in Europe.

But for many years the airport has been operating at full capacity.

Without action, space for flights to and from new destinations – including India – will be severely constrained.

So our recommendation is that Heathrow be allowed to construct a world-class new runway, and the planning process is already underway.

An expanded Heathrow would make possible an extra 260,000 aircraft movements a year, or 16 million additional long-haul seats.

And it would compete against hubs such as Amsterdam, Paris and Frankfurt.

Aviation strategy

This decision is important enough that it justifies a fresh examination of how the government works with the aviation sector.

So over the next 2 years, we are going to draw up a new aviation strategy.

It will determine how the government can support the industry's continued future success.

We are exploring:

- the effect of aviation on the environment
- how aviation can best serve its customers
- how we can support regional growth and connectivity
- how to increase trade through aviation
- the importance of aviation employment and skills
- innovation, and the transformative potential of big data

In so many of these areas I increasingly see that our two countries have much common experience.

In skills for instance.

The Rajiv Gandhi National Aviation University, which the Indian government is establishing, is a brilliant idea.

I have already written to the Honourable Minister for Civil Aviation, Puspapati Ashok Gajapati Raju, on the matter.

And I'd like to look at whether this model could work in the UK too.

Then there's aviation growth and the environment.

As we both expand our aviation capacity, we'll both need to look at how we can make the best use of break-through cleaner technologies.

Brexit

But, of course, the decisions we are taking for UK aviation come in the context of an even more momentous decision.

In June, the British people voted to leave the European Union.

It is a decision with far-reaching consequences – and not just for the UK and the EU, but also for India and our other international partners.

To understand the decision is to see that it was not just a vote to leave the European Union.

It was also a positive expression of our desire to raise our ambitions and look beyond the EU.

The UK has always been a profoundly internationalist country.

We are one of the most racially diverse countries in Europe.

One of the most multicultural members of the European Union.

A country that has always looked beyond Europe to the wider world.

And – whether we are talking about India, Pakistan, Bangladesh, America, Australia, Canada, New Zealand or countries in Africa – so many of us have close friends and relatives from across the world.

The vote to leave the EU was a vote to strengthen those global ties.

That's why we gave our backing to a third runway at Heathrow.

That is why we are looking to renew our aviation strategy.

And that is why I was so determined to come to India to meet the aviation community here.

Because I want us to work together, to strengthen even more those ties of trade and friendship.

We already do much business together.

In aviation alone, of the 480 aircraft in the Indian civil fleet, almost half are built by Airbus – with their most important components made in the UK.

Then there was the brilliantly successful partnership between Mumbai airport and the UK's National Air Traffic Service.

Together they substantially increased airspace at the airport, helping bring in an extra \$100 million in annual revenue.

And the trade links go far beyond just aviation.

Since the turn of the century, no G20 country has invested more in India than

has the UK.

One in twenty jobs in the organised private sector in India is in a UK company.

We have heeded Prime Minister Modi's request that the world "Make in India".

We are one of the very biggest Makers in India.

We are proud of it.

And in the future we want to do much more still.

That's why our Prime Minister chose India for her first overseas trade delegation.

During that visit, £1.2 billion worth of business between UK and Indian companies was announced.

And during her visit, she joined with Prime Minister Modi in committing to build the closest possible commercial and economic relationship.

The groundwork is already being laid.

Our [Secretary of State for International Trade, Liam Fox](#), has agreed to set up a joint working group with your Honourable Minister for Trade, Nirmala Sitharaman.

It's going to look at both the future of our trade and investment links as the UK leaves the EU, and it will identify the practical steps we can take at present, too.

Conclusion

In thinking of past, present and future links, I am reminded of a photograph I keep on my desk in Westminster.

It is a picture of one of the greatest of Indians: Mahatma Gandhi.

I remember something he once said, that:

If we are to make progress, we must not repeat history but make new history.

We must add to the inheritance left by our ancestors.

That thought could be a summation of everything the British government would like to achieve with India.

To build on the inheritance left by our ancestors.

We have a long and deep relationship, and much common history.

I welcome your support as we seek to build yet higher on those foundations.

In our aviation industries.

In enterprise.

In friendship.

Thank you.

News story: Manchester hospital trusts request fast track merger reference

From:

First published:

9 February 2017

Part of:

The CMA has opened a phase 1 investigation into the anticipated merger between 2 hospital trusts in central Manchester.

Central Manchester University Hospitals NHS Foundation Trust (CMFT) and University Hospital of South Manchester NHS Foundation Trust (UHSM) have announced they are planning to merge.

