

COVID-19: CMA approach to essential business cooperation

That's why the CMA welcomes the Government's announcement today to relax some elements of competition law to help supermarkets work together.

Where agreements are not covered by that legal relaxation, the CMA can offer the following reassurance: the CMA has no intention of taking competition law enforcement action against cooperation between businesses or rationing of products to the extent that this is necessary to protect consumers – for example, by ensuring security of supplies.

At the same time, the CMA will not tolerate unscrupulous businesses exploiting the crisis as a 'cover' for non-essential collusion. This includes exchanging information on longer-term pricing or business strategies, where this is not necessary to meet the needs of the current situation. More guidance on this will follow from the CMA in due course.

The CMA trusts that these announcements will reassure businesses, which it knows are doing their best in difficult circumstances to meet the needs of the public. Businesses must still be aware that any assurance given by the CMA cannot protect against competition litigation by private parties, but wants to offer comfort on its own approach.