



UK Government sets out implementation plan for the Digital Markets, Competition and Consumers Act 2024

25 September 2024

On 24 May 2024, the Digital Markets, Competition and Consumers (DMCC) Bill - the biggest shake up of the consumer law landscape in the UK since the Consumer Rights Act 2015 - received Royal Assent and became an Act of Parliament. However, the DMCC Act has not yet commenced, and on 9 September the Department for Business and Trade set out a targeted implementation timeline which stretches out over approximately 18 months.

From Bill to Act – a summary of the key changes

We [previously reported](#) on the reforms proposed by the DMCC Bill when it was first introduced as a Government Bill in April 2023. The DMCC Act maintains its focus on regulating digital markets, strengthening competition enforcement powers and enhancing consumer protection. However, during its journey from Bill to Act it has undergone several refinements. Some of the key changes following legislative scrutiny are:

- Clearer guidelines to increase the likelihood and ease of compliance, such as best practices for fair trading.
- Refinements to specific consumer protection sections covering topics such as subscriptions contracts, drip pricing, and online reviews.
- Increasing the ease with which consumers can seek and obtain redress.
- Acknowledging the regulatory pressure on SMEs and providing them with support measures, including guidance and resources, to achieve compliance.

CMA enforcement powers – financial penalties for consumer law breaches

A significant change brought about by the legislation which is worth restating is the Competition and Markets Authority's (CMA) direct enforcement powers for consumer law breaches. Under the Act, the CMA may directly impose financial penalties where a "relevant infringement" occurs, which can include, amongst other things, a breach of provisions set out in the Act itself or the Consumer Rights Act 2015. The DMCC Act will enable the CMA to impose penalties of up to:

- the greater of 10% of a business's annual global turnover and GBP300,000 for a breach of consumer protection rules;
- the greater of 5% of a business's annual global turnover and GBP150,000 for administrative breaches g. a breach of CMA undertakings or directions;
- the greater of 1% of a business's annual global turnover and GBP30,000 for investigatory breaches g. providing materially false or misleading information.

It will be fascinating to see how the CMA approaches consumer protection enforcement equipped with monetary weapons in its arsenal. Could this represent the moment at which consumer protection is viewed through the same prism as its more famous cousins, competition law and data protection?

When does the DMCC Act come into force?

The Act is split into five Parts and various pieces of secondary legislation and CMA guidance are required before each Part takes effect. The Department for Business and Trade has recently laid out its plans for implementation of the DMCC Act as follows:

- **December 2024 or January 2025** targeted for the commencement of:
 - Part 1 – establishing a digital markets regime, targeted at big tech firms in particular;
 - Part 2 – competition law reforms, including greater CMA enforcement powers to combat anti-competitive behaviour;
 - Part 5 – a miscellaneous Part of the DMCC Act, bringing further competition law reform alongside other measures;
- **April 2025** targeted for the commencement of:
 - Part 3 - consumer law enforcement measures, including equipping the CMA with the ability to directly issue monetary penalties for consumer law breaches;
 - Part 4, Chapter 1 - new consumer protections to replace the Consumer Protection From Unfair Trading Regulations 2008, tackling topics including fake online reviews and drip pricing;
- **Spring 2026 (at the earliest)** targeted for the commencement of:
 - Part 4, Chapters 2 and 4 - new rules regarding so-called subscription traps and alternative dispute resolution.

The DMCC Act represents a landmark reform in UK consumer law, aiming to regulate digital markets, enhance competition enforcement, and bolster consumer protection. With a phased implementation plan stretching over 18 months, the Act introduces refined definitions, expanded scope, clearer compliance guidelines, and stronger enforcement powers for the CMA. These changes are set to significantly impact not only those businesses whose main route to market is direct-to-consumer, but also those that use consumer facing offerings, for example via ecommerce websites or apps, to supplement their main route to market.