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Single Market Emergency Instrument - Public consultation 2022

Introduction

SMEI public consultation

A short introduction on the Single Market Emergency Instrument (SMEI)

The European Council in its Conclusions of 1-2 October 2020 stated that the EU will draw the lessons from the COVID-19 crisis and address remaining fragmentation, barriers and weaknesses of the Single Market in facing emergency situations. In the Update of the Industrial Strategy Communication [1], the Commission announced an instrument to ensure the free movement of persons, goods and services, as well as greater transparency and coordination in times of crisis.

The overall Single Market legal framework is considered sound, however some of its features (e.g. the lack of information on the availability of goods needed in a crisis or the lack of communication and coordination channels dedicated to Single Market crisis management) are likely to hamper the EU's ability to respond to any major crisis with important cross-border effects, such as a public health crisis, a natural disaster or a major technological accident that can significantly hinder free movement of persons, goods and services and/or disrupt supply chains. Furthermore, some of the Single Market rules and requirements – while useful and necessary – lack the flexibility that can make the difference in times of emergency.

Russia's invasion of Ukraine has raised further issues about ensuring the resilience of the Single Market in times of crisis, especially in areas where Europe is heavily dependent on strategic foreign sources of supply, such as certain critical raw materials. The Single Market is a key asset in managing a crisis and strengthening the EU's economic resilience and, while resilience of the Single Market is the prime responsibility of the European businesses, the EU and its Member States may take actions to leverage the power of the Single Market to better solve crises. Confronted with growing instability, strategic competition and security threats, the meeting of EU leaders in Versailles on 10-11 March 2022 highlighted the need to build a more robust economic base, which is more resilient, competitive and fit for the green and digital transitions. building the strengths the Single Market. on

As stated in the Industrial Strategy Update in 2021, while industry is best placed to improve resilience and reduce vulnerabilities, through diversification of suppliers, substitution of inputs and use of secondary raw materials, the Commission is identifying public policy measures that can support industry's efforts to address dependencies and to develop strategic capacity needs: diversifying supply and demand relying on different trading partners whenever possible, but also stockpiling and acting autonomously whenever

necessary. This can include a need to enhance means to prevent disruptions and prepare for crises, and respond to crises in a more effective way.

The main policy objective of the initiative is to guarantee its smooth functioning in times of crisis by providing: (1) adequate coordination and communication mechanisms between EU institutions, Member States and stakeholders; (2) the means to ensure the resilience of the Single Market including availability of products and services relevant for a certain type of crisis, and guaranteeing as much as possible the free circulation of goods, services and persons in times of crisis.

[1] Communication "Updating the 2020 New Industrial Strategy: Building a stronger Single Market for Europe's recovery", COM(2021)350 final, 05 May 2021.

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| martinez@eurocommerce.eu |
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| | | Mariana Islands | |
| Cambodia | Hungary | North Korea | Trinidad and Tobago |
| Cameroon | Iceland | North Macedonia | a [©] Tunisia |
| Canada | India | Norway | Turkey |
| Cape Verde | Indonesia | Oman | Turkmenistan |
| Cayman Islands | Iran | Pakistan | Turks and |
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| Central African Republic | Iraq | Palau | Tuvalu |

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| Christmas Island | Italy | Paraguay | United Kingdom |
| Clipperton | Jamaica | Peru | United States |
| Cocos (Keeling) | Japan | Philippines | United States |
| Islands | | | Minor Outlying |
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| Colombia | Jersey | Pitcairn Islands | Uruguay |
| Comoros | Jordan | Poland | US Virgin Islands |
| Congo | Kazakhstan | Portugal | Uzbekistan |
| Cook Islands | Kenya | Puerto Rico | Vanuatu |
| Costa Rica | Kiribati | Qatar | Vatican City |
| Côte d'Ivoire | Kosovo | Réunion | Venezuela |
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Questionnaire

Obstacles to free movement of persons, goods and services

The Single Market is the core of the EU economy and the key to recovery from any crisis. The proper functioning of the Single Market can however be disrupted in times of crisis, either directly by forces of nature or by unilateral regulatory restrictions.

As the first and subsequent waves of COVID-19 were rolling over Europe, several Member States introduced a variety of restrictions directly affecting the basic freedoms of the Single Market, such as the free movement of goods, services and persons. While the protection of public health can serve as a legitimate reason to limit free movement, the measures taken by Member States cannot extend beyond what is strictly necessary. The introduced restrictions led to delays and interruptions in the flow of goods and services, resulting in cascading detrimental effects on businesses and livelihoods.

