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CMA publishes final guidance on the UK Technology Transfer Block Exemption Order

On 10 November 2026, the UK Competition and Markets Authority ('CMA') published its final guidance on technology transfer agreements ('Guidance'). This explains how to assess these agreements under UK competition law, including whether they qualify for exemption under the Competition Act 1998 (Technology Transfer Agreements Block Exemption) Order 2026 ('TTBEO').

The TTBEO exempts qualifying technology licensing agreements from the Chapter I prohibition on anti-competitive agreements. It covers licences to use rights such as patents, know-how, design rights, software copyright and database rights to produce goods or services. The TTBEO replaced the assimilated Technology Transfer Block Exemption Regulation ('TTBER') on 1 May 2026 and expires on 31 December 2038.

Key points from the Guidance

The Guidance explains which agreements the TTBEO covers and the conditions for exemption. In general, competitors must have a combined market share of no more than 20%, while each non-competitor must have a market share of no more than 30%. These limits apply on the relevant product and technology markets, subject to an alternative test for technology markets and a grace period. Agreements must not contain hardcore restrictions, such as a licensor setting a minimum resale price for products made by a non-competing licensee using the licensed technology. Certain other restrictions are excluded from the exemption and require separate assessment.

Agreements outside the TTBEO are not necessarily unlawful. The Guidance explains how to assess whether they restrict competition and, if so, whether they qualify for individual exemption under section 9 of the Competition Act 1998.

The Guidance covers royalty payments, exclusive licensing, tying and bundling, non-compete obligations, and restrictions on sales, production volumes and use of the technology. Settlement agreements and technology pools are also addressed.

Practical implications

The Guidance explains how to apply the TTBEO and provides a useful basis for reviewing licensing



arrangements. Three points are worth noting:

- Transitional protection ends on 30 April 2027. This protects existing agreements that met the assimilated TTBER conditions immediately before 1 May 2026 but do not meet the TTBEO conditions. It does not cover new agreements or restrictions that were not previously exempt;
- Copyright in databases and database rights are expressly covered. However, this is not a general exemption for data licensing or data sharing. Agreements must still relate to the production of goods or services and meet the other exemption conditions; and
- Licensing agreements affecting both the UK and the EU need separate assessments under each regime. Although the regimes are similar, there are differences, so qualifying for exemption under one does not establish compliance with the other.