

### Written Evidence to the CMA on competition for environmental sustainability<sup>1</sup>

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#### I. Sustainability as an objective of competition policy

In 2021, both the UK CMA and the EU DG COMP<sup>2</sup> articulated a set of public policy objectives to advance sustainability and contribute to the green economy. The international scope of sustainability is wider than that of the green economy to include competition, inequality, and poverty. Nevertheless, the recent pronouncements signal a welcome paradigm shift from a *sole* focus on consumer welfare as the norm for material prosperity through lower prices and quality towards greater *environmental wellbeing of consumers in the* 

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<sup>&</sup>lt;sup>1</sup> This written evidence is in response to the UK's Competition and Markets Authority (CMA), 'Environmental sustainability and the competition and consumer law regimes: Advice to the Secretary of State for Business, Energy and Industrial Strategy', CMA 148 con, Call for inputs of September 29, 2021. My response focuses on the UK competition regime, in particular on Chapter I prohibition of the UK Competition Act of 1998, on how the legal framework does *not* frustrate environmental initiatives that might support the UK's ambitious Net Zero target and sustainability goals and advances any guidance that may be required in the near future.

<sup>&</sup>lt;sup>2</sup> I refer here to CMA, Guidance on environmental sustainability agreements and competition law of January 27, 2021, and to the EU Commission's Report on Competition Policy 2020, COM (2021) 373 final, July 7, 2021.

public interest. The latter captures an economically sustainable dimension of environmental consumer protection from the huge industrial damages of waste and pollution.

#### 1. The right time for ethical competition towards sustainability

In 1978, it was unthinkable for antitrust law to endorse *ethical competition* that could seek, for example, to eliminate pollution.<sup>3</sup> After 43 years, times have changed so much that the accumulation of individual wealth means nothing before seriously adverse environmental conditions, such as flash flooding, unbearable heatwaves, or extensive wildfires, which have become so common that we can no longer afford to contemplate the same desire for an increasing level of *fierce competition* with the lowest possible price followed by a wave of huge industrial and chemical waste from rapid overproduction.

### 2. The rise of a twofold competition process that promotes free and ethical competition for sustainable development

By making competition work for environmentally friendly consumers, for example, through alternative sources of greener energy and the delivery of the *lowest possible waste*, competition as a process delivers sustainable development of a greener economy. To this end, competition law should strengthen its primary core mission of protecting *free* competition in a way that is inclusive of *ethical* competition. The latter had not been anticipated before; for example, when fierce competition with low pricing has focused too much on the welfare of consumers but *marginalised environmental wellbeing* from the wider process of competition.

<sup>&</sup>lt;sup>3</sup> I refer here to Robert Bork's *Antitrust Paradox: A Policy at War with Itself* (republished in 2021) 90, when Bork, passionately driven by a desire to set an antitrust limit to the ever more expanding nature of the instrumental goals of competition policy, famously wrote that 'Competition has no sumptuary or ethical component but permits consumers to define by their expression of wants in the marketplace what things they regard as wealth. Antitrust litigation is not a process for deciding who should be rich or poor, nor can it decide how much wealth should be expended to reduce pollution'.

### 3. A functional approach to sustainable competition for environmentally friendly consumers

How could competition law pragmatically respond to the challenge now raised by competition policy, which is, once more, operational for introducing the new concept of *environmentally friendly consumers* educated in the spirit of environmental awareness?

One option is to illustrate *ways in which doing business remains critically valued by ethical consumers* who choose the added value of a long-term sustainable environment over short-term lower pricing strategies that have led to a huge industrial and chemical waste burden.

A *key benefit* of such a bold move is that competition policy advocates for much higher standards of consumer satisfaction for their *wellbeing*<sup>4</sup> but not solely for consumer welfare. Trying to operationalise a *green competition culture* means that besides the traditional focus on free competition offering the choice for consumers to switch to better-priced products, competition also has to deliver environmentally friendly products. Such products should minimise or altogether eliminate industrial and chemical waste. This could be achieved through:

- i. better and more efficient, greener methods of production,
- ii. an implied individual consumer carbon footprint reduction through better local and greener distribution networks, and
- iii. a reduction of industrial waste through the elimination of all unnecessary marketing and sales packaging.