In the course of the COVID-19 crisis, the EU developed a number of facilitating measures to mitigate the effect of national restrictions and used the existing mechanisms to coordinate the crisis management. Lessons learnt from the crisis will be used to analyse whether there is a need to reinforce or complement existing tools, including designing a horizontal targeted emergency tool such as the Single Market Emergency Instrument that will allow dealing with future crises, irrespective their nature. To this end, the Commission seeks the views of stakeholders on the following aspects:

| <u>1.</u> | Please indicate to which extent: | | | |
|-----------|----------------------------------|--|--|--|
| | | | | |

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| you were negatively affected by the restrictions on free movement of persons, cross-border service provisions or export of goods? | • | 0 | 0 | 0 | 0 | • |

2. if indicating as affected in question 1

Please indicate in which areas you were negatively affected by the restrictions on free movement of persons (tick all that apply):

at most 8 answered row(s)

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|--|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| <u>a.</u> in your private activities as a consumer /service recipient | 0 | 0 | 0 | 0 | 0 | • |
| b. in your professional activity as a worker | 0 | 0 | 0 | 0 | 0 | • |
| <u>c.</u> in your professional activity as a service provider | • | 0 | 0 | 0 | 0 | 0 |
| <u>d.</u> in your professional activity as an entrepreneur | • | 0 | 0 | 0 | 0 | 0 |
| <u>e.</u> as a company employing cross-border workers | 0 | • | 0 | 0 | 0 | 0 |
| <u>f.</u> as a company relying on cross-border service providers | • | 0 | 0 | 0 | 0 | 0 |
| g. as a public authority/public employer employing cross-border workers or relying on cross-border service providers | 0 | 0 | 0 | 0 | 0 | • |
| h. as a citizen wishing to travel within the EU, e.g. for visiting relatives | 0 | 0 | 0 | 0 | 0 | • |

2.i Other? Please specify:

EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 27 countries and 5 million companies, including leading global players and many small businesses. Over a billion times a day, retailers and wholesalers distribute goods and provide an essential service to millions of business and individual customers. The sector generates 1 in 7 jobs, offering a varied career to 26 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector.

Our members sell via physical and digital sales channels or a combination thereof. They sell food and non-

food products, locally, domestically and cross-border.

In this respect, our contribution to this public consultation is on behalf of our members. EuroCommerce has extensively supported its members in the past years during the COVID pandemic and more recently the war in Ukraine by providing a platform for exchange and collecting and sharing data of the developments in Europe.

Our members are (cross-border) service providers within the meaning of the Services Directive.

2.j (Optional) Please elaborate on the negative impacts from your perspective and provide, to the extent possible, costs estimations, ideally in absolute numbers but also as a percentage of your regular sales or the prices your company had before :

We have submitted several documents to this public consultation providing more facts and figures about the impact of the different crises on the retail and wholesale sector.

During the course of the pandemic several times for varying periods of time many shops (retailers) had to close. All Member States, by themselves, made a distinction between what was deemed essential and non-essential retail. Because the definition was different everywhere, and a shop's assortment could contain both type of products this led to a lot of confusion and in some cases for shops that competed with each other regarding a specific part of their assortment, one could remain open while the other had to close. Closing a store in many case led to a 100% turnover reduction if the retailer did not have digital sales channels. In the course of the pandemic many SMEs (80% did not have a digital sales channel pre-COVID) started selling online directly or via an online marketplace. The share of consumers shopping online increased to 64% with more than 80% amongst the less than 35 years old

For food retail, which in general was deemed to be essential, the impact was different. At the start it was difficult to acquire the appropriate protective equipment for employees and customers, the closing of borders or reinstatement of border controls led to a significant delay in supplying stores, varying over time rules regularly changes about the number of clients were allowed at the same time in a store (these rules were different everywhere), the type of consumers based on age or occupation at a certain moment of the day, etc. This led to significant costs for businesses.

Due to the border crossing restrictions many cross-border employees working in stores, distribution centres or delivery could not come to work. This worsened the at that time existing supply disruption of store.

Due to global supply chain disruptions that were created during the COVID pandemic there was a sharp increase of container shipping (mostly non-food products).

In some cases, emergency measures by member states seemed to favour certain business models over others without a very clear justification. In the case of Bulgaria the Commission opened and infringement procedure against a law obliging large retailers to allocate 90% of shelf space to regional dairy products. The law was a direct violation of the free movement of goods. The law was presented as part of an 'emergency policy' package.

It was sometimes difficult for retailers to comply with all the rules. They changed sometimes quickly and then there was not always enough time to implement the measures in business operations or they changed so often it was difficult to keep up. In some Member States certain rules were established at the regional level, this led to further confusion and costs for retailers operation nationally.

