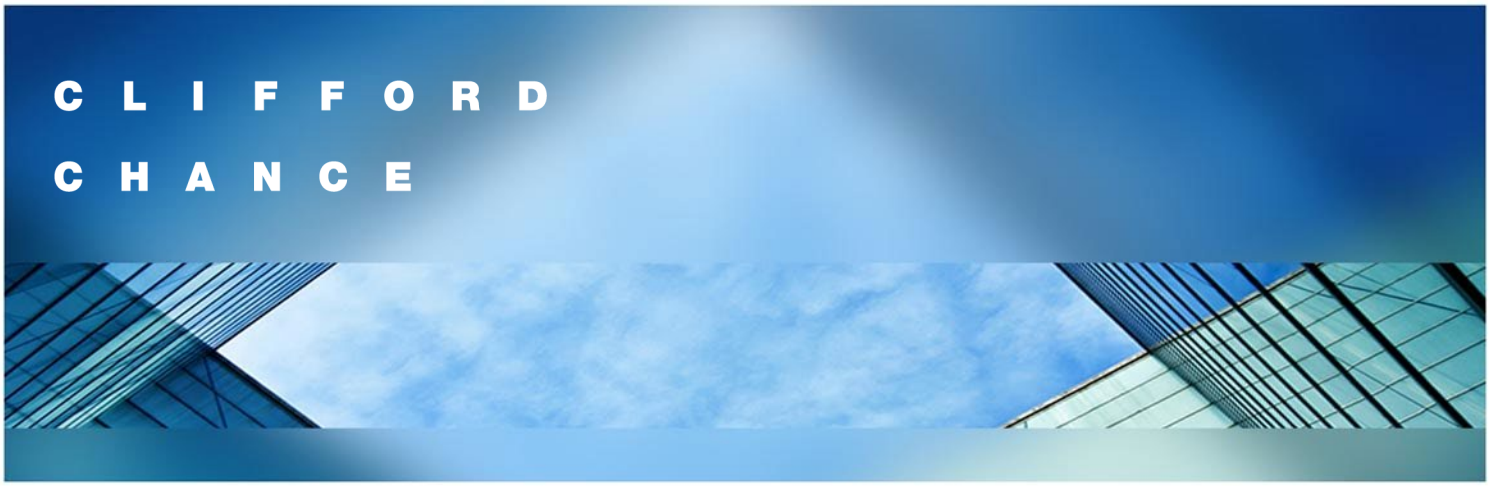

FINANCIAL SERVICES ANTITRUST BULLETIN

Since Q1 2025, competition authorities across the world have continued to closely scrutinise the financial services sector. This edition of the Clifford Chance Financial Services Antitrust Bulletin charts the following key themes derived from developments in Europe, North America, the Asia-Pacific region, North Africa and the Middle East:

Regulators accept consolidation in the insurance sector – The French Competition Authority gave the green light to both the acquisition of HSBC Assurances Vie by Matmut SAM and of the acquisition of NoveoCare group by Harmonie Mutuelle. Similarly, the UK Competition and Markets Authority unconditionally cleared the acquisition of Direct Line Group plc by Aviva plc.

Policy reviews - Regulators in America deliver on the roll back of bank merger policies, demonstrating a preference for an earlier version to champion transparency. In the UK, the House of Lords announced findings of rigidity and harmful overlaps within domestic financial regulatory bodies.

Consumer interests championed – In an attempt to enhance consumer protection and lower borrowing costs, the Polish Office of Competition and Consumer Protection plans to introduce uniform templates for mortgage loan agreements.

Litigation in the spotlight – The outcome of Innsworth Capital's application for judicial review, following the Competition Appeal Tribunal's approval of the GBP 200 million settlement in the case of *Merricks v Mastercard*, is eagerly awaited by litigation funders. Following significantly lower than expected returns, it remains to be seen whether the ruling will curb future appetite for funding. Separately, the UK Court of Appeal delivered a blow to cryptocurrency investors.

Key issues

This regular bulletin is a digest of key antitrust developments in the financial services sector in the following regions:

- Asia-Pacific
- Europe
- North America
- North Africa and Middle East

This edition focuses on developments since Q1 2025. If you would like to know more about the subjects covered, please refer to the list of contacts on page 14.

