7 November 2025

To:
Lyn Camilleri
General Manager, Competition Exemptions
Australian Competition and Consumer Commission
Email: exemptions@accc.gov.au

Dear Ms Camilleri,

Re: Submission to ACCC engagement on beneficial collaboration to support productivity

The Australian Council of Superannuation Investors (ACSI), Australian Sustainable Finance Institute (ASFI), and Responsible Investment Association Australasia (RIAA) welcome the opportunity to provide input to the ACCC's consideration of potential class exemptions to support business productivity. Our respective members include asset managers, asset owners, banks, insurers and other financial services providers committed to supporting Australia's sustainable economic transition.

We strongly support the ACCC's exploration of new class exemptions that can unlock beneficial collaboration between businesses while maintaining competitive safeguards.

In particular, we recommend that the ACCC consider how it could introduce a **class exemption for sustainability-related collaborative conduct**, modelled on the United Kingdom's approach. Such an exemption would provide clear, consistent legal certainty to better enable efficient, low-risk cooperation in support of environmental outcomes that deliver long-term productivity and resilience benefits for Australia.

We would welcome the opportunity to meet with the ACCC to discuss these recommendations further.

Yours sincerely,

Kristy Graham, CEO, ASFI **Louise Davison, CEO, ACSI** **Estelle Parker, CEO, RIAA**

SUBMISSION: Proposal for a Class Exemption for Sustainability-Related Collaboration

1. Sustainability-related collaboration is essential for achieving Australia's climate goals

Australia's transition to a sustainable, low-emissions and climate-resilient economy will require coordinated action across industries and sectors. Many of the actions necessary to achieve these goals — from developing low-carbon supply chains to setting shared sustainability standards and methodologies — inherently involve collaboration between competitors.

Sustainability collaboration is directly linked to long-term productivity and risk management. For example, joint initiatives can accelerate the development of new markets (e.g., sustainable aviation fuel, circular economy materials, green finance). Common methodologies reduce duplication, lower compliance costs, and enhance data comparability.

The ACCC has made it clear that there are a wide range of sustainability collaborations that do not breach competition laws[1]. However, feedback from the market and engagement with listed companies indicates that uncertainty about the application of the law can discourage or delay such collaboration, even where it clearly delivers public benefits. Submissions to the ACCC's draft *Guide on Sustainability Collaborations* identified a range of examples where uncertainty and lack of confidence regarding the application of competition law was inhibiting sustainability-related collaboration in the public benefit. These included:

- industry-wide net zero transition pathways and methodologies for establishing and assessing progress towards transition-related targets;
- shared sustainability data or reporting frameworks;
- shared climate or nature risk assessment frameworks and standardised disclosure approaches;
- common sustainability standards for procurement, underwriting, or lending;
- joint initiatives to develop, finance or invest in low-carbon or adaptation-related infrastructure and projects (such as community flood-mitigation);
- development of common use infrastructure for the development of large-scale projects such as renewable energy and green manufacturing;
- joint initiatives to identify and respond to modern slavery risks; and
- collaborative responses to human rights concerns.

Published in 2024, the ACCC's final *Guide on Sustainability Collaborations* was a welcome step to support market confidence regarding permissible collaborations and clarify options for seeking exemptions for business collaborations.

---

1 https://www.accc.gov.au/media-release/accc-releases-final-guide-on-sustainability-collaborations

The ACCC is seeing an increase in authorisation requests for collaborations with environmental benefits.[2] However, the exemptions process is resource-intensive, technical and time-consuming. We consider it likely that many organisations are continuing to elect not to undertake the relevant conduct, rather than embark on a lengthy and potentially expensive authorisations process. The lack of clarity particularly discourages smaller firms and industry organisations from participating in collective initiatives. The result is delay and disincentive in delivering sustainability outcomes that offer clear public benefit.

2. Rationale for a Class Exemption

To encourage sustainability-related collaboration in support of Australia's sustainability goals, and to reduce compliance burden for market participants, we recommend that the ACCC consider how it could introduce a class exemption for sustainability-related collaborative conduct. This would enable the ACCC to provide businesses with a transparent and efficient mechanism for supporting productivity and innovation while maintaining competitive safeguards.

The exemption could authorise collaboration and arrangements between competitors that pursue a genuine sustainability objective. It should include clear conditions which seek to maintain competition while also supporting collaboration to achieve sustainability outcomes. The exemption should also provide clear guidance and illustrative case studies to support businesses to self-assess whether their planned activity would be covered by the exemption. This approach would be consistent with the EU's 'safe harbour' arrangements for certain sustainability-related conduct; and the UK's exemption for certain sustainability-related collaborations.[3]

A similar framework would provide Australian businesses with comparable clarity, supporting competitiveness with international jurisdictions, and removing an important barrier to achieving Australia's climate goals, including the Government's 2035 Nationally Determined Contribution and Net Zero Plan.

A well-crafted class exemption would:

- reduce legal uncertainty and compliance costs, while maintaining consumer protection;
- promote efficient collective problem-solving and innovation;
- support alignment with Australia's climate, nature, and sustainable finance policies; and

---

[2] "*In 2023, one in four authorisation applications for collaborations between businesses considered environmental benefits. In 2024 that figure rose to one in three*" ~ Gina Cass-Gotlieb, Keynote address at the ABA Banking Conference, Thursday 24 July 2025.

[3] In June 2023, the EU updated its Horizontal Guidelines to clarify that the antitrust rules do not stand in the way of agreements between competitors that pursue a sustainability objective, clarify exemption processes, and provide a soft safe harbour for sustainability standardisation agreements that meet certain conditions; in October 2023, the UK's Competition and Markets Authority published final Green Agreements Guidance to ensure businesses are not unnecessarily deterred from lawfully collaborating on climate, including introducing an exemption process for climate agreements;

- ensure Australian businesses remain competitive with global peers operating under similar frameworks.

We recommend that the ACCC also consider whether additional measures may be necessary or valuable to provide greater confidence to market participants, including by looking at international examples such as those in the UK and the EU.

3. Conclusion

We welcome the ACCC's initiative in exploring new class exemptions as part of the Government's productivity agenda. A sustainability class exemption would:

- enhance regulatory certainty;
- unlock beneficial collaboration across industries; and
- accelerate Australia's transition to a sustainable, resilient, and competitive economy.

We would also welcome the opportunity to engage further on potential design parameters for such an exemption, drawing on international experience and sectoral examples.