UHSM includes Wythenshawe Hospital and Withington Community Hospital, and CMFT includes Manchester Royal Eye Hospital, Manchester Royal Infirmary, Royal Manchester Children's Hospital, Altrincham Hospital, Saint Mary's Hospital, The University Dental Hospital and Trafford Hospitals.

The ability of patients and commissioning bodies to choose between hospitals gives healthcare providers incentives to improve the quality of their services for the benefit of patients.

Therefore, under the Enterprise Act 2002 and the Health and Social Care Act 2012, the Competition and Markets Authority (CMA) will now investigate the impact this merger could have on patient choice and the quality of healthcare services provided.

The CMA has also received a request from CMFT and UHSM to fast-track the investigation, and so it is today issuing an invitation for interested parties to [comment on the request](#).

The CMA is able to accelerate the referral of a merger case to an in-depth

phase 2 investigation when requested by the merging parties. If the CMA proceeds with using the fast track procedure, it would expect to make a decision on referral within the next 15 working days.

The CMA and its predecessors (Office of Fair Trading and Competition Commission) have investigated a number of hospital mergers, most recently [Ashford and St Peter's Hospitals NHS Foundation Trust and Royal Surrey County Hospital NHS Foundation Trust](#).

Press release: CMA challenges lighting company's pricing restrictions

From:

First published:

9 February 2017

Part of:

The CMA has provisionally found that a lighting supplier has broken competition law by restricting retailers' freedom to discount online.

The Competition and Markets Authority (CMA) has issued a statement of objections to Poole Lighting Limited (Poole), which supplies light fittings to national and independent retailers.

It is alleged the company stopped retailers from setting their own prices online and forced them to sell at – or above – a minimum price. This would be a form of 'resale price maintenance', which breaks competition law.

The CMA's findings are provisional and no final conclusion has been reached regarding whether there has been a breach of competition law.

Ann Pope, CMA Senior Director, Antitrust, said:

With more and more retail activity moving online, making sure competition works well in this channel is a priority for the CMA. That happens when retailers are free to set their own prices to attract customers using the internet to look for the best deal.

So we take allegations of online resale price maintenance seriously because it can keep those prices high and limit choice for consumers.

We will now carefully consider representations from the company

before reaching a final decision.

The products being investigated by the CMA are the Saxby and Endon brands of domestic light fittings, including lamp shades, table lamps and wall light fittings. The size of the wider UK light fittings sector is estimated at £1.22 billion annually, including domestic and commercial sales.

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.
2. The Chapter I prohibition of the Competition Act 1998 covers anti-competitive 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. Similarly, Article 101 of the Treaty on the Functioning of the European Union (TFEU) prohibits such anti-competitive agreements, concerted practices and decisions by associations of undertakings which may affect trade between EU member states.
3. The CMA has produced a series of [animated videos](#) explaining the main principles of competition law and how they affect small businesses.
4. The CMA fined 2 other companies for online resale price maintenance in May 2016: one in the [bathroom fittings sector](#) and one in the [commercial refrigeration sector](#).
5. The estimated size of the wider UK light fittings sector is £1.22 billion annually according to AMA Research Limited's 'Lighting Market Report – UK 2016-2020 Analysis', 13th edition, July 2016.
6. Any business found to have infringed the Competition Act 1998 could be fined up to 10% of its annual worldwide group turnover. In calculating financial penalties, the CMA takes into account a number of factors including seriousness of the infringement(s), turnover in the relevant market and any mitigating and/or aggravating factors.
7. The statement of objections is addressed to the following companies which the CMA provisionally considers were directly involved in the alleged infringements and/or are liable as parent companies of the companies directly involved in the alleged infringements:
 - Saxby brand: Poole Lighting Limited, Saxby Lighting Limited and their parent company, The National Lighting Company Limited.
 - Endon brand: Poole Lighting Limited, Endon Lighting Limited and their parent company, The National Lighting Company Limited.
8. The CMA has not addressed the statement of objections to any retailer. This is because the CMA has applied Rule 5(3) of its Competition Act 1998 Rules, according to which it may address its proposed infringement decision to fewer than all the persons who were party to the relevant agreements.
9. A statement of objections gives parties notice of a proposed infringement decision under the Competition Act 1998. It is a provisional decision only and does not necessarily lead to an

infringement decision. Parties have the opportunity to make written and oral representations on the matters set out in the statement of objections. Any such representations will be considered by the CMA before any final decision is made.

