

COMPETITION POLICY CONTRIBUTING TO THE EUROPEAN GREEN DEAL

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Abstract

In the context of the key efforts and objectives of the European Green Deal, which represents a transformative agenda, aiming for climate neutrality by 2050 while promoting sustainable economic development across the European Union (EU), this paper aims to analyze competition policy as a fundamental tool to support green innovation, regulate state aid and balance market dynamics in renewable energy and other green sectors. This paper analyses, among other things, the legal frameworks and the interaction between competition policy and EGD, taking into consideration market approaches and strategies, which are being adapted to promote sustainability. By integrating environmental objectives into traditional competition principles – such as efficiency, consumer welfare and market access – the EU seeks to mitigate anti-competitive practices while fostering innovation in green technologies. Through case studies and policy analysis, this paper examines the role of competition policy in addressing key challenges, including market concentration, state aid for green investments and regulatory coherence. This analysis contributes to the development of the discourse on EU competition law and its alignment with sustainability, providing insights into the possibilities and limitations of this integration in achieving long-term climate and economic goals.

Key words: competition policy, European Commission, European Green Deal, green initiatives

1. INTRODUCTION

In the continuation of global efforts to tackle climate change and achieve a sustainable economy, the European Union has officially announced the European Green Deal as a critical pillar towards achieving a sustainable economy by 2050.¹ Beyond

¹ EUR-Lex - Access to European Union law, *Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions - European Green Deal*, 2019. URL=<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2019%3A640%3AFIN>. Accessed 27 October 2023.

its main goal, achieving climate neutrality, this Deal aims to reduce pollution and promote clean technologies. By aiming to transform the economy and preserve the natural environment for future generations, based also on Article 3.3 (1) of the TEU, the EU pursues its main principle and objective, that of sustainable development.²

In shaping economic frameworks, competition policy plays a crucial role. In EU legislation, competition law regulates anti-competitive practices, antitrust; concentrations; state aid and has traditionally focused on the protection of fair competition and consumer rights. In the context of the European Green Deal, the inclusion of competition policy raises a number of concerns, such as promoting green innovation without undermining competition in the market; adapting the European Union competition rules with regard to state aid, considering that the European Green Deal requires significant investments in green technologies and sustainable development; dominance and concentrations of market power in relation to the renewable energy sector, etc.

This paper addresses the objectives of the European Green Deal in the context of the development of EU competition policies, analyzing the interaction with environmental policies, objectives and the opportunities and challenges presented by such integration. Through case studies, which provide a more complete illustration, we will observe how competition policy has supported or hindered the green transition in Europe.

Aiming for the most comprehensive analysis possible, this paper aims to contribute to the academic discourse on European Union legislation related to competition and its aspirations towards environmental policies, considering the implications for the green economy and the challenges of this century.

2. EUROPEAN GREEN DEAL (EDG): ORIGINS, CREATION, AND IMPLEMENTING AGENTS

2.1. Origins and Purpose of the European Green Deal

Following the adoption of the Maastricht Treaty (1992) and the Amsterdam Treaty (1997), the integration of environmental policies into EU decision-making gained importance. The European Commission's commitment to the implementation of these policies was reinforced by the Lisbon Treaty (2007), which introduced the

² Simon, S., *The 'European Green Deal' – a paradigm shift? Transformations in the European Union's sustainability meta-discourse*, ECPR Journal, Political Research Exchange, Vol. 4, Issued 2022, p. 4. URL=<https://doi.org/10.1080/2474736x.2022.2085121>. Accessed 09 December 2024.

principle of sustainable development.³ In this context and in continuation of the EU's environmental priorities, the European Green Deal was officially proclaimed as a critical pillar towards achieving a sustainable economy by 2050 by the President of the European Commission Ursula von der Leyen in December 2019.⁴