EUROPE

UK

Aviva receives CMA clearance for its anticipated acquisition of Direct Line Group

In December 2024, it was announced that Aviva plc and Direct Line Group plc ("**DLG**") had agreed on the terms of a cash and share offer that would see DLG acquired for approximately GBP 3.7 billion. The parties overlap in the supply of general insurance products in the UK.

On 1 July 2025, the Competition and Markets Authority ("**CMA**") unconditionally cleared the transaction, following a Phase 1 investigation. The full text of the decision is not yet available. Although the transaction did not fall under the CMA's new accelerated KPI, it received clearance in just six weeks. The acquisition has separately received approval from both the Financial Conduct Authority ("**FCA**") and Prudential Regulation Authority ("**PRA**").

The transaction completed by way of a court-sanctioned scheme of arrangement under Part 6 of the Companies Act, with a hearing which took place on 1 July 2025.

House of Lords Financial Services Regulation Committee publishes its report

On 13 June 2025, the House of Lords Financial Services Regulation Committee published its report (the "**Report**"), examining "the secondary international competitiveness and growth objective" for the FCA and the PRA.

Introduced under the Financial Services and Markets Act 2023, the secondary objective sought to facilitate the international competitiveness and growth of the UK economy.

The Report details an "overly rigid and risk averse" culture within both regulators, combined with perceived operational inefficiencies. Notably, the Report includes criticism that "regulatory overlaps have delayed important reforms, holding up the launch of new products and stifling growth in the financial services sector".

One witness quoted in the Report said that the "CMA, FCA, PSR all had responsibility for Open Banking. Rather than simplify this landscape, the UK has opted for a myriad of memoranda of understanding to manage the complexity." The Report notes that evidence received indicates that the overlap in responsibilities hindered progress in developing innovative applications for Open Banking.

Innsworth Capital seeks judicial review of Mastercard settlement distribution in UK card-fees collective claim

On 20 May 2025, the Competition Appeal Tribunal ("**CAT**") formally approved the GBP 200 million settlement in the case of *Merricks v Mastercard*. Merricks, as class representative, had accused Mastercard of unlawfully inflating multilateral interchange fees between 1992 and 2008, leading to higher prices for consumers.

Having previously, and unsuccessfully, disputed the value of the settlement itself, Innsworth Capital ("**Innsworth**"), the third-party litigation funder of the class action, has applied for judicial review of the CAT's decision to approve the plan for distribution of the settlement.

The collective settlement approval order provides that Innsworth will receive a minimum of roughly GBP 46 million, together with a share of the roughly GBP 54 million which remains once the class has been paid. This is significantly below the GBP 179 million which Innsworth's lawyer described as the "agreed minimum floor" for his client's return. The CAT opted to award a sum from the remaining settlement monies to the Access to Justice Foundation, which Innsworth said amounted to a "windfall" and "conferred a gratuitous benefit on an unrelated charity."

The CAT supported its decision by stressing that collective proceedings ought to be "for the benefit" of those represented.

The judicial review proceedings are expected to provide clarity on how the CAT decides appropriate returns for litigation funders in collective actions, which are becoming increasingly popular before the CAT. The outcome may have significant consequences for litigation-funders' appetite to support similar class actions, and consequently on consumers' ability to access compensation.

Appeal against CAT judgment on the certification of collective damages action dismissed in cryptocurrency case

The Court of Appeal has dismissed an appeal brought by BSV Claims Limited (the "**Class Representative**") against the CAT's decision in its case against several cryptocurrency exchanges. The Class Representative alleged that the defendants had colluded to delist Bitcoin Satoshi Vision ("**BSV**") from April to June 219 in contravention of Article 101 of the Treaty on the Functioning of the European Union and Chapter I of the UK's Competition Act 1998. The Class Representative sought approximately GBP 9 billion, alleging that either the defendants' conduct prevented BSV from becoming a major cryptocurrency, or alternatively caused it to lose the chance to become a major cryptocurrency.

The CAT had decided in July 2024 to strike out the portion of the claim relating to loss of chance. In June 2025, this decision was upheld by the Court of Appeal. Specifically, the Court of Appeal agreed that the class had an obligation to mitigate their losses once they became aware of the delisting, finding "it was not reasonable mitigation of the damage…to retain the damaged BSV coins in the vain hope that they might become a top-tier cryptocurrency."

