

CMA launches investigation into recycling of cars and vans

Press release

The CMA has launched an investigation into suspected anti-competitive conduct in relation to the recycling of old or written-off vehicles.



The Competition and Markets Authority (CMA) has reason to suspect anti-competitive behaviour has taken place involving a number of vehicle manufacturers, and some industry bodies. This conduct relates to arrangements for recycling old or written-off vehicles, specifically cars and vans, which are known in the industry as ‘end-of-life vehicles’ or ELVs.

ELVs are vehicles that are categorised as waste, generally due to age-related failure or accident, and regulation requires these vehicles to be disposed of in a sustainable way. Vehicle manufacturers must offer their customers a free service for recycling ELVs, a service manufacturers often outsource to third parties.

The CMA is working closely with the European Commission, which has also launched an investigation into this matter today.

Following a period of investigation and information gathering, the CMA may issue a statement of objections if it comes to the provisional view that competition law has been infringed. At this stage, no assumptions should be made about whether competition law has been broken.

This investigation reflects the CMA’s commitment – outlined in its [draft Annual Plan 2022 to 2023](#) – to prioritise promoting environmental sustainability through effective competitive markets.

Further detail of the CMA’s [procedures in competition cases is available in its guidance](#), and any updates to this investigation will be made via the dedicated web page: [Suspected anti-competitive conduct in relation to the recycling of end-of-life vehicles](#).

1. The competition legislation relevant to the CMA's investigation is the Competition Act 1998. The Chapter I prohibition of the Competition Act 1998 prohibits agreements, concerted practices and decisions by associations of undertakings which have as their object or effect the prevention, restriction or distortion of competition within the UK or a part of it and which may affect trade within the UK or a part of it unless they are excluded or exempt.
2. The CMA will normally publish the names of the parties under investigation as soon as possible when a formal investigation is opened, other than in exceptional circumstances, such as where doing so could, in the CMA's view, prejudice a CMA investigation or an investigation of one of the CMA's enforcement partners. In this case, the CMA will not be naming the parties under investigation at this stage, but would usually do so at a later stage of the investigation, or if a statement of objections is issued.
3. There is no legal deadline to complete inquiries under the Competition Act 1998. As with all its work, the CMA will progress this investigation at pace whilst ensuring a robust and detailed review is conducted and parties' rights of defence are respected.
4. Under the CMA's leniency policy, a business that has been involved in certain types of anti-competitive conduct may be granted immunity from penalties or a significant reduction in penalty in return for reporting cartel activity and assisting the CMA with its investigation. Individuals involved in cartel activity may also be granted immunity from criminal prosecution for the cartel offence under the Enterprise Act 2002 and from director disqualification. The CMA also operates a rewards policy under which it may pay a financial reward of up to £100,000 in return for information which helps it to identify and take action against illegal cartels. For more information on the [CMA's leniency policy](#) and the [CMA's informant reward policy](#).
5. Anyone who has information about a cartel is encouraged to call the CMA cartels hotline on 020 3738 6888 or email cartelshotline@cma.gov.uk.
6. All enquiries from journalists should be directed to the CMA press office by email on press@cma.gov.uk or by phone on 020 3738 6460.
7. All enquiries from the general public should be directed to the CMA's General Enquiries team on general.enquiries@cma.gov.uk or 020 3738 6000.