

Asda deal for Co-op petrol stations could lead to higher prices or less choice, CMA warns

Asda has been told to fix 13 areas of concern in its plan to buy Co-op petrol stations over fears the deal could lead to higher prices or less choice.

The Competition and Markets Authority (CMA) has given Asda five days to remedy the issues identified or risk a more in depth investigation of the deal.

There are 13 areas across the UK where the CMA is concerned that merging Asda and Co-op businesses could mean insufficient competition.

At present the businesses compete for customers in those locations, which would no longer be the case when stores are merged.

“There’s a risk that customers could face higher prices or worse services in a small number of areas where Asda would face insufficient competition in either groceries or fuel,” the CMA’s senior director of mergers, said.

Any proposals advanced by Asda would be legally binding.

Asda, Britain’s third largest supermarket, [paid £611m](#) for 132 petrol forecourts in August last year. The Co-op Group sold its petrol forecourts division in an effort to [reduce debt and strengthen](#) its balance sheet.

More on Asda



Tesco and Aldi to ration some vegetables due to supply shortages



Asda, Morrisons and Aldi imposing purchase limits on some fruits and vegetables due to supply challenges



Asda and HVS to work on driverless hydrogen HGV in world first

Related Topics:

- [Asda](#)

Responding to the CMA's findings, Asda's co-owner said it was looking forward to working constructively with the CMA over the coming days as it considers the findings.

Be the first to get Breaking News

Install the Sky News app for free



sky



“We remain committed to our long-term strategy to build a convenience business and bring Asda’s great value in fuel and groceries to more customers and communities throughout the UK,” Mohsin Issa said.

Advertisement

Asda was formerly owned by Walmart but is now owned by the Issa brothers and TDR Capital, who also control EG Group, one of the largest independent fuel retailers in Europe.