



Department for  
Business, Energy  
& Industrial Strategy

Lord Prior of Brampton  
Parliamentary Under-Secretary of State

Department for Business, Energy & Industrial  
Strategy  
1 Victoria Street  
London  
SW1H 0ET

The Rt Hon. the Lord Lansley CBE  
House of Lords  
London  
SW1A 0PW

T +44 (0) 20 7215 5000  
E [enquiries@beis.gov.uk](mailto:enquiries@beis.gov.uk)  
W [www.gov.uk](http://www.gov.uk)

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Following my statement to the House on 17<sup>th</sup> October 2017, you asked two questions which I committed to respond to in writing.

Your first question related to whether our proposed secondary legislative amendments to the Enterprise Act 2002 will reflect some of the wider considerations taken into account in export control or only national security. You are right to highlight that the export control regime does take a broad approach to ensure that UK businesses export responsibly and within international law. That is why, for example, we do not grant licences where there is a clear risk the goods might be used for internal repression in the recipient country.

The amendments that we are proposing to the Enterprise Act 2002 relate only to national security. At the moment, with some limited exceptions, we can only intervene in mergers related to businesses with a UK turnover over £70 million or which raise the parties' combined share of supply to, or beyond, 25%.

We propose amending these thresholds so that the Government can intervene in areas of the economy where national security concerns might be raised in relation to small firms or deals and where the acquirer may not have any business in the UK which overlaps with that of the target.

We are proposing that businesses that design or manufacture goods on certain of the Strategic Export Control Lists will be in scope of the amended thresholds in order to address national security interests. Specifically, we are proposing that businesses which design or manufacture goods on the UK Military List, the UK Dual-Use List, the UK Radioactive Source List and the EU Dual-Use Lists will be covered by amended thresholds. These reforms will not impact on the wider export control regime.

You also asked about the Government's progress on updating the public interest test on media plurality. As you are aware, during the passage of the Digital Economy Bill (now Act), and in response to an amendment laid by you (along with Lord Puttnam and Lord McNally), Baroness Buscombe announced on behalf of the Secretary of State for Digital, Culture, Media and Sport (DDCMS) that the Government would carry out a limited review of the public interest intervention regime for media mergers, to ensure that it continues to work in the context of

today's media landscape and the changing nature of media consumption. This review will commence shortly and officials in DDCMS will consult with you in carrying out the review.

The Government's aim remains to complete the review in time to enable any legislative changes which might be deemed necessary to be brought forward by the end of the next Session—that is, by May 2018.

I will be placing a copy of this letter in the Libraries of the House. I hope this letter provides clarity on the direction of the Government's proposals in these areas.



**DAVID PRIOR**