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**Competition Law and Policy and  
Sustainability**

**Contribution**

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## Speaking points Mr. Dirk Middelschulte, Unilever

- Governments and businesses have a complimentary role: Governments to regulate and create a level-playing field where the market doesn't deliver sufficient solutions to fight climate change etc. Businesses to compete for the most innovative and sustainable product solutions that appeal to consumers. But where regulation is missing, or not practical, and where individual companies cannot shoulder the costs of game-changing sustainability improvements in their supply chains, products compositions etc. without suffering a competitive (first-mover) disadvantage, co-operation between competitors may become indispensable. This is the area where sustainability co-operations can really have a meaningful impact.
- In the next years more and more businesses will come under pressure to deliver on their net-zero etc. goals, increasing the need to think outside the box and consider competitor co-operation to achieve improvements that would not be feasible for them alone.
- Initiatives like in the EU and some members states to provide guidelines or, in the case of Austria, even legislation give business more legal certainty which encourages them to explore co-operation more proactively. But there are also intriguing approaches in other parts of the world, like Australia. It is desirable that more and more authorities put forward such guidance.
- It will be important that competition enforcers recognize that non-price benefits (such as reductions of carbon emissions or of plastic waste) can offset restrictions of competition such as cost increases. The EU Commission has opened the door for such "collective benefits" but in a relatively half-hearted way: They can only be considered if they materialize in the EU and consumers who pay for instance higher prices for more sustainable products must be "fully compensated" through environmental benefits. This will make it hard in practice for many ambitious co-operations to be admissible.