In its ongoing efforts, the European Union has systematically promoted efforts to mitigate and adapt to climate change, taking a key role in global policies. However, adapting to an international context remains challenging,⁵ but as far as the European Green Deal aims to transition the union towards a competitive economy, as well as to ensure resource efficiency and prosperity.⁶ Due to major climate changes over the last few decades, climate neutrality by 2025 remains the most important objective of this Green Deal. It also seeks to achieve goals related to several major challenges such as:

- Reducing pollution affecting the protection of human, animal and plant life,
- Clean products and technology,
- Transition to this new approach.⁷

2.2. Goals and Implementation of the EDG

In the context of sustainability, the true nature of the European Green Deal (EGD) becomes apparent. However, due to the broad scope of the Agreement and the very notion of sustainability, which lacks a universal definition, although it is usually linked to the concept of sustainable development, formalized with the adoption by the UN of the Sustainable Development Goals in 2015, it reflects ambitions in the pursuit of environmentally-oriented changes, shaped by the balance between environmental protection, economic growth and social objectives.⁸

³ European Commission, *European Green Deal*, 2019. URL=https://competition-policy.ec.europa.eu/about/green-gazette/green-deal_en. Accessed 16 October 2023.

⁴ EUR-Lex - Access to European Union law, *Communication from the Commission to the European Parliament, the Council, the Economic and Social Committee and the Committee of the Regions - European Green Deal*, 2019. URL=<https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2019%3A640%3AFIN>. Accessed 27 October 2023.

⁵ Niklas Bremberg, Anna Michalski, *The European Union Climate Diplomacy: Evolving Practices in a Changing Geopolitical Context*, The Hague journal of diplomacy, 2024, Vol.19 (3), p.506-535.

⁶ European Council, *The European Green Deal*, (n.d.). URL=<https://www.consilium.europa.eu/en/policies/green-deal/#:~:text=The%20European%20Green%20Deal%20is%20a%20package%20of%20policy%20initiatives,a%20modern%20and%20competitive%20economy>. Accessed 27 October 2023.

⁷ APLANET, *European Green Deal: objectives and initiatives for a sustainable future*, 2022. URL=<https://aplanet.org/resources/european-green-deal-objectives-and-initiatives-for-a-sustainable-future/>. Accessed 25 October 2023.

⁸ Robert Rybski, *Energy in the European Green Deal: impacts and recommendations for MENA countries*, The Journal of World Energy Law & Business, Volume 16, Issue 2, April 2023, Pages 127–142, URL=<https://doi.org/10.1093/jwelb/jwac033>. Accessed 10 December 2024.

The European Green Deal (EGD) represents a comprehensive and multifaceted approach to addressing environmental challenges within the EU. Its implementation requires a coordinated effort across sectors, such as energy, transport, agriculture, industry and the environment. The European Union (EU) has now committed to becoming the first climate-neutral continent by 2050, with all member states unanimously agreeing to this ambitious goal.⁹

In terms of its implementation, the European Green Deal requires transformative action at local and regional level, which is reflected in the Local Green Deal Action Plan, developed in 2021 by the European Commission.¹⁰

The implementation of this agreement, with a broad approach to environmental problems and very comprehensive requires the undertaking of a series of actions and measures in different sectors, including energy, transport, agriculture, industry and the environment. Its implementation starts from setting clear objectives and considering the deadlines for their fulfillment, financial resources, to support the transition to the green economy. An important part is also undertaking changes to adjust existing policies and regulations to promote sustainable practices and discourage harmful ones, of course through the cooperation and involvement of EU institutions and member states, creating structures of three to strengthen capacities. The EU will also establish monitoring and evaluation mechanisms to track progress, assess the effectiveness of the measures implemented and make the necessary adjustments as needed.¹¹

3. COMPETITION POLICY AND THE EUROPEAN GREEN DEAL

3.1. Competition Authorities and other stakeholders' role in Green Policies

Competition authorities in Europe have been very supportive of the European Commission's initiative regarding the European Green Deal, focusing their work on supporting a green economy and free competition in this new market. For this,

⁹ European Commission, *Delivering the European Green Deal*, (n.d.). URL=https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/delivering-european-green-deal_en#:~:text=To%20get%20there%2C%20they%20pledged,2030%2C%20compared%20to%201990%20levels.&text=Member%20States%20will%20now%20spend,social%20dimension%20of%20the%20transition. Accessed 01 November 2023.