<sup>&</sup>lt;sup>4</sup> In Europe, the Lisbon Treaty makes it possible to calibrate consumer wellbeing alongside a high level of environmental protection by making way for a *dynamic interpretation of competition rules*. See the reference in Case C-52/09, *Telia Sonera* 2011, para 22, to the function of competition rules to prevent competition from being distorted to the detriment of the public interest, including individual undertakings and consumers, thereby ensuring the sum of all parts as individual *wellbeing*.

# II. The resulting environmental paradigm for greening the four methods of competition: P (production) – D (distribution) – M (marketing) – S (sale) alongside the traditional three consumer fights against cartels, monopolies, and mergers

However, greening the production-distribution-marketing-sale methods of competition cannot make redundant the three fundamental consumer rights that are also the three fights of competition law against cartels, monopolies, and mergers. It has to deliver a much better outcome for ethical consumers that preserves an optimal level of business competition with available consumer choice whilst also raising environmental consumer standards in the public interest.

## A. A conservative yet traditional approach that opposes deregulation and any permanent suspension of competition rules

One *possible danger* of such an operational approach is where a governmental intervention would merely seek to identify competition rules as *obstacles* for deregulation or for their permanent suspension. Such an approach would erase the hard-won benefits of a traditional business competition culture that delivers for consumers through better price, choice, and quality.

### B. Rising to the next challenge to eliminate a normative conflict of rules between competition and environmental or energy laws

Instead, one could better seek to identify conflicts of rules between competition and environmental or energy laws. For example, a waste management scheme that is *not* genuinely protecting the environment and helping to meet environmental targets in the public interest. On the contrary, the scheme is a merely disguised vehicle for the discussion of sensitive price information for a conspiracy in restraint of competition.

#### C. A revised guidance on environmental concerns relevant to anticompetitive agreements

However, it remains the responsibility of competition policy to issue guidance that incorporates environmental concerns to clarify the desired competition law intervention and minimise any unintended consequences of competition actions that could annul

global, regional, or even local environmental efforts. For example, an initiative of a trade association or discussions that seek to estimate in advance consumer demand for household goods could attempt to eliminate both direct competitors and industrial waste. However, competition authorities have extensive experience differentiating between a genuine environmentally friendly, pro-competitive business initiative from anti-competitive practices such as price-fixing or collusive behaviour. Yet, competition law familiarity with environmental targets at the production and distribution chain or marketing level should not be assumed to match scientific predictions that are not realistic or incorporated in environmental consumer regulations.

### D. Are there any new environmental efficiencies that have previously not been captured by competition law?

Section 9 of the Chapter I prohibition of the UK Competition Act of 1998 allows for an individual or block exemption of anti-competitive restrictive agreements that bring about *significant* economic benefits. These benefits can be quantitative or qualitative efficiencies that are also passed on to consumers as a fair share, provided that the restrictive agreement does not eliminate all competition and the restriction in question is absolutely *indispensable* to the attainment of better or much-improved production or distribution, of technical or economic progress and, indeed, of wider social goals.<sup>5</sup> The latter can be subject to a dynamic interpretation that advances a new evolutionary stage of competition law.

### E. An advancement in environmental economics that supplements efficiencies derived from industrial organisation

One option here could be to expand the scope of traditional *industrial organisation efficiencies* to include *environmental efficiencies* of the greener economy that bring about direct and sustainable benefits to society and help achieve its environmental targets. *Revised guidance* on the latest scientific advancement of both qualitative and quantitative *environmental benefits* could align the previous guidance to the contemporary understanding derived from environmental economics. This guidance could codify previous competition enforcement experience with individual exemptions. The original exemption sought to capture *four* 

<sup>&</sup>lt;sup>5</sup> On the social side of competition policy, see, e.g., Anca Daniela Chirita, Competition Policy's Social Paradox: Are We Losing Sight of the Wood for the Trees? 14 European Competition Journal (2018) 2-3, 367-416.

