STATUTORY INSTRUMENTS

2025 No. 922

COMPETITION

The Enterprise Act 2002 (Mergers Involving Newspaper Enterprises and Foreign Powers) Regulations 2025

Made - - - - 23rd July 2025

Coming into force in accordance with regulation 1(2)

The Secretary of State makes these Regulations in exercise of the powers conferred by section 124(2) and (3) of, and paragraph 15 of Schedule 6B to, the Enterprise Act 2002(**a**) and section 336 of the Digital Markets, Competition and Consumers Act 2024.

In accordance with section 124(6A) of the Enterprise Act 2002(**b**) and section 337(3) of the Digital Markets, Competition and Consumers Act 2024, a draft of these Regulations was laid before Parliament and approved by a resolution of each House of Parliament.

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Enterprise Act 2002 (Mergers Involving Newspaper Enterprises and Foreign Powers) Regulations 2025.

(2) These Regulations come into force on the day after the day on which they are made.

(3) The amendments made by regulations 2 and 3 are to be treated as having come into force on 13 March 2024.

(4) These Regulations extend to England and Wales, Scotland and Northern Ireland.

Permitted mergers

2.—(1) Schedule 6B to the Enterprise Act 2002 (control or influence of a person by a foreign power) is amended as follows.

(2) In Part 1 (conditions for control or influence), after paragraph 1(6) insert—

"(7) This paragraph is subject to Part 1A.".

(3) After paragraph 2 insert—

(**a**) 2002 c. 40. Section 124(3) of the Enterprise Act 2002 was amended by paragraph 4(9)(a)(ii) of Schedule 7 to the Digital Markets, Competition and Consumers Act 2024, c. 13. There are other amendments but none are relevant. Paragraph 15 of Schedule 6B was inserted by paragraph 3 of Schedule 7 to the Digital Markets, Competition and Consumers Act 2024 (c. 13).

(**b**) Section 124(6A) was inserted by paragraph 4 of Schedule 7 to the Digital Markets, Competition and Consumers Act 2024.

"PART 1A

EXCEPTIONS

Introduction

2A This Part applies where a foreign power would (apart from this Part of this Schedule) be able to control or influence the policy of a person (a "newspaper owner") carrying on a newspaper enterprise for the purposes of section 70A by virtue of condition 1 or condition 2 in paragraph 1 (respectively, "the shares condition" and "the voting rights condition").

State owned investors

2B (1) A foreign power is not able to control or influence the policy of a newspaper owner by virtue of the shares condition or the voting rights condition where—

(a) all of the shares or voting rights that the foreign power holds in the newspaper owner are held by the foreign power indirectly via a state owned investor acting on behalf of the foreign power (see paragraph 2C), and

(b) the state owned investor holds, directly or indirectly, no more than 15% of the shares or voting rights in the newspaper owner.

(2) Where shares or voting rights are held by different state owned investors acting on behalf of one or more foreign powers of the same country or territory, those state owned investors are to be treated as if they were a single state owned investor (and, accordingly, their holdings of shares or voting rights are to be treated as if they were a single holding of shares or voting rights).

2C (1) For the purposes of paragraph 2B, a person is a state owned investor acting on behalf of a foreign power where—

(a) condition 1 or 2 is met, and

(b) conditions 3 to 5 are met.

(2) Condition 1 is that the foreign power holds, directly or indirectly—

(a) 100% of the shares in the person,

(b) 100% of the voting rights in the person, or

(c) the right to appoint or remove a majority of the officers of the person.

(3) Condition 2 is that—

(a) the trustees of a trust, or the members of a partnership, unincorporated association or other entity, that is not a legal person under the law by which it is governed meet one or more of the requirements set out in sub-paragraph (4), in their capacity as such, in relation to the person, and

(b) the foreign power directs or controls the activities of that trust or entity (in whole or in part).

(4) The requirements are that the trustees or members—

(a) have the right to direct or control, or actually direct or control, the person's activities (in whole or in part);

(b) hold, directly or indirectly, 100% of the shares in the person;

(c) hold, directly or indirectly, 100% of the voting rights in the person;

(d) hold the right, directly or indirectly, to appoint or remove a majority of the officers of the person.

(5) Condition 3 is that—

(a) the principal activity of the person is to make or manage investments, and

(b) the activities of the person include making or managing investments in countries or territories other than the country or territory of the foreign power ("the overseas investments").

(6) Condition 4 is that the principal source of the funds for the overseas investments is the foreign power or another foreign power of the same country or territory as the foreign power.

(7) Condition 5 is that the sole purpose of the overseas investments is to benefit—

(a) the foreign power or the public or a section of the public of the country or territory of the foreign power, or

(b) where the overseas investments are made or managed for the purposes of a public pension fund of the country or territory of the foreign power, the beneficiaries of that fund.