¹⁰ European Committee of Regions, *Implementing the European Green Deal, Handbook for local and regional governments*.

¹¹ Committee of the Regions, *European Green Deal Handbook*, 2021. URL=<https://cor.europa.eu/en/engage/studies/Documents/European%20Green%20Deal%20Handbook.pdf>. Accessed 02 November 2023.

they have adapted their policies in accordance with the goals of the EGD. Since the main elements of the EU Green Agreement are: Climate Action, Clean Energy and Sustainable Industry¹², these have been the focus of the respective NCAs, as mentioned below:

The French Competition Authority (Autorité de la concurrence) in 2022 has deemed it reasonable to approve a state aid scheme regarding the promotion of renewable energy production. This scheme of 300 million euros has also been approved by the European Commission regarding the Green Deal Industrial Plan and the promotion of the use of renewable solid fuels.¹³

The Bundeskartellamt (Germany's national competition regulatory agency) on the other hand organizes the International Conference on Competition every other year since the early 1980s. This Conference is an opportunity to gather competition experts from more than 60 countries and to discuss the Competition Policy and the problems that accompany it.¹⁴ During these conferences, important issues are raised for discussion, including the green economy and the practices that should be undertaken in the framework of a sustainable economy.\

As for the Netherlands, the Netherlands Authority for Consumers and Markets (ACM) has long encouraged the drafting of European guidelines, positively influencing a sustainable economy. The focus of this authority has been towards the transition towards alternative sources of energy, as well as encouraging competitors in the market to work together to achieve sustainability objectives.¹⁵

National competition authorities play a key role in promoting sustainable growth by taking into consideration environmental impacts and by weighing long-term benefits against environmental costs. National competition authorities play a key

¹² Norton Rose Fulbright, *The EU Green Deal explained*, (n.d.). URL=<https://www.nortonrosefulbright.com/en/knowledge/publications/c50c4cd9/the-eu-green-deal-explained#:~:text=The%20main%20elements%20of%20the,Sustainable%20industry>. Accessed 28 November 2023.

¹³ European Commission, *Commission adopts new rules to ensure fair competition in the platform economy* [Press release], 2023. URL=https://ec.europa.eu/commission/presscorner/detail/en/IP_23_4062. Accessed 22 November 2023.

¹⁴ Bundeskartellamt, *International Conference on Competition*, (n.d.). URL=https://www.bundeskartellamt.de/EN/AboutUs/Conferences/InternationalConferenceonCompetition/internationalconferenceoncompetition_node.html. Accessed 25 November 2023.

¹⁵ Netherlands Competition Authority (ACM), *Guidelines on sustainability agreements are ready for further European coordination*, (n.d.). URL=<https://www.acm.nl/en/publications/guidelines-sustainability-agreements-are-ready-further-european-coordination>. Accessed 23 November 2023.

role in promoting sustainable growth by taking into consideration environmental impacts and by weighing long-term benefits against environmental costs.¹⁶

The International Chamber of Commerce (ICC), emphasizing the importance of guidelines and cooperation between different actors for the realization of the goals of a sustainable economy in relation to competition policy, has stated that: Governments have a crucial role in providing competition authorities with the appropriate degree of direction or guidance needed to implement national competition laws in line with sustainability objectives; international bodies are important in developing best practices for businesses; businesses should provide practical examples of sustainability initiatives hampered by legal uncertainty or concerns over the application of competition law, helping authorities develop clearer guidelines; other interested parties, such as consumers, play a vital role in identifying areas of uncertainty and advocating for clearer and more consistent guidelines.¹⁷

3.2. Direct Impact of Competition Policy on the Green Economy

The relation between competition policy and green economies is an important step towards sustainable development, directly influencing the role of each of the factors in the market and improving the well-being of consumers. The main points of its focus have to do with the increase of efficiency, innovation, choices and the best qualities of products. It is a key element that directly affects a sustainable economy. Influences through monitoring and investigating cases of damage to the market and free competition by elements of the market that aim to monopolize it or prevent the entry of other companies or businesses into the market. Competition policies are an important element in preventing abusive behavior in the market, including the abuse of a dominant position.