The remainder of the Class Representative's claim remains to be heard by the CAT, including whether the defendants' conduct prevented BSV from becoming a major cryptocurrency, and if so what the appropriate quantum of damages would be.

CMA publishes annual report on compliance with the SME Banking Behavioural Undertakings 2002

A formal review of the outstanding SME Banking Undertakings 2002 by the CMA is currently underway. A stakeholders' consultation, particularly aimed at banks, small and medium-sized enterprises, regulators and governments, was launched on 2 April 2025.

A 2014 review led to the removal of all undertakings imposed on the banks, except for those which imposed limitations on bundling ("**Limitation on Bundling Provisions**"). The Limitation on Bundling Provisions apply to eight designated UK banks and stipulate that access to business loans or deposit accounts must not be conditional upon opening or maintaining a business current account.

The consultation document set out the rationale for launching the review, and the process seeks to identify whether there are changes of circumstances that render the remaining undertakings no longer appropriate. If such circumstances are identified, the CMA invites views on whether the Limitation on Bundling Provisions ought to be released or varied or superseded, and if so in what way.

The CMA is scheduled to publish a final decision on the outcome of its review in Autumn 2025.

CMA writes to Lloyds, Barclays, NatWest Group and Starling Bank regarding breaches of the Retail Banking Market Investigation Order 2017

From April to June 2025, the CMA wrote to several banks regarding breaches of provisions of the Retail Banking Market Investigation Order 2017.

Breaches included the publication of incorrect monthly maximum charges for overdrafts, failing to include the representative cost in the Equivalent Annual Rate in offers to renew overdrafts, and online errors preventing customers from accessing the price and eligibility tool. However, the CMA acknowledged that Lloyds, NatWest and Barclays self-reported the breaches and implemented measures to guard against future breaches. No further enforcement action will be pursued at this time.

In contrast, the CMA has taken enforcement action against Starling Bank Limited for its breaches, following a CMA letter of September 2024. The significance and frequency of the breaches resulted in the CMA's decision to issue directions. The directions, which include the appointment of an independent body to conduct an initial assurance engagement and to implement staff compliance training, were issued on 13 May 2025.

European Union

European Commission conditionally approves UniCredit's acquisition of Banco BPM

On 19 June 2025, the European Commission ("**EC**") approved UniCredit S.p.A's ("**UniCredit**") proposed acquisition of Banco BPM S.p.A, subject to certain commitments addressing competition concerns in the Italian banking sector.

The EC decided to review the proposed transaction, despite a request from the Italian competition authority to refer the case for their assessment under Italian competition law. The EC rejected the referral request, arguing that it has a particular interest in preserving competition in sectors that are crucial for the development of the Capital Market Union and the Savings and Investment Union.

Given the parties' overlapping activities, the EC's review focused on the provision of corporate and retail banking services. At a local level, the EC found significant horizontal overlaps between the companies' activities and branches in 181 local areas in the market for deposits and loans to retail consumers and small and medium-sized enterprises ("**SMEs**"). The EC expressed concern that this would result in excessive market power, which might lead to higher prices and reduced competition.

By contrast, the EC found that the proposed transaction did not raise any competition concerns in the regional market for large corporate clients' banking services as well-established competitors would remain active post transaction. Similarly, the EC found no risk of co-ordination in the Italian banking market due to its fragmented nature, lower transparency in consumer pricing and limited monitoring of competitors' market behaviour.

Ultimately, UniCredit committed to divest 209 physical branches located in problematic, overlapping local areas across Italy to address competition concerns. Following implementation of these commitments, the combined market shares across the identified local areas will be moderate.

In parallel, UniCredit challenged the exercise of Italy's foreign direct investment review. As of the date of publication, UniCredit's legal challenge is ongoing.

General court upholds the EC's European government bonds cartel but moderately reduces the fines imposed on Unicredit and Nomura

On 26 March 2025, the General Court upheld the EC's decision that seven banks – Bank of America ("**BofA**"), Natixis, NatWest (formerly Royal Bank of Scotland), Nomura, Portigon (formerly WestLB), UBS and UniCredit – participated in a cartel in the European Government Bonds ("**EGB**") sector. Despite upholding the EC's finding of a single and continuous infringement, the General Court identified errors in the EC's assessment of UniCredit's participation in the conduct and in the calculation of the fine imposed on Nomura. Accordingly, the General Court moderately reduced the fines for these two banks.

