

# **A study on the Development of the Industrial Paper Field and the Competition Law in the Digital and Environmental Age**

## **Abstract**

Keyword(s) : industrial paper 、 antitrust laws 、 digital

The paper and pulp industry is the world's oldest sustainable recycling industry, and it is also one of the most resource-consuming and polluting industries. This industry accounts for up to one-third of the world's timber harvesting. For each ton of paper, 20 unsawn timbers need to be felled. With the rise of the e-commerce platform economy, industrial paper manufacturers began to develop high value-added paper and cartons with design and marketing orientation. They also changed to use electronic equipment and strengthened ecommerce capabilities. In the digital age, industrial paper companies often adopt upstream and downstream strategic alliances to improve their competitive advantage. Based on the current development of the industrial paper industry in the United States, Europe, Asian countries and Chinese-Taipei in the digital and environmental protection era, this research discussed the important issues of the development of competition law. Additionally, this research assists the entrusting agency to establish the handling principles for the interactive relationship between the industrial development of the industrial paper field and the competition law regulations. The goal of this research is to assist the entrusting agency to handle the legal measures for the industrial paper industry and competition law in the era of digital and environmental protection while taking into account fair competition and consumer rights, which will be beneficial to the competition law authority. In the future, because a proper legislative structure and law enforcement mindset will be developed for related industries.

This project particularly discuss the development of industrial paper and related competition issues from the perspective of new digital technology and emerging environmental protection trends, and discusses other international practices on related issues:

1. In response to the rising awareness of the environmental protection industry and environmental protection in various countries, the application of competition laws and the formulation of relevant regulations have also received more and more attention. The OECD has also discussed relevant topics in depth at the roundtable meetings over the years. The research team found that the most detailed and up-to-date information on topics such as digital sustainability and environmental protection is the Sustainability and Competition Law and

Policy Report issued by the OECD in January 2021. This report mainly discusses, what is sustainability? In international law, what is the development process of the concept of sustainability? And how will competition laws and policies be affected by the important concept of sustainability or sustainable development?

2. At the EU level, the Commission initiated a public consultation on competition law and sustainability issues on October 13, 2020, and all European policies will play a role in helping "Europe move towards sustainability." The European Commission (Commission) has launched a very ambitious blueprint-the European Green Agreement, which aims to make Europe the first climate neutral continent.
3. Japan established the SDGs Promotion Headquarters. This unit promotes SDGs by issuing sustainable development goal implementation guidelines, sustainable development goal action plans, and establishing the Japan Sustainable Development Goals Award.

In addition, in order to clarify the legal issues that may arise from recycling related activities, The Fair Trade Commission of Japan also put forward relevant guidelines to respond. In this research project, the research team adopts socio-legal studies or the orientation of legal sociology to collect original data and summarize and analyze the issues of this case. Therefore, interviews are an important means of collecting information. The interview topic design was derived from reading literature, closely linked to the two major topics of "digitalization" and "environmental protection", and discussed with relevant paper industry experts.

In terms of digitization, many industries have moved towards the digital economy, and the industrial paper industry is no exception. However, for competition law issues, do we also need to formulate new laws or amendments to respond to the advent of the digital economy era? In fact, since 1890, there have not been many amendments to the competition law in the United States. They are quite stable and highly dependent on case law. Competition law is a performance based regulation that focuses on efficiency competition, as well as allocation and production, as well as the maintenance of R&D efficiency. As for the specific method used to achieve this state, it is not the concern of the competition law. Therefore, the competition law can be more durable. It is also a legal regulation related to competition. The industrial control law is process-based regulation. It is more necessary to amend the law, formulate a special chapter or formulate a special law in response to the advent of the digital economy. Since there are different perspectives toward the proper approaches for the digital economy era among the competition law agencies and the international society, it is advisable to adopt a comprehensive legal structure review

and not to take overly aggressive measures at this stage. Therefore, the necessary response actions include the need to adjust competition law analysis tools; improve law enforcement knowledge and skills, and fully realize that the dominant Internet business in the future is more common, but it may also be more vulnerable. In terms of environmental protection issues, climate change is one of the most important priorities facing the international community. Can the competition law consider the factors of sustainable development? In this regard, the European Commission believes that many antitrust systems around the world have empowered relevant competition agencies to consider issues of public interest in addition to considering "pure" economic efficiency. Increasing attention to environmental issues has motivated companies to adopt sustainable development measures. In many cases, cross-industry cooperation is critical to the success of such programs. Although environmentally friendly products may have a competitive advantage, the cost of developing such products means, especially when adopting green technologies and processes, there is often a competitive disadvantage as a pioneer. In addition, policies that may have a positive impact on the environment often require more than one company to make changes individually. This means that cooperation between companies is usually indispensable for achieving sustainable development goals. Last but not least, we would like to sincerely express thanks to the President of the Fair-Trade Commission, review committees, and friends in the industrial paper industry for their valuable suggestions and research assistance. Undoubtedly, the research team is responsible for all of the fallacies and deficiencies of the report.