cumulative conditions to strengthen the deterrent effect of the prohibition of restraints in a way that could have contemplated an under-enforcement of individual exemptions at the supra-national European level.<sup>6</sup>

### F. Crossed paths of competition law with environmentally beneficial efficiencies

To date, there are several cases where competition crossed paths with the environmentally beneficial efficiencies that could help set sustainability in motion through previous actions and inactions as well as identify enforcement solutions for the near future. In the formative years of competition law, the rise of a supra-national institution responsible for granting such exemptions made it possible for some cases to support a subtle drive towards a sustainable environment with a balanced trade agenda, which was primarily driven by competition policy. This offers a sense of continuity to the present trajectory of sustainability. However, one could note that during certain more silent decades, there has also been a palpable sense of retraction through inadvertent climate inaction.

### III. UK competition law in context – its historic European legacy for sustainability<sup>7</sup>

#### a) Radioactive contamination, reduced environmental pollution, and CO2 emissions

However, the UK environmental concerns share a sense of belonging to the European competition policy agenda spanning several decades. In 1968, the EC attempted to adjust the methods of waste disposal and control of the *radioactive contamination of the environment*,

<sup>&</sup>lt;sup>6</sup> See, e.g., Anca D. Chirita, A Legal-Historical Review of the EU Competition Rules, 63 I.C.L.Q 304 (2014), 297, where it is clear that the previous context of these four conditions generated an expansion of European energy markets from the conventional coal and steel resources to more efficient alternative sources of energy for consumers and that the contextual objectives went way beyond the original rationalisation of coal and steel to include, for example, the specialisation agreements, the pooling of resources, joint production and even any other future goals that could be dynamically integrated alongside competition as a process of discovery of new and better alternatives.

<sup>&</sup>lt;sup>7</sup> A gentle note that this narrative will not exhaust all previous cases due to time constraints.

especially the contamination of hydrobiological systems, for the protection of air and water.<sup>8</sup> In *ACEC/Berliet*,<sup>9</sup> the EC exempted an exclusive R&D agreement amongst the electrical construction workshops of Charleroi and an automobile company in Lyon which, by developing an electric engine for buses to boost fuel efficiency, *reduced environmental pollution and CO2 emissions* by making a contribution to technical and economic progress through the better performance of an internal combustion engine.

#### b) Radiation toxicology and contamination of the environment

In the 70s, the Liaison Committee on Automobile Manufacturing engaged in discussions around environmental problems, such as air pollution, road safety, and urban congestion, with special attention afforded to radiation toxicology and contamination of the environment. A year later, three pressing problems were identified, namely, the presence of lead in the environment, mercury discharges in rivers, and contamination of the food chain. In 1972, reference was made to social policy playing an active role in protecting and improving the environment and the rational use of energy. As long-term sources of energy, natural gas and nuclear energy were then expected to meet consumer supply through lower prices and to be 'the least harmful' to the environment whilst working towards identifying new potential sources of energy.

#### c) An Environment and Consumer Protection Service?

At the beginning of 1973, the EC established the *Environment and Consumer Protection Service*. <sup>14</sup> A pragmatic idea behind this dual service was that of a flexible harmonisation, which was intended to serve European consumers by eliminating trade barriers, especially the

<sup>&</sup>lt;sup>8</sup> European Communities (European Coal and Steel Community, European Economic Community, and European Atomic Energy Community), Second General Report on the Activities of the Communities 1968, para 447.

<sup>&</sup>lt;sup>9</sup> DG COMP, Case IV/26045, decision 68/319/EEC [1968] OJ L201/7, see <a href="https://eurlex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:31968D0319&from=EN">https://eurlex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:31968D0319&from=EN</a>.

<sup>&</sup>lt;sup>10</sup> European Communities, Fourth Report on the Activities of the Communities 1970, February 1971, paras 212 and 610.

<sup>&</sup>lt;sup>11</sup> European Communities, Fifth General Report on the Activities of the Communities 1971, para 261.

<sup>&</sup>lt;sup>12</sup> European Communities, Sixth General Report on the Activities of the Communities, February 1972, 26-28.

<sup>&</sup>lt;sup>13</sup> Ibid, para 330.