Between January 2007 and November 2011, the EC found that traders from these banks exchanged commercially sensitive information and co-ordinated strategies via chatrooms and bilateral communications to gain competitive advantages in the issuance, placement and trading of EGBs. The EC held that this conduct was part of an overall plan to pursue a single anticompetitive infringement by entering into agreements or engaging in concerted practices which had, as their object, the restriction and/or distortion of competition. While the EC was time-barred from fining BofA and Natixis as their involvement ended more than five years before the investigation began, the EC fined Nomura, UBS and UniCredit. NatWest avoided a fine as they disclosed the existence of the cartel to the EC and, although Portigon was fined, they reported a negative turnover in the previous financial year leading to a fine of EUR 0. All banks, except NatWest, challenged the decision and sought the annulment or reduction of the fines.

The General Court dismissed the applicants' arguments on the lack of a continuous plan and held (i) that the traders pursued a single anticompetitive objective to collude and co-ordinate their strategies for acquiring and trading EGBs; and (ii) that the infringement was continuous as, despite gaps, regular anticompetitive discussions persisted. The General Court held that the conduct was attributable to the applicants as they had intentionally contributed to the common objective and had knowledge of, or could reasonably have foreseen, the offending conduct.

In addition, Nomura, Portigon and UniCredit challenged the attribution of liability for their traders' conduct. Among other things, they argued that the EC erred in finding that they would have automatically been aware of information acquired by their traders during their previous employment. This was dismissed by the General Court which reaffirmed the principle that undertakings are liable for their employees when their actions fall within the scope of their duties. Notably, the General Court ruled that liability was particularly justified as – although these banks argued that the conduct happened without their knowledge – they did not lodge a complaint, nor had they taken disciplinary action against their traders.

As of 9 June 2025, all banks (except BofA) have appealed to the Court of Justice.

France

The French Competition Authority clears insurance acquisitions

On 28 April 2025, the French Competition Authority ("**FCA**") unconditionally cleared at Phase 1 the acquisition of 100 per cent. of the share capital and voting rights in the NoveoCare group by Harmonie Mutuelle. NoveoCare is a third-party insurance contract management service provider, specializing in the management of health and provident insurance contracts. Harmonie Mutuelle is an insurance company that is part of groupe VyV.

On 17 April 2025**,** the FCA unconditionally cleared at Phase 1 the acquisition by Matmut SAM, a French insurance group ultimately controlled by Matmut Group, of sole control of HSBC Assurances Vie. HSBC Assurances Vie operates in the French market for personal insurance solutions.

Germany

Clearance of the acquisition of a minority stake in Commerzbank by UniCredit

On 14 April 2025, the German Federal Cartel Office ("**FCO**") has unconditionally cleared at Phase 1 the acquisition of a 29.99 per cent. stake in Commerzbank AG, Frankfurt am Main ("**Commerzbank**"), by UniCredit S.p.A., Milan, Italy ("**UniCredit**"). Both banks offer all common banking and financial services to both retail and commercial customers.

The FCO had no competition concerns in relation to retail and commercial banking activities at a regional level, due to a large number of different providers and competitors, including savings banks, cooperative banks and other private banks.

At the supra-regional market level, the FCO examined 'markets for loans made to larger SMEs' and for 'foreign trade activities facilitated by banks where the SMEs concerned are in the import / export business'. It did not find any reliable indications that the merger would significantly impede effective competition as there are various competitors with important positions, or at least enough potential to expand their position, therefore ensuring customers have significant alternatives from which to choose. The same reasoning was applied to the segment of syndicated loans made to SMEs.

Italy

Italian Competition Authority clears the acquisitions of Creditis Servizi Finanziari S.p.A. and Fincentro Finance S.p.A. by IBL Istituto Bancario del Lavoro S.p.A.

On 28 May 2025, the Italian Competition Authority ("**ICA**") unconditionally cleared at Phase 1 the acquisition of the entire share capital and voting rights of Creditis Servizi Finanziari S.p.A. ("**Creditis**") and the majority of Fincentro Finance S.p.A.'s share capital ("**Fincentro**") by IBL Istituto Bancario del Lavoro S.p.A. ("**IBL**").