Food wholesalers were in many cases impacted heavily because their business customers often had to close down e.g. bars, restaurants, school or business canteens, caterers, etc. They are less visible for the

wider public and in many cases could not rely on government support measures.

Impact of the Ukraine war:

- Increased container shipping and commodity prices.
- Inflation due to the Ukraine war and spike in energy prices.
- Certain supply chains faced disruptions, except for the food industry.
- Great uncertainty provided by decision-makers. National measures to contain the pandemic were sometimes difficult to spot, since there is not a notification system. Some of them did not gave companies enough room for preparation, for instance, restrictions on the number of employees allowed in shops, that may lead to the close of the shop due to the need of more workers. Companies had to be very flexible and resilient to overcome these situations. EU sanctions to Russia were not very clear, further guidance on how to apply them was missing.
- Consumer confidence is sensitive to crises. It was negatively affected by both crises, the Covid pandemic and the Russian invasion of Ukraine.
- Increased the use of Marketplaces for online selling. According to a Eurostat, 45% of European companies selling online did so through e-commerce marketplaces.
- <u>3.</u> Please indicate the extent to which you believe that the following type of restrictions introduced in response to the ongoing COVID-19 pandemic have been **n** ecessary and justified in order to protect public health?

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| a. national restrictions limiting the free movement of persons across intra-EU borders, e.g. ban of non-essential trips in the first months of the pandemic | 0 | 0 | • | 0 | 0 | • |
| <u>b.</u> national restrictions/controls limiting the free movement of persons across intra-EU borders after the first few months of the pandemic | 0 | 0 | • | 0 | 0 | • |
| c. national restrictions affecting cross-border service provision (other than restrictions to the free movement of persons) where the service provider (e.g. nurse, physiotherapist, installation or maintenance technician, construction worker or transport worker) needed to travel to the host Member State | © | • | © | • | • | • |
| d. national restrictions affecting cross-border service provision (other than restrictions to the free movement of persons) where the recipient of the service needed to travel to another Member State where the service provider's establishment was located (e.g. repair workshop, practice or clinic) | • | • | © | • | • | • |

| e. national restrictions on intra-EU exports of specific goods (e.g. masks, personal protective equipment (PPE) and /or other goods during the crisis) | 0 | 0 | © | 0 | • | 0 |
|---|---|---|---|---|---|---|
|---|---|---|---|---|---|---|

<u>4.</u> Please indicate the extent to which you believe that there has been **timely**, **sufficient and clear information** from Member States available on the following type of restrictions when they were introduced in response to the COVID-19 pandemic and Russia's invasion of Ukraine?

| | to a great extend | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| a. national restrictions limiting the free movement of persons across intra-EU borders, such as on COVID-19 testing requirements | 0 | 0 | 0 | 0 | 0 | • |
| <u>b.</u> national restrictions affecting cross- border service provision (other than restrictions to the free movement of persons), such as national lockdown measures or business closures in certain sectors during the COVID-19 pandemic | 0 | • | © | • | 0 | • |
| c. national restrictions on intra-EU exports of specific goods, such as personal protective equipment (PPE) during the COVID-19 pandemic or agrifood products at the outset of Russia's invasion of Ukraine | 0 | • | 0 | 0 | 0 | • |

<u>5.</u> Please indicate the extent to which you agree with the following statement for the areas below.

Actions taken at the EU level have had a positive role/impact on mitigating or solving negative effects of past and ongoing crises (such as the COVID-19 pandemic and Russia's invasion of Ukraine) on the Single Market:

| | strongly agree | somewhat agree | neutral | somewhat disagree | strongly disagree | do not know |
|--|-------------------|-------------------|---------|----------------------|----------------------|-------------------|
| <u>a.</u> ensuring free movement of goods | 0 | • | 0 | 0 | 0 | 0 |
| <u>b.</u> ensuring free movement of services | 0 | • | 0 | 0 | 0 | 0 |
| | | | | | | |

| <u>c.</u> ensuring free movement of persons | 0 | • | 0 | 0 | 0 | 0 |
|--|---|---|---|---|---|---|
| d. ensuring a sufficient supply of products and services relevant for a certain type of crisis to citizens | • | • | © | • | • | • |
| e. ensuring a sufficient supply of products and services relevant for a certain type of crisis to businesses | • | • | • | • | 0 | 0 |
| <u>f.</u> ensuring an adequate distribution of goods and services of potential relevance to a crisis across the Single Market | • | • | 0 | • | • | • |

5.g Other? Please specify:

EuroCommerce collected information from members about the situation in the countries during both crises. This helped members to better understand trends, effective measures or provided ideas how to address the crisis situation better. EuroCommerce shared that information with the European Commission and informed or asked the Commission for help where appropriate.