<sup>&</sup>lt;sup>14</sup> European Communities, Seventh General Report on the Activities of the European Communities 1973, para 177.

abolition of technical ones in industrial products, through *greater public sensitivity towards environmental protection*.<sup>15</sup> It was, however, never intended to achieve legal 'uniformity' of rules.<sup>16</sup> These past efforts demonstrate that environmental protection has long permeated the competition enforcement landscape.

### d) Reducing economic dependence on one particular source of conventional energy consumption

In 1979, the Strasbourg European Council called for a reduction of oil dependence by favouring new methods of coal processing. In 1983, the EC exempted a cooperation agreement in *Carbon Gas Technologies*,<sup>17</sup> which was concluded among several undertakings to make available their know-how in coal gasification or liquefaction. The latter is a process at the end of which gas and oil can be substituted for each other. Crude oil amounted to 49% of the EEC's primary energy consumption. This economic dependence was then sought to be reduced through the discovery of alternative sources of better energy, whilst coal gasification created favourable conditions for its exploitation. Compared with the direct combustion of coal, the conversion process of gas power stations was thought to be more efficient and less environmentally harmful. In the absence of a complete pooling of know-how resources, a licensing or specialisation agreement was still unable to achieve the same level of cooperation. This cooperation did not restrict effective competition, as various gasification methods were undergoing tests while others were being developed.

#### e) High-performance batteries in electrically driven vehicles

In 1988, in *BBC Brown Boveri*, <sup>18</sup> the EC exempted an exclusive R&D cooperation agreement to exploit the joint know-how between an electrical engineering company and a Japanese company, NGK Insulators, for the development of sodium-sulphur *high-performance batteries used in electrically driven vehicles* as well as for *off-peak electricity storage* in national grid systems. It was stressed that an electrically driven vehicle caused no damage to the environment through harmful emissions or loud engine noise, which contributed to an improvement of the quality of life of consumers through the development of batteries for such vehicles.

<sup>&</sup>lt;sup>15</sup> Ibid, para 116.

<sup>&</sup>lt;sup>16</sup> Ibid, para 123.

<sup>&</sup>lt;sup>17</sup> DG COMP IV/29955, decision 83/669/EEC [1983] OJ L 376.

<sup>&</sup>lt;sup>18</sup> DG COMP IV/32368, decision 88/541/EEC [1988] OJ L 301.

This development was of direct benefit to consumers through much-reduced energy costs.<sup>19</sup> The EC recognised that exceptional R&D spending could not be recovered without a 10-year period of exclusivity. Contrary to conventional vehicles, the introduction of electric vehicles implied a very high cost to persuade consumers to switch to a greener alternative.<sup>20</sup> However, the restriction of intra-brand competition was not seen to eliminate effective competition, as several competitors were also developing high-performance batteries to power electric cars and store off-peak electricity using sodium sulphur.<sup>21</sup>

#### f) Production techniques that are less hazardous for the environment

In 1992, in Assurpol,<sup>22</sup> the EC exempted a co-reinsurance cooperation agreement intended to cover certain environmental damage risks by the economic interest group (EIG) Assurpol in certain industrial and commercial installations in France. Through a more diversified and balanced portfolio, it was possible to improve knowledge of the risks to build financial capacity and develop the expertise necessary for insuring environmental damage risks.<sup>23</sup> This exemption led to the development of industrial production techniques that were less hazardous for the environment and contributed to technical and economic progress. Although Assurpol insurance could not prevent all possible economic losses, insurers were able to better cope with financial losses through identification of risks and technical expertise.<sup>24</sup> This agreement did not eliminate effective competition because insurers had the freedom to charge consumers different insurance premiums.<sup>25</sup>

#### g) Know-how sharing for automation and better recyclability towards lower emissions

A year thereafter in Ford/Volkswagen,<sup>26</sup> the EC exempted a joint-venture cooperation agreement for the development, engineering, and manufacturing of an advanced multipurpose vehicle through sharing extensive research and car automation know-how between

<sup>&</sup>lt;sup>19</sup> Ibid, paras 23-24.

<sup>&</sup>lt;sup>20</sup> Ibid, para 30.