The IBL Group operates primarily in deposit collection and consumer credit, offering, among other services, salary and pension-backed loans. The IBL Group is also active in the underwriting and management of insurance agency mandates, insurance advisory services and the administration of insurance portfolios. The transaction is aimed at consolidating IBL's strategic position in the consumer finance segment, in particular by strengthening its presence in the direct personal loan segment.

Creditis is a financial intermediary active in the Italian consumer credit sector. Its main services include personal loans, salary and pension-backed loans, credit cards linked to revolving credit lines, and credit protection insurance ("**CPI**)" policies, which cover both life and non-life risks, as ancillary products to its credit offerings.

Fincentro's services primarily include the promotion and conclusion of contracts for personal loans and consumer credit, and financing services for advances on end-of-service indemnities. It also offers payment services and credit cards with revolving credit lines and promotes CPI insurance products linked to its credit services.

The ICA concluded that the transaction would not significantly affect competition in the market for direct consumer credit and the market for the distribution of CPI insurance products (encompassing both life and non-life segments).

ICA opens a Phase 2 investigation into the proposed acquisition of Banca Popolare di Sondrio S.p.A. by BPER Banca S.p.A.

On 8 April 2025, the ICA opened a Phase 2 investigation into the proposed acquisition of exclusive control over Banca Popolare di Sondrio S.p.A. ("**BPSO**") by BPER Banca S.p.A. ("**BPER**"), following a voluntary public exchange offer launched on 6 February 2025.

Both BPER and BPSO are full-service banking institutions offering a range of financial, credit, insurance and payment services. While BPER operates some 1,560 branches across nearly all Italian regions, BPSO has a more localised presence, with around 490 branches located primarily in Northern Italy.

The ICA opened its Phase 2 investigation following its preliminary market analysis, which highlighted potential competition concerns in the market for loans to small and family businesses, particularly in the provinces of Varese, Pavia and Como. The merged entity's market share would exceed 25 per cent. in many local areas, and the ICA is concerned that this could create the risk of a significant impediment to effective competition.

The transaction occurs in the context of significant consolidation activity in the Italian financial and banking sector. The offer period will end on 11 July 2025, and the ICA's final decision is expected to be published around mid-July.

Poland

Polish Office of Competition and Consumer Protection proposes uniform rules for mortgage loan agreements

The Office of Competition and Consumer Protection ("**OCCP**") recently announced plans to initiate legislative work on a bill to introduce uniform templates for mortgage loan agreements with a fixed interest rate for a defined period.

Such template agreements would be mandatory for all lenders, without the possibility of modification. Representatives of the Polish Bank Association as well as the Financial Supervision Authority contributed to the preparation of the model agreements.

As a primary objective, the OCCP seeks to enhance consumer protection against unfair contracts through the introduction of simpler and more

transparent lending rules. The new legislation will also prohibit the provision of related services (e.g., insurance) beyond property insurance. In addition, a fixed interest rate for at least five years is intended to be introduced to ensure the predictability of instalments.

The OCCP considers that the proposed changes would benefit consumers through lower borrowing costs as well as banks through lower credit costs. One of the primary factors inflating credit costs is the threat of legal action against credit providers. The introduction of template loan agreements is expected to significantly reduce the legal risk for lenders and contribute to the stability of the financial market.

Spain

Conditional approval of BBVA's takeover bid for Banco Sabadell, subject to stricter commitments from BBVA.

On 30 April 2025, the Comisión Nacional de los Mercados y la Competencia ("**CNMC**") gave the green light, subject to conditions, to BBVA's hostile takeover bid for Banco Sabadell ("**Sabadell**") after an 11-month long (Phase 2) merger review period.

On 27 May 2025, after identifying risks related to Spain's general interest, the Economy Minister, Carlos Cuerpo, escalated the matter to the Council of Ministers, which had 30 calendar days to determine whether to impose additional conditions on BBVA in the context of a public interest review (informally known as "Phase 3"). The Spanish Government launched an unprecedented public consultation on the transaction, aimed at gathering input from individuals and associations potentially affected by the deal.