During COVID, the biggest impact on retail and wholesale was caused by national and regional measures, which were very different across the EU and even within countries. Obviously the closing of businesses had the most impact, but ad hoc measures, measures in place for only a short period of time, or quickly changing measures made it difficult for businesses to comply and implement them.

The EU ensured a proper coordinated response to the Russian invasion of Ukraine. In general, restrictive measures were promptly communicated to the public after the adoption. We understand that under these exceptional circumstances a normal consultation process with stakeholders such as the business sector wasn't fully feasible. However, those views from stakeholders could have helped to better assess the practical implications of sanctions from the outset. Uniform enforcement of measures by the member states is essential. Guidelines provided by the Commission on sanctions were helpful but often not precise enough to avoid major variations in member state implementation and lack of understanding of the rules and exemptions by individual customs officers. To avoid unnecessary delays and disruption, we would ask for more detailed guidance to national authorities and clear and simple legal definitions in the sanctions package decisions and a compendium of the packages rather than amendments of existing rules to make understanding easier.

6. for all, except Member States

Please indicate the extent to which you benefit or benefitted from measures/tools to facilitate free movement during the COVID-19 crisis such as:

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable | |
|--|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|--|
| | | | | | | | |

| a. Green Lanes system | • | 0 | 0 | 0 | 0 | 0 |
|--|---|---|---|---|---|---|
| <u>b.</u> EU Digital COVID Certificate | 0 | 0 | 0 | 0 | • | 0 |
| c. Re-open EU platform | 0 | 0 | 0 | 0 | • | 0 |
| <u>d.</u> exemptions from restrictions to free movement for cross-border commuters | 0 | 0 | 0 | 0 | • | 0 |
| e. exemptions from restrictions to free movement for transport service providers | 0 | • | 0 | 0 | 0 | • |

6.f Other? Please specify:

Border restrictions disrupted EU food supply chains heavily. It made it difficult to supply stores and distribution centres. Cross-border employees could also not get to work. This made it difficult for food stores to maintain the same service level as pre-crisis. All efforts at EU level to reduce the impact of border restrictions was useful.

<u>7.</u> Please indicate the extent to which you believe that dedicated binding measures are necessary to facilitate the free movement for specific groups of persons and/or service providers in times of crisis, such as (**please tick all that is applicable**):

at most 7 answered row(s)

| | to a great extent | to some extent | to limited extent | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|-------------------|-------------------|
| <u>a.</u> all cross-border workers and cross-border service providers | • | 0 | 0 | 0 | 0 |
| b. all cross-border commuters | • | 0 | 0 | 0 | 0 |
| c. cross-border workers in occupations deemed as essential in a given crisis (could be e.g. health professionals, transport workers, agricultural workers) | • | 0 | 0 | 0 | 0 |
| <u>d.</u> cross-border service providers deemed as essential in a given crisis | • | 0 | 0 | 0 | © |
| e. all posted workers | 0 | 0 | 0 | • | 0 |
| f. posted workers in occupations deemed as essential in a given crisis | 0 | 0 | 0 | • | 0 |
| g. persons travelling for imperative family reasons | 0 | 0 | 0 | 0 | • |

| 7.h | Other? | Please | specify | |
|-----|--------|--------|---------|--|
| | | | | |

Border restrictions disrupted EU food supply chains heavily. It made it difficult to supply stores and distribution centres. Cross-border employees could also not get to work. This made it difficult for food stores to maintain the same service level as pre-crisis.

8. for national authorities responsible for the Single Market

Please indicate the extent to which you believe that the following EU level coordination mechanisms are **necessary** to ensure effective coordination and information exchange on obstacles to free movement:

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|--|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| <u>a.</u> the Integrated Political Crisis Response Mechanism (IPCR) | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>b.</u> the Single Market Enforcement Taskforce (SMET) | 0 | 0 | 0 | 0 | 0 | 0 |
| c. National Transport Contact Point Network under Green Lanes system | 0 | 0 | 0 | 0 | 0 | 0 |
| d. a new dedicated body for coordination and information exchange | 0 | 0 | 0 | 0 | 0 | 0 |

| 8.d | please comment what specific tasks such a body should have : |
|-----|--|
| | |
| 8.e | other existing fora such as Expert Groups, please specify: |
| | |
| | |

Availability of goods and services

By driving innovation and diversifying supply chains across Europe, the Single Market is a key asset in managing a crisis and strengthening the EU's economic resilience. However, the Single Market has also proved to be vulnerable to sudden internal and external disruptions in times of crisis. For example, the COVID-19 global crisis has shown that border closures and breaks in international integrated and not geographically diversified value chains can rapidly escalate, affecting citizens and businesses.