<sup>&</sup>lt;sup>21</sup> Ibid, para 33.

<sup>&</sup>lt;sup>22</sup> DG COMP IV/33100, decision 92/96/EEC [1992] OJ L 37.

<sup>&</sup>lt;sup>23</sup> Ibid, para 38.

<sup>&</sup>lt;sup>24</sup> Ibid, para 40.

<sup>&</sup>lt;sup>25</sup> Ibid, para 41.

<sup>&</sup>lt;sup>26</sup> DG COMP IV/33814, decision 93/49/EEC [1993] OJ L 20.

direct competitors. This contributed to technical progress by a pooling of technical knowledge, for example, computer-controlled deliveries. Furthermore, the new vehicle was environmentally friendly by drastically reducing or eliminating potentially hazardous materials whilst recyclability was to be increased significantly towards lower emissions and fuel consumption.<sup>27</sup> This agreement did not eliminate effective competition due to the leading position of Renault.<sup>28</sup>

#### h) Reduced industrial waste volume

In 1994, in Exxon/Shell, the EC exempted a joint-venture cooperation agreement,<sup>29</sup> which allowed for building the first plant that used a Unipol licensing technology. The latter offered a high degree of flexibility with cost efficiency in the production of polyethene as well as an industrial reduction of raw materials and plastic waste volumes.<sup>30</sup> This was beneficial to consumers in times of limited natural resources.<sup>31</sup> This agreement did not eliminate effective competition.<sup>32</sup>

#### i) Lower energy usage

In the same year, in *Philips/Osram*, the EC also exempted a joint-venture R&D agreement for the sale of incandescent and fluorescent lamps intended to *reduce lead gas emissions* through filters and expensive equipment.<sup>33</sup> This agreement made production more efficient by eliminating a plant in Berlin through relocation and through *lower energy usage as well as energy reduction and waste emission programmes* to tackle the development of lead-free materials.<sup>34</sup> The environmental savings were estimated towards 1800 tons of lead glass per year.<sup>35</sup> For consumers, there were direct benefits from cleaner facilities that would result in *less air pollution* of lead-free materials as well as cost advantages through *lower* lamp prices.<sup>36</sup> The joint venture was therefore indispensable for improvements of rationalisation, flexibility,

<sup>&</sup>lt;sup>27</sup> Ibid, para 26.

<sup>&</sup>lt;sup>28</sup> Ibid, para 37.

<sup>&</sup>lt;sup>29</sup> DG COMP IV/33640, decision 94.322/EC [1994] OJ L 144.

<sup>&</sup>lt;sup>30</sup> Ibid, para 67.

<sup>&</sup>lt;sup>31</sup> Ibid, para 71.

<sup>&</sup>lt;sup>32</sup> Ibid, para 81.

<sup>&</sup>lt;sup>33</sup> See DG COMP IV/34252, decision 94/986/EC [1994] OJ L 378.

<sup>&</sup>lt;sup>34</sup> Ibid, para 25.

<sup>35</sup> Ibid, para 26.

<sup>&</sup>lt;sup>36</sup> Ibid, para 27.

energy and cost savings, pooling of R&D efforts, and lower emissions but without eliminating effective competition.<sup>37</sup>

### IV. Why environmental protection for sustainability is not a new competition policy

Environmental protection for *sustainable* economic development was mentioned at the Cardiff European summit in 1998.<sup>38</sup> One exemption was approved that year whereby the *European Association of Consumer Electronics Manufacturers*<sup>39</sup> and sixteen of its members committed themselves to voluntarily reduce the yearly consumption of electricity by 3.2 TWh from 2005 onwards for *TV sets and video recorders in standby mode*. This agreement was exempted on the grounds of energy savings and environmental benefits due to technical and economic progress, which could also be passed on to consumers. The reduction in energy consumption was estimated to reduce *CO2 emissions and counter global warming*, but the scheme did not eliminate price competition among manufacturers.

