Scenarios	Should sector-specific regulation apply?	Should competition law apply?
(A) A negative sustainability effect occurs when firms have no incentive (i) to avoid sustainability harm due to the absence of relevant protective legislation (non-internalisation of a negative externality) or (ii) to produce sustainably because they cannot appropriate the gains due the absence of relevant legislation (non-internalisation of a positive externality).	Yes. The role of regulation (or subsidies) here is to address a market failure.	No. This is not a competition problem since the sustainability effect is unrelated to market power or a restriction of competition.
(B) A negative sustainability effect does not respect the minimum requirements set by regulation and occurs due to market power or restriction of competition.	Yes. There is an infringement of a specific regulatory provision.	Yes. There is a competition problem.
(C) A negative sustainability effect respects the minimum requirements set by regulation and occurs due to market power or restriction of competition.	No. The behaviour does not breach existing regulations.	Yes. There is a competition problem.