The COVID-19 crisis created a temporary surge in demand for certain products and services primarily in the healthcare sector, creating huge pressure on global supply chains, consequently leading to shortages of, for example, products or trained personnel. The shortage of semiconductors have also forced carmakers to slow down production significantly. Recent events, including Russia's invasion of Ukraine have created challenges for the supply of certain critical raw materials affecting end users, including consumers.

The Commission continues gathering information through various channels, including this public consultation, to understand better supply chain challenges including their causes and impacts.

<u>9.</u> Please indicate how often (if at all) over the past two years you have experienced any of the following difficulties when wishing to purchase **goods** (energy is outside the scope of this questions) ? for each :

| | often | a few times | once or twice | never | do not know | not applicable |
|--|-------|-------------------|---------------------|-------|-------------------|-------------------|
| <u>a.</u> product not available for purchase | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>b.</u> product available for purchase with a very high (at least 30%) price increase | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>c.</u> product available for purchase with a high (at least 10%) price increase | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>d.</u> product available for purchase with a very high delay in delivery | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>e.</u> product available for purchase with a high delay in delivery | 0 | 0 | 0 | 0 | 0 | 0 |

9.f other difficulty, please specify :

Border restrictions disrupted EU food supply chains heavily. It made it difficult to supply stores and distribution centres. Cross-border employees could also not get to work. This made it difficult for food stores to maintain the same service level as pre-crisis. If there were shortages in stores this related to supply chain disruptions and at the beginning of the crisis to hording by customers, but not at any time there was an actual shortage of food products.

10. if replying "often/a few times/once or twice" to question 9

Please indicate for which type(s) of goods you experienced problems related to availability (such as product not being available, or being available with a delay). Please tick all that are applicable:

| at most 12 choice(s) |
|--|
| <u>a.</u> everyday consumer goods, such as food or hygiene products (but |
| excluding food) |
| b. household appliances |
| <u>c.</u> electronic appliances |
| ☑ d. medical goods or personal protective equipment (PPE) |
| e. critical raw materials, e.g. magnesium |
| f. agri-food products |
| |

| <u>g.</u> | intermediate goods (parts or components of final goods) including electric |
|-----------|--|
| an | d electronic components |
| <u>h.</u> | steel |
| <u>i.</u> | industrial equipment such as machinery |
| <u>j.</u> | mobility equipment e.g. vehicles |
| <u>k.</u> | chemical goods, e.g. fertilisers |
| <u>l.</u> | construction materials including wood and cement |
| <u>m.</u> | do not know/not applicable |
| | |

10.n Other? Please specify:

We have answered this question from a retail and wholesale perspective. At the start of the crisis it was difficult to find PPE for the protection of employees and customers in stores that were still allowed open.

11. if replying "often/a few times" to question 9

Please indicate the extent to which you think that the **shortages of goods** that you have experienced were caused or aggravated by any of the following reasons?

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| a. consequences of intra-EU disruption or imperfect functioning of the internal market | • | 0 | 0 | 0 | 0 | • |
| b. consequences of COVID-19 related national or local restrictions (e.g. free movement restrictions in supply chain, closure of businesses) | • | 0 | 0 | 0 | 0 | 0 |
| <u>b.</u> consequences of Russia's invasion of Ukraine | 0 | • | 0 | 0 | 0 | 0 |
| c. supply chain disruptions due to structural issues, such as shipping bottlenecks, demand increases | • | 0 | 0 | 0 | 0 | 0 |
| <u>d.</u> regulatory issues such as lengthy administrative procedures, e.g. permitting | 0 | 0 | 0 | 0 | • | 0 |

11.e Other, please specify:

Main supply chains disruptions for retail and wholesale were caused by restrictions of the Free movement of goods by the member States.