On 24 June 2025, the Spanish Government approved the takeover subject to additional commitments: (i) the two banks must remain separate legal entities for at least three years (a period which may be extended to five years), meaning each entity will retain its legal personality, separate assets and operational autonomy, and (ii) the entities must make independent decisions regarding financing, human resources, branches and social initiatives carried out through their respective foundations. According to the Spanish Government, these conditions guarantee both public interest considerations aimed at protecting employees and territorial cohesion, and additionally promote the research, technological development and social policies of BBVA and Sabadell.

Maintaining the banks as separate entities will also help to safeguard the objectives of sectoral regulation. This is the second time that the Spanish Government has exercised its power to intervene in mergers for reasons of general interest, beyond competition law. The first instance was the Antena 3/La Sexta merger in 2012. The Spanish Government's decision is therefore controversial, as it imposes stricter conditions on the acquirer than those previously imposed by the CNMC on competition law grounds. Whether the law permits such an intervention remains unclear. The decision can be appealed before the Spanish Supreme Court.

NORTH AMERICA

USA

Further rollback of prior administration's bank merger policy continues

Pursuant to legislation under the Congressional Review Act, on 20 June 2025,a rule promulgated in 2024 by the Office of the Comptroller of the Currency ("**OCC**") setting forth a more restrictive policy for bank mergers, was rescinded by the President. The signing of the legislation cements the OCC's own rescission of the rule in May and restores a streamlined application and expedited review process to the OCC's procedures for evaluating applications under the Bank Merger Act. Included in the 2024 rule, and thus also rescinded, was a policy statement by the prior administration outlining specific criteria used by the OCC for bank merger reviews. This included a provision stating that applications would receive lighter scrutiny where the resulting institution would have total assets of less than USD 50 billion.

In rescinding the rule, the OCC stated that it intended to "expedite the OCC's review of business combination applications and decrease uncertainty for both the banking industry and the public." In parallel, on 20 May 2025, the Federal Deposit Insurance Corporation ("**FDIC**") rescinded the bank merger guidelines that the FDIC had promulgated in 2024 under the prior administration, following through on a proposal by the agency published for comment in March.

US antitrust agencies file statement of interest in states' case against asset managers related to coal company ownership

On 22 May 2025, the Department of Justice ("**DOJ**") and Federal Trade Commission ("**FTC**") filed a joint statement of interest in an ongoing case by a group of state attorneys general alleging that certain asset managers conspired to suppress coal production, largely pursuant to their participation in various environmental, social and governance ("**ESG**") initiatives. The agencies submitted the statement in response to the defendants' motion to dismiss, which was pending at the time of the filing.

Responding to the defendants' argument that the plaintiffs had not adequately alleged that the defendant asset managers had entered into an agreement with each other, necessary for liability under the Sherman Act, the DOJ and FTC argued that the defendants could be deemed to have met this requirement by allegedly "accepting an offer to participate in a joint plan", namely, through alleged joint participation in certain ESG initiatives that allegedly served as a "common corporate engagement plan creating restrictions on the portfolio companies' separate and competing businesses."

The agencies also responded to the defendants' argument that certain of the plaintiffs' claims are foreclosed by a statutory safe harbour that exempts purchases of stock "solely for investment" from liability. The agencies responded to this argument on several grounds, including that the exception is not inapplicable merely because the acquirer does not intend to "control" the company's internal affairs and that the exception does not apply to an "initially passive investor" that then "ceased to operate passively and affirmatively used horizontal shareholdings to cause a substantial lessening of competition."

US bank regulators approve Capital One – Discover transaction with conditions

On 18 April 2025, the OCC and the Federal Reserve issued orders approving the proposed transaction between Capital One Financial Corporation ("**Capital One**") and Discover Financial Services ("**Discover**"). In connection with the approvals, Discover agreed to consent orders from the FDIC and the Federal Reserve related to classification of certain credit card accounts for purposes of assessing interchange fees.

The OCC conditioned its approval on Capital One subsequently providing a detailed plan for "corrective action and timelines" related to any outstanding enforcement actions against Discover Bank.