Another exemption concerned an agreement of the Association of European Automobile Manufacturers aimed at reducing average CO2 emissions from passenger cars by 25% from 2008 onwards, whereby each member remained free to set an individual target independently and to implement CO2-efficient technologies.<sup>40</sup>

A third exemption benefited the European Automobile Manufacturers Association, which had concluded a research cooperation agreement amongst leading motor manufacturers to limit noise and emission pollution caused by motor vehicles.<sup>41</sup>

A fourth exemption concerned a UK industrial compliance scheme, Valpak, for the discharge of *waste packaging and recycling*, which had obliged members to transfer in the short term all their waste and recycling obligations to the scheme in order to secure the funding necessary for running the scheme.<sup>42</sup>

<sup>&</sup>lt;sup>37</sup> Ibid, para 28.

<sup>&</sup>lt;sup>38</sup> EC, XXVIIIth Annual Report on Competition Policy 1998, para 129.

<sup>&</sup>lt;sup>39</sup> Ibid, para 130.

<sup>&</sup>lt;sup>40</sup> Ibid, para 131.

<sup>&</sup>lt;sup>41</sup> Ibid, para 132.

<sup>&</sup>lt;sup>42</sup> Ibid, para 133.

In 2000, the EC exempted an agreement of a Belgian association of manufacturers of domestic appliances and national trade associations, *Conseil Européen de la Construction d'Appareils Domestiques.*<sup>43</sup> The agreement intended to retire from the market the washing machines belonging to a lower efficiency class from D to G to meet environmental targets, such as *reducing electricity consumption* by 7.5 TWh out of 38 TWh in 2015.<sup>44</sup> It was estimated that this would not only reduce energy consumption by 15 to 20%<sup>45</sup> but would also contribute to *less pollution.*<sup>46</sup> The latter was estimated to be 3.5 million tons of CO2, 17,000 tons of sulphur dioxide, and 6,000 tons of nitrous oxide per year in 2010.<sup>47</sup> Consumers of *environmentally friendly washing machines* would ultimately recover their cost within nine to 40 months through savings in their electricity bills alone.<sup>48</sup> The collective benefits to society were estimated at €41 to €61 per ton of CO2 emissions, which was seven times greater than the higher cost of energy-efficient washing machines belonging to classes A to C.<sup>49</sup> A clarification was also made regarding the *eco* label, which should only be awarded to those *products with the lowest environmental impact*, that is, rewarding the top environmental classes A and B.<sup>50</sup>

#### V. Waste management as a consumer-friendly initiative

In 2001, the EC exempted an exclusivity clause in the service agreements between the Dual System Green trademark logo (*Der Grüne Punkt*),<sup>51</sup> active in the organisation of the takeback and recovery of household packaging waste in Germany, and its collectors. The initiative was in line with the objectives that aimed at preventing or reducing the impact of waste packaging on the environment.<sup>52</sup> This scheme, which operated on a long-term and reliable basis, contributed to improving the production of goods and promoting technical and economic progress.<sup>53</sup> The extensive collection of sales packaging was a *consumer-friendly* 

<sup>&</sup>lt;sup>43</sup> See DG COMP IV/36718, decision 2000/475/EC [2000] OJ L 187.

<sup>&</sup>lt;sup>44</sup> Ibid, para 36.

<sup>45</sup> Ibid, para 47.

<sup>&</sup>lt;sup>46</sup> Ibid, para 48.

<sup>&</sup>lt;sup>47</sup> Ibid, para 51.

<sup>&</sup>lt;sup>48</sup> Ibid, para 52.

<sup>&</sup>lt;sup>49</sup> Ibid, para 56.

<sup>&</sup>lt;sup>50</sup> Ibid, para 63.

<sup>&</sup>lt;sup>51</sup> See DG COMP 34493, decision 2001/837/EC [2001] OJ L 319, para 104.

<sup>&</sup>lt;sup>52</sup> Ibid, para 143.

<sup>&</sup>lt;sup>53</sup> Ibid, para 146.