| each: | | | | | | |
|--|---|--|---------------------|---------------------------|-------------------|-------------------|
| | often | a few times | once or twice | never | do not know | not applicable |
| <u>a.</u> service not available for purchase | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>b.</u> service available for purchase with a very high (at least 30%) price increase | 0 | 0 | 0 | 0 | 0 | 0 |
| <u>c.</u> service available for purchase with a high (at least 10%) price increase | 0 | © | © | 0 | • | 0 |
| <u>d.</u> service available for purchase with a very high delay in deliver | 0 | © | © | 0 | 0 | 0 |
| e. service available for purchase with a high delay in delivery | 0 | 0 | © | 0 | © | 0 |
| if. other difficulty, please species. if replying "often/a few time ase indicate for which type(s) ailability/access, e.g. due to contain sectors (please tick all the | es/once or of service(so | s) you e neasur | xperien es or bu | ced pro | blems | |
| if replying "often/a few times ase indicate for which type(s) allability/access, e.g. due to contain sectors (please tick all the most 9 choice(s) a. retail/wholesale services b. maintenance or repair services c. healthcare services d. hospitality services, such | es/once or of service(so infinement re at are app rvices of deas restaure | s) you e measure licable; omestic | xperienes or bu | ced pro Isiness ets | blems | |
| if replying "often/a few times ase indicate for which type(s) allability/access, e.g. due to contain sectors (please tick all the most 9 choice(s) a. retail/wholesale services b. maintenance or repair services c. healthcare services d. hospitality services, such | es/once or of service(so infinement re at are app rvices of deas restaure | s) you e measure licable; omestic | xperienes or bu | ced pro Isiness ets | blems | |
| if replying "often/a few times ase indicate for which type(s) allability/access, e.g. due to contain sectors (please tick all the most 9 choice(s) a. retail/wholesale services b. maintenance or repair sectors c. healthcare services d. hospitality services, such e. transport and logistics sectors f. industrial maintenance or | es/once or of service(so infinement re at are app rvices of deas restaure | s) you e measure licable; omestic | xperienes or bu | ced pro Isiness ets | blems | |

14. if replying "often/once or twice/a few times" to question 12

Please indicate the extent to which you think that the shortages of **services** that you have experienced were caused by any of the following reasons?

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|--|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| 14.a consequences of internal market disruptions | 0 | 0 | 0 | 0 | 0 | 0 |
| 14.b consequences of COVID-19 related local intra-EU restrictions (e.g. free movement restrictions, closure of businesses) | 0 | 0 | 0 | 0 | 0 | • |
| 14.c consequences of Russia's invasion of Ukraine | 0 | 0 | 0 | 0 | 0 | 0 |
| 14.d structural issues such as lack of (qualified) workers/service providers, skills mismatches, demand increases | 0 | 0 | 0 | 0 | 0 | • |

| <u>14</u> | 4.e Other, please specify: | | | | | | | | | |
|-----------|-----------------------------------|--|--|--|--|--|--|--|--|--|
| | | | | | | | | | | |
| | | | | | | | | | | |

16. for businesses

Please indicate how often (if at all) over the past two years you have experienced shortages of any of the following type of workers due to consequences of COVID-19 related restrictions or to structural issues?

| | often | a few times | once or twice | never | do not know | not applicable |
|--|-------|----------------|------------------|-------|----------------|-------------------|
| 15.a transport workers such as truck drivers | • | 0 | 0 | 0 | 0 | 0 |
| 15.b health professionals | 0 | 0 | 0 | 0 | 0 | 0 |
| 15.c agricultural workers | 0 | 0 | 0 | 0 | 0 | 0 |
| 15.d restaurant and/or hotel personnel | 0 | 0 | 0 | 0 | 0 | 0 |

15.e Other, please specify:

Border restrictions disrupted EU food supply chains heavily. It made it difficult to supply stores and distribution centres. Cross-border employees could also not get to work. This made it difficult for food stores to maintain the same service level as pre-crisis.

16. if replying "often/a few times/once or twice" to question 15

Please indicate the extent to which you think that the shortages of workers that you have experienced were caused by any of the following reasons?

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|--|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| 16.a consequences of COVID-19 related local intra-EU restrictions (e.g. free movement restrictions, closure of businesses) | 0 | • | 0 | 0 | 0 | 0 |
| 16.b consequences of Russia's invasion of Ukraine | 0 | • | 0 | 0 | 0 | 0 |
| 16.c structural issues such as lack of (qualified) workers/service providers, skills mismatches, demand increases | 0 | 0 | 0 | 0 | • | • |

16.d Other, please specify:

During COVID, there were also a lot of people sick, in quarantine, were afraid to go to work, or had to take care of family members. Also, the Russian invasion of Ukraine led to shortage of workers, especially in Central and Western Europe.

17. for businesses

Please indicate how often (if at all) over the past two years you have experienced any of the following consequences due to difficulties in purchasing goods and/or services?

| | often | a few times | once or twice | never | do not know | not applicable |
|------------------------------------|-------|----------------|------------------|-------|----------------|-------------------|
| 17.a lower production volumes | 0 | 0 | • | 0 | 0 | 0 |
| 17.b delays in production | 0 | 0 | • | 0 | 0 | 0 |
| 17.c lost business opportunities | 0 | 0 | 0 | 0 | 0 | 0 |
| 17.d lost investment opportunities | 0 | 0 | 0 | 0 | 0 | 0 |
| 17.e liquidity problems | 0 | • | 0 | 0 | 0 | 0 |
| 17.f staff redundancies | 0 | • | 0 | 0 | 0 | 0 |
| 17.g do not know/not applicable | 0 | 0 | 0 | 0 | 0 | 0 |

17.h Other, please specify:

Due to national support measures most retailers and wholesalers have managed to get through the crisis. For non-food retail we expect a high number of insolvencies. The debt rate of the retail sector is in general at an all time high.