In its order approving the transaction, the Federal Reserve concluded that the transaction would not have "a significantly adverse effect on competition or on the concentration of resources in any relevant market," and stated that the DOJ had reviewed the potential competitive effects of the proposal and concluded that the proposed transaction did not warrant an adverse comment. In particular, the Federal Reserve found that the transaction would not materially increase concentration in banking markets, based on the parties' size, the large number of competitors and the diffuse geographic nature of the parties' internet deposits; in "general-purpose-credit-card issuance," given that this market would remain no more than moderately concentrated with "thousands of competitors" remaining; or in credit card issuance to "new-to-credit customers," given that negative effects on competition may be mitigated by "certain structural considerations" that would incentivise Capital One to maintain "relatively attractive" terms to these customers. The parties subsequently closed the transaction on 18 May 2025.

APAC

Australia

Federal court to review Mastercard's privilege claims in misuse of market power proceedings

After a long run of interlocutory delays, another skirmish has arisen between the Australian Competition and Consumer Commission ("**ACCC**") and Mastercard in relation to various claims of legal privilege over certain documents in the ongoing dispute regarding allegations of misuse of market power by Mastercard in connection with the supply of debit card acceptance services.

On 18 June 2025, the Federal Court ordered Mastercard to provide three categories of documents over which it is claiming privilege: (i) draft agreements that may include lawyer comments, over which Mastercard has asserted privilege in full; (ii) a document referred to in a voluntary submission to the ACCC, which the ACCC argues resulted in waiver of privilege; and (iii) documents where the ACCC contends that the basis provided by Mastercard is either legally insufficient or inadequately described.

The privilege dispute has become a key procedural issue in the lead-up to the eight-week trial scheduled to commence in April 2026, with the ongoing disagreements contributing to delays in the proceedings. In the 18 June 2025 hearing, Justice Halley expressed concern about the proportionality of the parties' positions and suggested that providing unredacted versions of the documents to a nominated counsel for the ACCC may offer a more efficient

resolution. He warned that the privilege issue risked escalating unnecessarily and emphasised the need for the parties to consider alternative procedural mechanisms to narrow the dispute. The Court will determine the validity of Mastercard's privilege claims at a hearing on 15 August 2025, which will be critical in shaping the evidentiary record available for trial.

ACCC proposes to authorise Australian payment processors for wind down of Australia's cheques system

On 7 May 2025, the ACCC issued a draft determination proposing to authorise co-ordination between Australian Payments Network Limited and members of the Australian Paper Clearing System to support the wind-down of Australia's cheques system. The draft determination follows the Treasury's 'Cheques Transition Plan', released earlier this year, which sets out key milestones to end the issuing of cheques by 30 June 2028 and to close the system entirely by 30 September 2029. The proposed authorisation would enable participants, including government and industry stakeholders, such as the Reserve Bank of Australia and the Treasury, to enter agreements and share information with each other to monitor progress, report issues and develop solutions to facilitate the wind-down of cheques. The ACCC proposes to grant the parties authorisation until 31 December 2030.

The ACCC considers that co-ordinated industry action is likely to result in public benefits by minimising disruption for cheque users and supporting the government's broader strategic plan for a modern, efficient payments system. The decline in cheque use in Australia is consistent with global trends, with several countries, including New Zealand, already having decommissioned their cheque systems. The proposed conduct would help ensure Australia's payments infrastructure keeps pace by enabling strong co-ordination between industry and government. In doing so, it supports a more digitally enabled economy and helps lay the foundation for greater competition, innovation and productivity in Australia's financial services sector.

Philippines

Major payment platform merger cleared subject to remedies in the Philippines

On 16 May 2025, the Philippine Competition Commission ("**PCC**") cleared the proposed 100 per cent acquisition by Globe Fintech Innovations, Inc. ("**Mynt**") of Electronic Commerce Payments, Inc. ("**ECPay**") with a set of binding voluntary commitments after an in-depth review.

Mynt is the operator of the country's mobile wallet GCash. ECPay is a major provider of digital payment solutions and over-the-counter services through thousands of partner outlets, including *sari-sari* stores (small, family-owned convenience stores) nationwide. The PCC identified competition concerns in over-the-counter financial transactions through *sari-sari* stores, platforms that connect multiple billers to digital wallets and payment channels, and payment solutions through digital touchpoints.

