

## Press release 20 July 2021

## Rule of Law central to making single market and Europe's economy work

Commissioner Reynders has issued the Commission's second Rule of Law report. EuroCommerce Director-General Christian Verschueren underlined the importance to Europe's economy of EU rules and values being observed in all member states:

"All societies rely on the law being applied equally and fairly, and business can only function properly within a predictable and effective legal framework. In removing this cornerstone on which the single market and Europe's institutions are built, countries are undermining the very basis of the EU. They also – short-sightedly - hamper the ability of businesses such as retail and wholesale to invest, create jobs and operate to serve consumers. This is why we strongly support Commissioner Reynders in ensuring that Europe and its citizens can expect all counties to respect the rules-based system which the EU has established, and call upon the Commission to take the action urgently needed to enforce those rules."

Our sector has directly felt the harmful effects of lack of respect of the rule of law, particularly, but not exclusively, in Central and Eastern Europe. Retailers and wholesalers in these countries face arbitrary administrative and legislative action, often by decree sidestepping normal parliamentary procedures, with no proper access to national decision-makers and often judicial systems unable to function efficiently and independently to provide proper redress.

We see some governments adopting measures which are patently an infringement of EU law, or do not respect national case law - and ignore or seek to silence criticism during the decision-making process. Others use implementation of EU legislation to add on measures incompatible with that legislation and with EU law more generally.

## We are therefore calling upon:

- the Commission to use any available instrument to act expeditiously against any infringement of rule of law, including making EU funding conditional on its respect;
- the Commission to make the business perspective an integral part or a dedicated chapter of the annual rule of law report from next year onwards;
- Member States to respect rule of law and to refrain from protectionist and discriminatory measures against EU businesses active in their territory;
- the European Parliament to continue its excellent work in maintaining pressure on all EU and national institutions to restore and maintain rule of law across the EU.

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