10. The statement of objections will not be published. In accordance with the guidance [Competition Act 1998: Guidance on the CMA's investigation procedures in Competition Act 1998 cases \(CMA8\)](#), any person who is in a position materially to assist the CMA in testing its factual, legal or economic arguments may request a non-confidential version of the statement of objections by contacting the CMA.
11. The CMA currently has 12 ongoing cases open under the Competition Act 1998.
12. For more information on the CMA see our [homepage](#) or follow us on Twitter [@CMAgovuk](#), [Facebook](#), [Flickr](#) and [LinkedIn](#). Sign up to our [email alerts](#) to receive updates on Competition Act 1998 and civil cartels cases.
13. Information on this investigation can be found on the [case page](#).
14. Enquiries should be directed to Rebecca Cassar (rebecca.cassar@cma.gsi.gov.uk, 020 3738 6633).

[Press release: UK firms secure lucrative 'green' construction contract with government support](#)

In a significant collaboration between UK firms Carillion and Zaha Hadid Architects, and leading UAE-based environmental management company Bee'ah, support from UK Export Finance (UKEF) has helped secure a contract to build Bee'ah's new headquarters in Sharjah, UAE, worth tens of millions of pounds.

Bee'ah's headquarters was designed by the late Dame Zaha Hadid, the world-renowned British architect. It will be built by Carillion and will be the first building of its kind in the city of Sharjah to be powered entirely by renewable and recoverable energy sources, whilst utilising recycled materials in its construction.

International Trade Secretary Dr Liam Fox said:

Our support to help Carillion secure this contract shows the UK's global leadership in sustainable engineering, and our pioneering expertise in developing smart cities and green buildings for the future. The UAE is a key partner in the region and 5,000 UK companies work in there. Through UKEF, the government is ensuring that British firms can be the first choice to support the country's ambitions.

The headquarters will be powered by low- and zero-carbon sources, including solar power and waste-to-energy and will be one of the most advanced buildings in the region. Using British architectural and construction expertise, the design has been developed to use natural light and temperature management systems where possible.

Zafar Khan, Group Finance Director, Carillion, said:

This contract cements Carillion's position as a market-leader in the Middle East, as well as our credentials in sustainable construction. Our ability to offer our customers in the region the support of UK Export Finance is an invaluable asset, making our bids more attractive and helping us win contracts in a competitive global marketplace.

HE Salim bin Mohamed Al Owais, Chairman of Bee'ah, said:

As pioneers in environmental sustainability in the Middle East, Bee'ah is proud of our international alliances and the partnerships we have forged to advance our ambitious strategic goals. This agreement is a significant moment in the history of the region. It demonstrates Bee'ah's dedication and commitment to delivering on promises to the people of the UAE by providing tangible solutions to the greatest environmental challenges that face modern civilisation.

The headquarters is expected to be operational by the end of 2018, moving towards the major milestone of being powered by 100% renewable energy by 2021.

The financing deal provides for both the construction and design of Bee'ah's new headquarters; UKEF will support the Carillion and Zaha Hadid contracts under its Direct Lending Facility. HSBC Bank Middle East Ltd has acted as arranger on the transaction, and HSBC Bank Plc is the agent.

1. The construction phase of the project is expected to last 30 months.
2. The Department for International Trade is responsible for promoting British trade across the world and ensuring the UK takes advantage of the huge opportunities open to us.
3. [UK Export Finance](#) is the UK's export credit agency and a government department, working alongside the Department for International Trade as an integral part of its strategy and operations.

4. It exists to ensure that no viable UK export should fail for want of finance or insurance from the private market. It provides finance and insurance to help exporters win, fulfil and ensure they get paid for export contracts.
5. Sectors in which UKEF has supported exports include: aerospace, construction, oil and gas, mining and metals, petrochemicals, telecommunications, and transport.
6. UKEF has a regional network of [24 export finance managers](#) supporting export businesses.
7. UKEF supports exporters with a range of products that include:
 - Bond insurance policy
 - Bond support scheme
 - Buyer & supplier credit financing facility
 - Direct lending facility
 - Export insurance policy
 - Export refinancing facility
 - Export working capital scheme
 - Letter of credit guarantee scheme
8. Find the latest information on UKEF's [country cover positions](#)
9. Bee'ah, headquartered in the Emirate of Sharjah, is an integrated environmental and waste management company, founded in 2007, through an Emiri decree by His Highness Sheikh Dr Sultan Bin Mohammed Al Qasimi, Member of the Supreme Council and Ruler of Sharjah, as a public private partnership (PPP) with the Sharjah City Municipality.