



Competition Act 1998

1998 CHAPTER 41

PART I

COMPETITION

CHAPTER I

AGREEMENTS

The prohibition

2 Agreements etc. preventing, restricting or distorting competition.

- (1) Subject to section 3, agreements between undertakings, decisions by associations of undertakings or concerted practices which—
- (a) may affect trade within the United Kingdom, and
 - (b) have as their object or effect the prevention, restriction or distortion of competition within the United Kingdom,
- are prohibited unless they are exempt in accordance with the provisions of this Part.
- (2) Subsection (1) applies, in particular, to agreements, decisions or practices which—
- (a) directly or indirectly fix purchase or selling prices or any other trading conditions;
 - (b) limit or control production, markets, technical development or investment;
 - (c) share markets or sources of supply;
 - (d) apply dissimilar conditions to equivalent transactions with other trading parties, thereby placing them at a competitive disadvantage;
 - (e) make the conclusion of contracts subject to acceptance by the other parties of supplementary obligations which, by their nature or according to commercial usage, have no connection with the subject of such contracts.

Changes to legislation: Competition Act 1998, Cross Heading: The prohibition is up to date with all changes known to be in force on or before 15 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (3) Subsection (1) applies only if the agreement, decision or practice is, or is intended to be, implemented in the United Kingdom.
- (4) Any agreement or decision which is prohibited by subsection (1) is void.
- (5) A provision of this Part which is expressed to apply to, or in relation to, an agreement is to be read as applying equally to, or in relation to, a decision by an association of undertakings or a concerted practice (but with any necessary modifications).
- (6) Subsection (5) does not apply where the context otherwise requires.
- (7) In this section “the United Kingdom” means, in relation to an agreement which operates or is intended to operate only in a part of the United Kingdom, that part.
- (8) The prohibition imposed by subsection (1) is referred to in this Act as “the Chapter I prohibition”.

Modifications etc. (not altering text)

- C1** S. 2 restricted (31.12.2020) by S.I. 2019/93, Sch. 4 para. 17A(1) (as inserted by [The Competition \(Amendment etc.\) \(EU Exit\) Regulations 2020](#) (S.I. 2020/1343), regs. 1(1), **40(2)**)
- C2** S. 2(1) excluded (18.6.2001) by 2000 c. 8, **ss. 164(1)(2)(4)**; S.I. 2001/1820, art. 2, **Sch.**
S. 2(1) excluded (3.9.2001) by 2000 c. 8, **s. 311(9)**; S.I. 2001/2632, art. 2(2), **Sch. Pt. 2**
- C3** S. 2(1) excluded (28.3.2012) by [The Competition Act 1998 \(Public Policy Exclusion\) Order 2012](#) (S.I. 2012/710), arts. 1, **4**
- C4** S. 2(1) excluded (E.) (28.3.2020) by [The Competition Act 1998 \(Health Services for Patients in England\) \(Coronavirus\) \(Public Policy Exclusion\) Order 2020](#) (S.I. 2020/368), arts. 1(1), **4** (with art. 1(2))
- C5** S. 2(1) excluded (28.3.2020) by [The Competition Act 1998 \(Groceries\) \(Coronavirus\) \(Public Policy Exclusion\) Order 2020](#) (S.I. 2020/369), arts. 1, **6**
- C6** S. 2(1) excluded (28.3.2020) by [The Competition Act 1998 \(Groceries\) \(Coronavirus\) \(Public Policy Exclusion\) Order 2020](#) (S.I. 2020/369), arts. 1, **5**
- C7** S. 2(1) excluded (28.3.2020) by [The Competition Act 1998 \(Solent Maritime Crossings\) \(Coronavirus\) \(Public Policy Exclusion\) Order 2020](#) (S.I. 2020/370), arts. 1, **4**
- C8** S. 2(1) excluded (21.4.2020) by [The Competition Act 1998 \(Health Services for Patients in Wales\) \(Coronavirus\) \(Public Policy Exclusion\) Order 2020](#) (S.I. 2020/435), arts. 1(1), **4** (with art. 1(2))
- C9** S. 2(1) excluded (temp.) (2.5.2020) by [The Competition Act 1998 \(Dairy Produce\) \(Coronavirus\) \(Public Policy Exclusion\) Order 2020](#) (S.I. 2020/481), arts. 1, **5, 6** (with art. 10)
- C10** S. 2(1) excluded (7.11.2021) by [The Competition Act 1998 \(Football Broadcasting Rights\) \(Public Policy Exclusion\) Order 2021](#) (S.I. 2021/1148), arts. 1(1), **3** (with art. 5)
- C11** S. 2(1) excluded (7.11.2021) by [The Competition Act 1998 \(Football Broadcasting Rights\) \(Public Policy Exclusion\) Order 2021](#) (S.I. 2021/1148), arts. 1(1), **4** (with art. 5)
- C12** S. 2(1) excluded (temp.) (15.11.2021) by [The Competition Act 1998 \(Carbon Dioxide\) \(Public Policy Exclusion\) Order 2021](#) (S.I. 2021/1169), arts. 1(1), **4** (with art. 7)
- C13** S. 2(5) applied (1.5.2004) by [The Competition Act 1998 and Other Enactments \(Amendment\) Regulations 2004](#) (S.I. 2004/1261), regs. 1(a), **7(3)**

Changes to legislation:

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

- [Blanket Amendment](#) words substituted by [2005 c. 4 Sch. 11 para. 5](#)

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 31G-31L and cross-heading inserted by S.I. 2019/93, reg. 8A (as inserted) by [S.I. 2019/1245 reg. 3](#) (This amendment not applied to [legislation.gov.uk](#). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)
- s. 46(3)(ha)(hb) inserted by S.I. 2019/93, reg. 14(d) (as inserted) by [S.I. 2019/1245 reg. 5](#) (This amendment not applied to [legislation.gov.uk](#). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)
- s. 47(1)(ca) inserted by S.I. 2019/93, reg. 15(b) (as substituted) by [S.I. 2019/1245 reg. 6](#) (This amendment not applied to [legislation.gov.uk](#). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)
- s. 60A(10) inserted by [2023 c. 28 s. 6\(10\)](#)
- Sch. 6A para. 1A inserted by S.I. 2019/93, reg. 29A(2) (as inserted) by [S.I. 2019/1245 reg. 7](#) (This amendment not applied to [legislation.gov.uk](#). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)
- Sch. 6A Pt. 3 inserted by S.I. 2019/93, reg. 29A(4) (as inserted) by [S.I. 2019/1245 reg. 7](#) (This amendment not applied to [legislation.gov.uk](#). The affecting statutory instrument has no legal effect. It was made under a procedure which meant that it ceased to have effect 28 days after signing unless it was debated and approved in Parliament within that time. It was not debated and approved within 28 days, so it has expired with no effect.)