Economic development is influenced by factors such as collusion between companies and a healthy competition in the market consequently creates a healthy environment, making it possible to create jobs and increase well-being.¹⁸

The role and impact of competition policy are undeniable in the promotion of environmental policies and the provision of alternatives regarding environmentally

¹⁶ Panagiotis N. Fotis, *Sustainable Development and Competition Policy*, Energy Economics, Vol. 1, Issue 4, 2020 January 12, 2021 AEST.

¹⁷ The International Chamber of Commerce (ICC), *COMPETITION POLICY AND ENVIRONMENTAL SUSTAINABILITY*, 26 November, 2020, p. 11-12.

¹⁸ London School of Economics and Political Science, *Fair competition plays a key role in sustainability*, 2022. URL=<https://blogs.lse.ac.uk/businessreview/2022/01/24/fair-competition-plays-a-key-role-in-sustainability/>. Accessed 25 November 2023.

friendly production processes and the promotion of companies and state policies towards green sectors.¹⁹

What should also be taken into consideration is the element of sustainability, as an element linked to productive and dynamic efficiency, as well as to consumer preferences for environmentally friendly products. The protection of competition, consumer welfare and sustainability often overlap, so it may be that actions that improve competition (such as preventing monopolies) can also help consumers by offering them more affordable or products of better quality, including those that are sustainable. Similarly, promoting sustainability can improve competition in the market and benefit consumers, creating a virtuous cycle where these goals work together.²⁰

An example of the direct impact of competition policy on fostering a green economy by promoting innovation and preventing anti-competitive practices concerns the production of solar panels and China's emergence as a global leader in solar technology. Thanks to competition policies that facilitated technology transfer through foreign direct investment (FDI) and joint ventures, China was able to access advanced technology, reducing costs and accelerating innovation in green energy. By preventing monopolistic behavior and ensuring market access, competition law helped make sustainable technologies like solar panels more affordable and accessible globally, thus directly contributing to the expansion of the green economy.²¹

4. THE ROLE OF COMPETITION POLICY IN ADVANCING THE GREEN ECONOMY

4.1. Renewable Energy Sector

Promoting a green economy in the European Union fundamentally requires the inclusion of competition policy, as a promoter of efficiency, innovation and consumer welfare. By prioritizing key sectors of the economy, it aims towards sustainable development, incorporating cooperative practices. Balancing free and fair competition is vital, with effective enforcement and advocacy that discourages anti-competitive practices.

¹⁹ United Nations Conference on Trade and Development (UNCTAD), *The role of competition policy in promoting sustainable development* [Document TD/B/RP/CONF.8/D.6], 2022, (p. 6). URL=https://unctad.org/system/files/official-document/tdrbpconf8d6_en.pdf. Accessed 09 November 2023.

²⁰ OECD (2020), *Sustainability and Competition*, *OECD Competition Committee Discussion Paper*, <http://www.oecd.org/daf/competition/sustainability-and-competition-2020.pdf>.

²¹ Stefan Ambec, *Gaining competitive advantage with green policy*, INRA Research Professor, Toulouse School of Economics, 2016, p. 6.