17.i for businesses

Please provide any qualitative and/or quantitative information to explain your choice (s). Specifically, what would be the cost/burden for you and/or your organisation?

Huge turnover loss for non-food, sometimes even minus 100%. Physical stores had to go online but this did not fully replace the lost offline turnover.

The debt of stores has increased dramatically.

18. for businesses

Please indicate what types of measures (if at all) you have taken as a company to mitigate any negative effects over the past two years related to shortages in goods and/or services, e.g. due to the COVID-19 pandemic or Russia's invasion of Ukraine:

| | yes | no | do not know | not applicable |
|--|-----|----|----------------|-------------------|
| 18.a setting up of/updating company-internal contingency plans and/or risk assessments | • | 0 | 0 | 0 |
| 18.b making use of alternative sources of supply | 0 | 0 | 0 | • |
| 18.c tailoring/changing offer, e.g. by repurposing production lines | 0 | 0 | 0 | • |
| 18.d storage or stockpiling, e.g. of critical raw materials necessary for production | 0 | 0 | 0 | • |
| 18.e outsourcing | 0 | 0 | 0 | • |
| 18.f none of the above/have not taken any | 0 | 0 | 0 | 0 |

| 18.g | Other mitigation measures, please explain : |
|------|---|
| | |
| | |

19. for businesses

Based on your experience, please indicate to what extent :

| to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| | | | | | |

| 19.a actions taken by companies and platform to limit the effects of the COVID- | • | 0 | 0 | 0 | 0 | 0 |
|---|---|---|---|---|---|---|
| 19 restrictions had a positive effect for your business | | | | | | |

19.b Additional comments, please specify:

Non-food or non-essential retailers that had to close down without an online presence had to create an online business or face a 100% turnover loss. In these cases, online marketplaces provided businesses with the possibility to start fairly easy online.

Possible policy options, optional modules and their impacts

While resilience of the Single Market is the prime responsibility of the European industry, in the context of this initiative, the Commission will assess a number of possible policy options structured along two pillars operational in a specific phase (crisis preparedness and crisis response). The final inclusion of and precise contents of each pillar would be defined on the basis of the feedback received in the context of consultation activities and the impact assessment, and would include specific options to be combined for each crisis situation. The policy options could be based on optional modules e.g. targeted monitoring of identified strategic supply chains, module for mitigating measures or module for streamlined procedure for placing on the market products relevant for a certain type of crisis. Such modules are aiming at enhancing crisis preparedness and crisis response at the EU level to improve the EU's ability to anticipate, prepare for and respond future crisis affecting the Single Market. to any

To this end, the Commission will assess an option focused on non-legislative measures, a hybrid option combining legislative and non-legislative measures and a third option proposing a legislative framework with a broader range of crisis management measures.

In assessing the most appropriate policy options, the Commission seeks your views on the following optional modules.

20. Please indicate to what extent you believe that the following measures are adequate to anticipate disruptions and prepare for crises before they arise :

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| 20.a targeted monitoring mechanism of supply chains through data gathered from economic operators to anticipate shortages affecting the smooth functioning of the Single Market | 0 | • | © | 0 | • | • |
| 20.b regular risk assessment by industry | 0 | 0 | 0 | 0 | 0 | 0 |
| 20.c regular risk assessment by Member States | • | 0 | 0 | 0 | 0 | 0 |
| 20.d regular risk assessment by the Commission | • | 0 | 0 | 0 | 0 | 0 |

| 20.e emergency training drills for national and EU experts | 0 | 0 | 0 | 0 | • | 0 |
|--|---|---|---|---|---|---|
| 20.f promoting the reinforcement of the resilience of the EU economy through voluntary industry-driven initiatives | 0 | • | 0 | 0 | 0 | • |
| 20.g promoting the reinforcement of the resilience of the EU economy through mandatory industry-driven initiatives | 0 | 0 | 0 | • | 0 | 0 |

20.h if replying "to a great extent/to some extent/to limited extent" to question 20.a

How can we design a mechanism to identify these supply chains? What are the supply chains that should be monitored today if any?

