

Completed acquisition by Veolia Environnement S.A. of a minority shareholding in Suez S.A. and anticipated public takeover bid by Veolia Environnement S.A. for the remaining share capital of Suez S.A.

Terms of reference

1. In exercise of its duty under section 33(1) of the Enterprise Act 2002 (the **Act**) the Competition and Markets Authority (**CMA**) believes that it is or may be the case that:
 - (a) arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation, in that:
 - (i) enterprises carried on by Veolia Environnement S.A. will cease to be distinct from enterprises carried on by Suez S.A.; and
 - (ii) the condition specified in section 23(1)(b) of the Act is satisfied; and
 - (b) the creation of that situation may be expected to result in a substantial lessening of competition within a market or markets in the United Kingdom (**UK**) for goods or services, including:
 - The supply of complex waste management contracts procured by local authorities in the UK;
 - The supply of non-hazardous commercial and industrial waste collection services in the UK;
 - The supply of non-hazardous municipal waste collection services in the UK;
 - The supply of services for the operation and maintenance (**O&M**) of local authority-owned energy recovery facilities in the UK;
 - The supply of non-hazardous waste incineration services at local level in the Teesside, Wilton 11, Marchwood, and Kemsley local areas;

- The supply of organic waste composting services at open-windrow composting facilities at local level in the Coven and Packington local areas;
 - The O&M of water and wastewater treatment facilities for industrial customers in the UK; and
 - The supply of mobile water services in the UK.
2. Therefore, in exercise of its duty under section 33(1) of the Act, the CMA hereby makes a reference to its chair for the constitution of a group under Schedule 4 to the Enterprise and Regulatory Reform Act 2013 in order that the group may investigate and report, within a period ending on 6 June 2022, on the following questions in accordance with section 36(1) of the Act:
- (a) whether arrangements are in progress or in contemplation which, if carried into effect, will result in the creation of a relevant merger situation; and
 - (b) if so, whether the creation of that situation may be expected to result in a substantial lessening of competition within any market or markets in the UK for goods or services.

Andrea Coscelli
Chief Executive
Competition and Markets Authority
21 December 2021