The European Union as a unit and the member states in particular, as we have analyzed above, have measured the approaches to a green economy and have made competition policies part of their policies to regulate the markets. Among the main elements of these policies is the strategy towards the energy sector, where the main objective remains renewable sources, in order to achieve energy efficiency and the so-called progressive decarbonization of the energy sector.²²

In this approach, the European Union has undertaken a series of initiatives, among which it is important to mention the EU Regulation for Methane in the energy sector, an initiative of the Commission which was proposed in December 2021 and was part of the framework of proposals related to the European Green Deal. The prevention of harmful methane emissions has been in the focus of the union for some time until it was realized with this initiative which followed the Strategy approved in 2020.²³

Germany through the Renewable Energy Sources Act (EEG) has laid the foundations to be present in climate change, predicting a sustainable and faster expansion, requiring at least 80 percent of the gross electricity consumption to be covered by renewable sources.²⁴ But the German Bundeskartellamt (Germany's national competition regulatory agency) has monitored the implementation of this act stating that competition should not be distorted and that consumers should pay fair prices for electricity. He has expressed himself about the act several times, saying that the EEG's guaranteed feed-in tariffs (FiTs) for renewable energy producers were too high and that this was distorting market prices as well as recently The Bundeskartellamt said that it will continue to monitor the development of the electricity market and the EEG. The authority will take action if it detects anti-competitive practices or market distortions.²⁵ The modification of the state aid scheme by the German state with reference to the rules of the European Union

²² European Commission, *Energy and environment - Energy EU*, (n.d.). URL=https://competition-policy.ec.europa.eu/sectors/energy-environment/energy-eu_en. Accessed 02 November 2023.

²³ European Commission, *Commission approves new state aid guidelines to support the deployment of renewable energy*, 2023. URL=https://ec.europa.eu/commission/presscorner/detail/en/IP_23_5776. Accessed 09 November 2023.

²⁴ Bundesregierung, *Amendment of the Renewable Energy Sources Act (EEG) 2023*, (n.d.). URL=<https://www.bundesregierung.de/breg-de/schwerpunkte/klimaschutz/amendment-of-the-renewables-act-2060448#:~:text=The%20EEG%202023%20is%20the,least%2080%20percent%20by%202030>. Accessed 24 November 2023.

²⁵ Bundeskartellamt, *Monitoringbericht 2022*, 2022. URL=https://www.bundeskartellamt.de/SharedDocs/Publication/EN/Berichte/Energie-Monitoring-2022.pdf?__blob=publicationFile&v=3. Accessed 26 October 2023.

was also assessed by the Commission, assessing in particular the 2022 Guidelines for state aid for climate, environmental protection and energy (“CEEAG”).²⁶

Overall in Germany, with the intervention of the Competition Authority and the European Commission, the competition policy has had a positive impact on the green economy, positively influencing the reduction of the cost of renewable energy, increasing the share of renewable energy and the promotion of sustainable development.

4.2. Green Collusion in Sustainable Agriculture

In the agricultural sector, competition authorities have allowed limited cooperation among farmers and agribusinesses to promote environmentally friendly farming practices. The Andalusian Circular Bioeconomy Strategy (ACBS) project is focused on the development of biochemistry in Andalusia, being one of the six regions that demonstrate a model for sustainable chemical production. This project is financed by the European Union and aims to increase the availability of sustainable biomass, supporting bioproducts and bioenergy.²⁷

5. CHALLENGES AND TRADE-OFFS

5.1. Potential Conflicts Between Competition Policy and Environmental Goals

The competition policy is an important driver and factor in terms of environmental goals and a sustainable green economy, but it will certainly face conflicts, which may arise as a result of this relatively new approach to the environment and the demands it has for significant investments, large human resources, as well as facing difficulties related to the ownership of the branch, cooperation, costs or entry difficulties for small businesses.

On the other hand, it is very important to create an open environment of cooperation between competition authorities to promote and further expand sustainability agreements. This approach has also been accepted by the European Commission, which has been ready and active in providing tools and guidelines

²⁶ European Commission, *State aid: Commission approves modification of German scheme to promote renewable energy sources and reduce greenhouse gas emissions*, 2016. URL=https://ec.europa.eu/commission/presscorner/detail/en/IP_22_7794. Accessed 09 November 2023.