*environmental initiative*.<sup>54</sup> The scheme benefited manufacturers and distributors who had been obliged to take back and recycle packaging; otherwise, such cost savings had to be covered individually.<sup>55</sup> The exclusivity clause was indispensable to recover the costs associated with the scheme<sup>56</sup> without eliminating competition from alternative waste collectors.<sup>57</sup>

### VI. A careful and pragmatic consideration of the effectiveness of a code of good environmental practice

In 2011, in *Consumer Detergents*,<sup>58</sup> the implementation of an environmental initiative by the main European detergent manufacturers' trade association, *Association International de la Savonnerie, the la détergence et des produits d'entretien*, led to a *code of good environmental practice* for household laundry designed to promote more sustainable consumption through dosage and weight reductions of heavy-duty detergent powder and restrictions on the volume of packaging material. This initiative had also led to unnecessary price discussions, which are obvious hard-core restrictions of competition. In particular, trade members agreed not to lower the price of detergents for a downsized volume of detergent and not to offer promotional discounts during this environmental initiative.<sup>59</sup>

In 2019, the EC took a preliminary view that BMW, Daimler, and VW operated a collusive scheme concerning green technologies to reduce harmful nitrogen oxides emissions of diesel passenger cars as well as harmful particle emissions from the exhaust gases of petrol cars.<sup>60</sup> A decision is not yet available, but early indicia suggest that this case is one where the green initiative has not been used for an ethical purpose but for an anti-competitive conspiracy.

<sup>&</sup>lt;sup>54</sup> Ibid, para 147.

<sup>&</sup>lt;sup>55</sup> Ibid, para 148.

<sup>&</sup>lt;sup>56</sup> Ibid, para 150.

<sup>&</sup>lt;sup>57</sup> Ibid, para 159.

<sup>&</sup>lt;sup>58</sup> See DG COMP/39579, decision April 13, 2011, para 20.

<sup>&</sup>lt;sup>59</sup> Ibid, para 25.

<sup>&</sup>lt;sup>60</sup> EC press release of April 5, 2019.

#### VII. The key takeaways of the evolutionary development of UK competition

The key takeaways from the previous environmental competition cases suggest that efforts had indeed been made to reduce CO2 emissions and pollution and expand towards greener and more cost-efficient energy alternatives. However, while competition law has recognised environmental efficiencies, it has been less active during some decades than in others where there were, perhaps, better and bolder environmental discourses. A critical aspect of such enforcement trends is where environmental targets that are global in scope remain at the level of public discourse, which has also left businesses a free choice as regards their implementation by *voluntary codes of good environmental practice*. For competition law, collective initiatives by businesses have always been a significant cause of conspiracy concerns.

Therefore, a better alternative is for environmentally efficient greener initiatives to be regularly updated on an *environmental consumer protection public register*, so that competition authorities are informed in advance of the decisions taken elsewhere to adjust and detect *genuine* from fraudulent or fake *greening environmental methods of ethical competition*. However, competition awareness of environmental initiatives and targets can help alleviate but not eliminate the climate disaster that ultimately needs *effective regulations*, not voluntary codes of free business will.

UK competition law cannot eliminate the CO2 emissions of the top global polluters that refuse to commit to climate action.<sup>61</sup> It cannot make a singular choice as to what is the *single* most efficient energy alternative, for example, from standard to non-conventional ones. This is not possible without a planned phasing in with an affordability choice being made available both to environmentally friendly consumers and to critically irrational consumers who cannot afford much higher ethical standards. In any event, a concomitant phasing out of older products can only exacerbate the waste management problem. A gradual and careful strategy can also alleviate the lack of competition based on a choice of price.

14

<sup>&</sup>lt;sup>61</sup> More effective is, for example, a travel threshold for leisure purposes imposed on the worst offenders in terms of global pollution so that environmentally friendly consumers could critically act to persuade governmental *positive climate change in the public interest*.

In conclusion, an institutional division of competence between competition and consumer law relies on the mistaken assumption that waste packaging is a marketing sales problem for consumer law alone, whilst production and distribution remain the sole responsibility of competition law. Overall, what the above test cases of environmental efficiencies have also demonstrated is that the whole process of competition strategy cannot be easily broken down into fragmented segments of independent behavioural business strategies. It has also demonstrated that inherent coordination of *production-distribution-marketing to sales strategies* should remain a sum of the four methods of competition for the purpose of an individual exemption.

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