



5TH DECEMBER 2022 - WORLD COMPETITION DAY

13TH CALL FROM CUTS INTERNATIONAL

THEME: COMPETITION POLICY AND CLIMATE CHANGE

World Competition Day

On December 05, 1980, the United Nations Conference approved the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices (the UN Set), thus marking a milestone in the history of Competition Law and Policy. CUTS International requests all stakeholders (such as national governments, competition agencies, civil society organisations, academia, media, etc.) to extend their support to its annual endeavour of observing December 05 as World Competition Day (WCD).

We are entering the **13th year** of this journey and are grateful to have received support from several stakeholders on our path.

Climate change is being recognised as one of the key disruptors of economies, alongwith the pandemic and war. While countries are working to build-in resilience in their economies, it is important to flag that competitive markets are more flexible and resilient that can respond effectively to economic disruptions (ICN, 2022). If competition policies are appropriately designed and effectively implemented, they can supplement other efforts in not only building resilience into the economy but can also be a tool to mitigate climate change effects and to achieve sustainability.

Competition Policy and Climate Change

Competition policy can play a role in greening the economy, including by incentivising for green innovation and empowering consumers to make informed decisions. Since, collective initiatives by businesses is mooted to fight climate change, competition policy is a key to ensure efficient allocation of capital needed to reach environmental goals.

At micro level, competition authorities can also integrate economic and non-economic environmental effects in competition assessments while dealing with anti-competitive agreements, co-operation agreements, abuse of dominance and

merger control. They can also help remove restrictive practices in the transfer of green technologies.

Generally investing in green policy can give firms a competitive advantage. But there may be situations where co-operation and synergies between firms can be the best way to achieve efficiency and scale to better align with environmental goals.

However, in doing competition assessment, authorities may face challenges, such as determining which and to what extent environmental effects may be taken into account; how environmental efficiencies can benefit consumers; which timeframe for environmental effects to adopt; and how to balance environmental effects with other types of effects.

There are studies now available, including from OECD, which are offering clarity on how to deal with such challenges. Competition authorities, thus, first need to get sensitised and then work towards their capacity building on the interface between competition policy and climate change.

How can you contribute?

CUTS International suggests a few tools or methods, which could be adopted for celebrating the WCD. These comprise: organising webinars/seminars; preparing advocacy materials like pamphlets and posters; publishing newspaper articles and press releases; and undertaking social media campaigns, short videos, etc.

Alternatively, countries and competition authorities are free to choose their own themes and modes to celebrate WCD. The goal is to spread awareness among citizens regarding the benefits of a competitive market structure and the harmful effects of anticompetitive practices both at a national and international level.

CUTS would appreciate if you could intimate us of your respective activities on this occasion.

Interested countries/competition agencies are encouraged to contact the following for any assistance:

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