The PCC also identified ecosystem-based and data-driven foreclosure effects. The deal's clearance is conditioned upon a set of behavioural remedies. These include measures to maintain pricing transparency to customers through the publication of fees, open and fair access to all market players, service quality for consumers and business partners, and separate IT systems. The merged entity also commits to work with sector regulators to promote consumer awareness of digital payment services. The remedies will

take effect upon the conclusion of the transaction and will remain valid for a minimum of three years, which may be extended for up to five years based on changes in market conditions.

MENA

Morocco

Morocco witnesses significant reform of the electronic payments sector

Since April 2025, there have been significant developments within the electronic payments sector in Morocco, namely:

- The implementation of a decision, which imposed behavioural and structural commitments on the Interbank Electronic Payment Center, Centre Monétique Interbancaire *("**CMI**"),* and its shareholder banks to invite competition into the open payment card acquiring market.
- As of 1 May 2025, newly authorised Payment Institutions ("**EDPs**") and authorised bank subsidiaries can enter the acquiring market, ending CMI's former quasi-monopoly. This reform marks a transition toward a multi-acquirer system, intended to foster greater competition and better access for merchants.
- On 13 May 2025, the Moroccan Competition Council (the "**MCC**") held a follow-up meeting with the CMI, Bank Al-Maghrib, and newly authorised EDPs to assess the progress of this reform.

Key commitments include:

- The transfer of merchant contracts and e-commerce gateway agreements from CMI to EDPs;
- A ban on CMI onboarding new clients from 1 November 2024;
- The transformation of CMI into a neutral technical processing platform, accessible on fair, transparent, and non-discriminatory terms;
- The establishment of internal competition compliance programmes;
- Structural and commercial independence of bank-owned EDPs.

The MCC confirmed receipt of the first semi-annual monitoring report for the period between November 2024 and April 2025, in which it praised stakeholders for making significant progress in a short time frame. Full implementation is expected by 1 November 2025.

Türkiye

Co-branded card programmes under scrutiny by the Turkish Competition Board

The Turkish Competition Board (the "**TCB**") recently mandated the termination and amendment of certain clauses in the "World Card" agreement among Yapı ve Kredi Bankası A.Ş., Albaraka Türk Katılım Bankası A.Ş., and Anadolubank A.Ş. (the "**World Card Programme**").

In its review, the TCB acknowledged that the clause prohibiting "World Card" member banks from servicing merchants involved in competing co-branded card programmes, joining rival programmes themselves, or conducting advertising campaigns BONUS CARDargeting banks in competing programmes, may qualify for individual exemption.

However, the TCB raised concerns regarding other clauses that it perceived to act as barriers to market entry for both banks and merchants. Specifically, the TCB emphasised that the prohibition on servicing merchants already affiliated with a “World Card” member bank should be narrowed, and that the restriction should not apply to merchants seeking to switch providers. Additionally, the TCB underscored the importance of member banks within the World Card Programme maintaining autonomy in setting their card fees and annual membership charges.

Separately, the TCB, in its decision, examined provisions of the “Bonus Card” agreements involving Türkiye Garanti Bankası A.Ş., Alternatif Bank A.Ş., Denizbank A.Ş., ICBC Turkey Bank A.Ş., ING Bank A.Ş., Şekerbank Türk A.Ş., Türk Ekonomi Bankası A.Ş. and Türkiye Finans Katılım Bankası A.Ş. (the "**Bonus Card Programme**").

The TCB ruled that certain provisions of the Bonus Card Programme - such as prohibiting more than one member bank or payment institution from offering point-of-sale ("**POS**") services to the same merchant simultaneously, preventing member banks from participating in other co-branded card programmes, and requiring the use of Bonus-branded credit cards at Bonus-branded POS terminals - may be eligible for individual exemption.

However, the TCB identified several clauses that did require modification. For example, the restriction prohibiting Bonus Card Programme member banks from organising customer acquisition campaigns targeting each other should be limited to campaigns that directly target those of other member banks. In addition, the one-month restriction preventing a merchant, after terminating its Bonus Card Programme membership agreement for any reason, from negotiating or contracting with other Bonus Card Programme banks or payment institutions was deemed unreasonable and disproportionate. Furthermore, clauses which require payment institutions to prevent merchants from revealing that the Bonus Card Programme offers fewer rewards or greater costs than other card loyalty programmes should be removed.

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