²⁷ European Commission, *Andalusia promotes sustainable growth through renewable, biological products*, 2020. URL=https://ec.europa.eu/regional_policy/en/projects/Spain/andalusia-promotes-sustainable-growth-through-renewable-biological-products. Accessed 09 November 2023.

to evaluate these agreements, in the framework of sustainable goals. This is an area where cooperation should be active and continuous.²⁸

Competition is an essential factor in terms of the efficiency of resources, the promotion of innovation and technical and technological progress, and therefore it is a key element in achieving the objectives of sustainable development. However, in this framework, market failures will also have to be calculated, specifically negative externalities in prices or information asymmetry.²⁹

As an approach to development, of course there will be possible conflicts between competition policy and environmental goals, but it is important to study the market, calculate its failures, involve the Competition Authorities, focus on efficiency and innovation, which will bring a better harmony between them.

5.2. Competition Enforcement Clash with Green Initiatives

First, green initiatives often involve collaboration among companies or organizations to advance environmentally friendly technologies or practices. Such a thing, looking at it in relation to the competition policies, can lead to problems related to the dominance of the market or the reduction of competition. One case illustrating the clash between competition laws and green initiatives is the European Commission's blocking of a proposed joint venture between BMW, Daimler, and Volkswagen to develop electric vehicle charging infrastructure in 2021. In this particular case, we note the active role of the European Commission, which has found a violation of the antitrust rules of the European Union and has informed BMW, Daimler and VW (Volkswagen, Audi, Porsche) about it. It was found that from 2006 to 2014, these companies had cooperated in restricting competition regarding the development of technology to clean the emissions of petrol and diesel passenger cars.³⁰

On the other hand, the focus of the competition policy towards ensuring price competition, in some cases this can lead to the fact that environmentally friendly products or services, as more expensive to produce, have higher prices for consumers.

²⁸ Vestager, M., *Sustainability and Competition Policy conference* [Conference Presentation]. Organization for Economic Co-operation and Development (OECD), 2019. URL=<https://www.oecd.org/daf/competition/ICC-competition-and-environmental-sustainability.pdf>. Accessed 09 November 2023.

²⁹ Asia-Pacific Economic Cooperation (APEC), *Competition Policy and Sustainable Development*, 2023, URL=https://www.apec.org/docs/default-source/publications/2023/7/223_ec_competition-policy-and-sustainable-development.pdf?sfvrsn=cfd2c2f9_2. Accessed 25 October 2023.

³⁰ European Commission, *Antitrust: Commission sends Statement of Objections to BMW, Daimler and VW for restricting competition on emission cleaning technology*, 2019. URL=https://ec.europa.eu/commission/presscorner/detail/en/IP_19_2008. Accessed 09 November 2023.

In another case, the European Commission acted against a cartel whose activity was in conflict with the antitrust rules of the EU and the EEA (Article 101 of the EU Treaty and Article 53 of the EEA Agreement). Procter & Gamble and Unilever were fined by the Commission with 315.2 million euros together with Henkel for operating in the powder detergent market for household laundry in eight countries of the union. In practice, this cartel aimed to stabilize market positions and coordinate prices. A distinction must also be made between the environmental product initiative and the cartel, as two different actions.³¹

Competition law can be adapted to support sustainable development and the European Union Green Deal objectives, explaining some of the current limitations and proposals for changes. It is quite flexible and can allow cooperation between companies to achieve sustainable development goals, including environmental protection. Currently, enforcement practices focus too much on economic calculations of consumer benefit, hindering sustainability agreements that do not bring immediate or visible financial benefits. For example, environmental agreements are often prohibited because they do not have a clear measurable economic impact on consumers. In some cases, the European Court of Justice has allowed anti-competitive conduct when it has a legitimate aim, such as environmental protection. The principle of proportionality requires that measures be appropriate to the aim pursued and not more stringent than necessary to achieve that aim. To support sustainability, competition law should allow cooperation between companies where necessary, even if there are some negative effects on competition, provided that these restrictions are reasonable and proportionate.³²

