

Sustainability agreements: CMA issues information for businesses



One of the ways in which businesses are striving to meet climate change targets or other environmental objectives is through 'sustainability agreements'. These are arrangements between businesses to work together to do things such as reduce their carbon footprint or improve the environmental standards of their products.

It is important that competition law does not become an unnecessary obstacle to sustainable development, and that businesses are not deterred from taking part in lawful environmental initiatives for fear they may breach competition law. It is also important to make sure that markets remain competitive and open to innovation.

With this in mind, the CMA has issued [an information document to help firms navigate competition law](#) as it currently stands.

The document outlines the current framework for the self-assessment of competition law risk and sets out the key points that businesses and trade associations should consider when making sustainability agreements.

Stuart Hudson, CMA Senior Director for Strategy, said:

Supporting the transition to a low carbon economy is one of the CMA's strategic objectives and we want to help businesses to achieve their sustainability goals without breaching competition rules.

That's why we've published concise information and advice for firms and trade associations on how to stay on the right side of the law when producing sustainability agreements.

The CMA has also issued [a short blog](#), outlining the current competition law debate on sustainability issues.

The CMA will also progress work in relation to its other climate change

priorities, including its [market study into electric vehicle charging](#) and its [investigation to tackle false or misleading environmental claims about products and services that affect consumers](#).

Notes to editors

1. The information issued by the CMA should not be viewed as a substitute for legal advice or relied upon as a complete statement of the law. References to formal guidance on the application of competition law can be found on the CMA's website.
2. The CMA is engaged in the global discussion about competition rules and sustainability policy. For more details see our [blog post](#).
3. Read more about how the CMA is supporting the transition to a low carbon economy in its [2020/21 Annual Plan](#).

Published 27 January 2021

Last updated 27 January 2021 [+ show all updates](#)

1. 27 January 2021

First published.