Associated persons

2D (1) A foreign power is not able to control or influence the policy of a newspaper owner by virtue of the shares condition or the voting rights condition where—

(a) the foreign power holds shares or, as the case may be, voting rights in the newspaper owner as a result of those shares or voting rights being held by a person who is associated with the foreign power by virtue of being within section 127(4)(a), (b) or (c) (relatives, trustees etc)(**a**), and

(b) the person within section 127(4)(a), (b) or (c) holds no more than 0.1% of the shares or, as the case may be, the voting rights in the newspaper owner.

(2) A foreign power is not able to control or influence the policy of a newspaper owner by virtue of the shares condition where—

(a) the foreign power holds shares in the newspaper owner as a result of those shares being held by a person who is associated with the foreign power by virtue of being within section 127(4)(a), (b) or (c), and

(b) the person within section 127(4)(a), (b) or (c) holds those shares via an investment fund which meets the genuine diversity of ownership condition.

(3) For the purposes of sub-paragraph (2)(b)—

(a) "investment fund" means—

(i) an investment fund within the meaning given by section 236(1) of the Finance (No. 2) Act 2023(**b**) (investment funds and investment entities),

(**a**) Section 127(4)(a), (b) and (c) was amended by paragraph 168 of Schedule 27 to the Civil Partnerships Act 2004 (c. 33).
(**b**) 2023 c. 30.

(ii) arrangements that amount to a collective investment scheme (see section 235 of the Financial Services and Markets Act 2000)(**a**), or

(iii) a collective investment undertaking within the meaning of regulation 3 of the Alternative Investment Fund Managers Regulations 2013 (S.I. 2013/1773)(**b**), and

(b) an investment fund meets the genuine diversity of ownership condition where—

(i) it meets conditions A to C in regulation 75 of the Offshore Funds (Tax) Regulations 2009 (S.I. 2009/3001)(**c**) (read with regulation 76 of those Regulations), or

(ii) paragraph (5) of that regulation applies to it.".

Miscellaneous

3. In section 120 of the Enterprise Act 2002 (review of decisions under Part 3), in subsection (2), in paragraph (b), after sub-paragraph (i)(**d**), insert—

"(ia) Chapter 3A of this Part;".

Stephanie Peacock
Parliamentary Under Secretary of State
Department for Culture, Media and Sport

23rd July 2025

(**a**) 2000 c. 8.
(**b**) Regulation 3 was amended by S.I. 2019/328. S.I. 2019/328 was revoked by Schedule 1 to the Financial Services and Markets Act 2023 (c. 29) but this revocation does not affect the continued effect of the amendment of regulation 3 (see section 1(4) of that Act).
(**c**) Regulation 75 of S.I. 2009/3001 was amended by S.I. 2011/1211.
(**d**) Section 120(2)(b) was amended by paragraph 4(3) of Schedule 28 to the Digital Markets, Competition and Consumers Act 2004 and S.I. 2019/93 (as amended by S.I. 2020/1343).

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Enterprise Act 2002 (c. 40) ("the Act") to create exceptions within the merger control regime in Chapter 3A of Part 3 of the Act, which prohibits foreign state newspaper merger situations. A foreign state newspaper merger situation is created where a merger involving a newspaper enterprise, which meets certain conditions as to turnover and share of supply, results in a foreign power being able to control or influence the policy of the person carrying on the newspaper enterprise, or being able to control or influence that policy to a greater extent.

Paragraph 1 of Schedule 6B to the Act provides that a foreign power is able to control or influence the policy of a person carrying on a newspaper enterprise if one or more of five conditions is met, including the conditions that a foreign power holds, directly or indirectly, any shares in the person ("the shares condition") or any voting rights in the person ("the voting rights condition").

Regulation 2 inserts Part 1A into Schedule 6B to the Act. Part 1A creates exceptions to the prohibition by providing that a foreign power is not able to control or influence the policy of a newspaper owner by virtue of the shares condition or the voting rights condition in certain circumstances. These are circumstances in which a foreign power holds shares or voting rights, indirectly, in a newspaper owner via a state owned investor acting on its behalf, and in which a foreign power holds shares or voting rights in a newspaper owner as a result of those shares or voting rights being held by a person associated with a foreign power within the meaning of section 127(a) to (c) of the Act.

Regulation 3 amends section 120(2)(b) of the Act in consequence of Chapter 3A of Part 3 of the Act.

Regulations 2 and 3 are to be treated as having come into force on 13 March 2024, in line with the coming into effect of Chapter 3A of Part 3 of the Act.

A full impact assessment of the effect of Chapter 3A of Part 3 of the Act, read with the exceptions created by this instrument, on the costs of business, the public sector and the voluntary sector has been prepared. A copy is available on www.gov.uk/government/organisations/department-for-culture-media-and-sport. A hard copy can be obtained from the Department for Culture Media and Sport, 100 Parliament Street, London, SW1A 2BQ.

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