6. POLICY RECOMMENDATIONS

6.1. Policy Recommendations to Align Competition Policy with the European Green Deal

A. Recognition of environmentally friendly certifications

A critical step in achieving the goals of the European Green Deal is the recognition and integration of environmentally friendly certifications into competition policy. Such an approach will enable businesses that adhere to environmental standards to have a competitive advantage, in line with sustainability goals. This will encour-

³¹ European Commission, *Antitrust: Commission fines producers of washing powder € 315.2 million in cartel settlement case*, 2011. URL=https://europa.eu/rapid/press-release_IP-11-473_en.htm. Accessed 09 November 2023.

³² Francisco Costa-Cabral, *Reply to European Commission Call on 'Competition Policy Supporting the European Green Deal'*, Tilburg Law and Economics Center (TILEC), 18 Mar 2021, p. 7.

age the widespread adoption of environmentally conscious strategies in different branches of the economy. The creation of such an assessment framework, which thus rewards businesses committed to sustainable practices, enhances the reputation of businesses. It also enables consumers to identify and choose environmentally friendly products or services. Environmental certificates promote further innovation and sustainability within enterprises, serving as incentives for businesses.

B. Strengthening Consumer Awareness and Market Dynamics

The promotion of sustainable practices in the market necessarily requires educating consumers on the alignment of competition policy with environmental objectives. Demand for sustainable products or services will be the result of well-informed consumers. Assessing consumer behavior and steering them towards sustainable policies is essential for their promotion and the performance of enterprises in the market. The active role of competition authorities, environmental organizations and consumer advocacy groups is essential in effectively informing consumers about the environmental consequences of their consumption patterns and the goals of the European Green Deal. Empowering active consumers in shaping market dynamics, making them the main drivers of sustainability, directly helps competition policy to advance green objectives.

7. CONCLUSIONS

The implementation of major international goals in the framework of environmental sustainability, raised as an alarm bell due to major climate changes, is closely related to elements of its implementation and regulation. Achieving environmental sustainability, creating and strengthening environmentally friendly technologies cannot exist separately from competition policies. The latter is the key element in the proper functioning of the market and in achieving cooperation between its actors. From this analysis, we see that the intertwining of competition policy with environmental sustainability makes this policy serve as a powerful tool for achieving international objectives, also reflected in the European Green Agreement. In this aspect, flexibility is needed in cooperation to support green innovation and environmentally friendly initiatives.

The transition towards green and sustainable economies is a difficult process, for which the competition policy serves as a catalyst to increase innovation, to develop cooperation in relation to the fastest advancement towards more effective environmentally friendly solutions. On the other hand, as a regulatory element for the market, competition policy can also serve as a mechanism for the transfer of markets, to try to develop new market opportunities for sustainable businesses.

This transfer of markets is very necessary in achieving the goals set in the European Green Deal. Its role is also important for consumer protection in the market, the balancing of multiple objectives and the long-term effect of the agreement. The transfer of industries to green industries and their awareness of environmentally friendly solutions is best achieved through competition policies, which can influence the market for the creation of facilities, the elimination of barriers to entry, etc.

In a world where environmental concerns are the focus of governments internationally and the need for sustainable solutions and the transition to a green economy is now a necessity, competition policy through competition authorities and international coordination within the framework of the European Union has the potential to be a great dynamic force for positive changes.

In conclusion, the European Green Agreement as a relatively new instrument in the European arena can be seen not only as an important step for European green economies but also more broadly because of its approach to consumer welfare through practices and sustainable products. As such, it includes a very wide range of initiatives and objectives, with which competition policy is best aligned, which seems to have demonstrated that it can effectively intervene in various aspects of the agreement. The evolving role of competition policy within the European Green Deal reflects a forward-looking approach to promoting environmental sustainability while maintaining competitive markets.

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