EuroCommerce believes that the SMEI should focus on ensuring that the single market and the free movements remain fully operational. Member States should refrain from unilateral and non-coordinated measures. Whether the SMEI should entail supply chain mechanism is debatable and is likely best addressed under the Commission Industrial Strategy.

There may be a role for the Commission looking at disruptions of global supply chains e.g. sea and air freights.

21.1 if replying "to a great extent/to some extent/to limited extent" to question 20.a

Please indicate to what extent you believe that **to anticipate and prepare for** a crisis, the necessary information about identified supply chains should be provided by the industry as follows:

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|--|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| 21.1.a to the Member States on a voluntarily basis | 0 | 0 | • | 0 | 0 | 0 |
| 21.1.b to the Member States on a mandatory basis | 0 | © | 0 | • | 0 | 0 |
| 21.1.c to the Commission on a voluntary basis | • | 0 | 0 | 0 | 0 | 0 |
| 21.1.d to the Commission on a mandatory basis | 0 | 0 | 0 | • | 0 | 0 |

21.2 for businesses replying "to a great extent/to some extent/to limited extent" to question 20.a

Please provide an assessment of the **impacts** (implementation costs/benefits) of the measure(s) you selected **in the above question**:

Implementation costs

| Measure necessary information about identified supply chains should be provided by the industry: | none | very low | low | moderate | high | very high | do not know |
|--|------|-------------|-----|----------|------|--------------|-------------------|
| 21.2.a to the Member States on a voluntarily basis | 0 | 0 | • | 0 | 0 | 0 | 0 |
| 21.2.b to the Member States on a mandatory basis | 0 | 0 | 0 | 0 | • | 0 | 0 |
| 21.2.c to the Commission on a voluntary basis | 0 | 0 | • | 0 | 0 | 0 | 0 |
| 21.2.d to the Commission on a mandatory basis | 0 | 0 | 0 | 0 | • | 0 | 0 |

Benefits

| Measure necessary information about identified supply chains should be provided by the industry: | none | very low | low | moderate | high | very high | do not know |
|--|------|-------------|-----|----------|------|--------------|-------------------|
| 21.2.e to the Member States on a voluntarily basis | 0 | 0 | 0 | 0 | 0 | 0 | • |
| 21.2.f to the Member States on a mandatory basis | 0 | 0 | 0 | 0 | 0 | 0 | • |
| 21.2.g to the Commission on a voluntary basis | 0 | 0 | 0 | 0 | 0 | 0 | • |
| 21.2.h to the Commission on a mandatory basis | 0 | 0 | 0 | 0 | 0 | © | • |

22. if replying "to a great extent/to some extent/to limited extent" to question 21.1.a & b

Please indicate if you believe that the information collected by the Member States on the identified supply chains :

| | to a great extent | to some extent | to limited extent | not at all | do not know |
|--|----------------------|-------------------|-------------------|------------------|----------------|
| 22.a should be provided to the Commission on voluntary basis | 0 | 0 | • | 0 | 0 |
| 22.b should be provided to the Commission on mandatory basis | © | 0 | 0 | 0 | • |

| 22.c should not be provided to the Commission | 0 | 0 | 0 | • | 0 |
|---|---|---|---|---|---|

<u>23.1</u> Please indicate to what extent you believe that **to respond to a crisis**, the necessary information about severely disrupted supply chains and ensuing shortages should be provided by the industry as follows:

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|--|-------------------------|-------------------|-------------------------|------------------|----------------|-------------------|
| 23.a to the Member States on a voluntarily basis | 0 | 0 | • | 0 | 0 | 0 |
| 23.b to the Member States on a mandatory basis | 0 | 0 | 0 | • | 0 | 0 |
| 23.c to the Commission on a voluntary basis | • | 0 | 0 | 0 | 0 | 0 |
| 23.d to the Commission on a mandatory basis | 0 | 0 | • | 0 | 0 | 0 |

23.2 for businesses

Please provide an assessment of the **impacts** (implementation costs/benefits) of the measure(s) you selected **in the above question** :

Implementation costs

| Measure the necessary information about severely disrupted supply chains and ensuing shortages should be provided by the industry: | none | very low | low | moderate | high | very high | do not know |
|--|------|-------------|-----|----------|------|--------------|-------------------|
| 23.2.a to the Member States on a voluntarily basis | 0 | 0 | • | 0 | 0 | 0 | 0 |
| 23.2.b to the Member States on a mandatory basis | 0 | 0 | 0 | 0 | • | 0 | 0 |
| 23.2.c to the Commission on a voluntary basis | 0 | 0 | • | 0 | 0 | 0 | 0 |
| 23.2.d to the Commission on a mandatory basis | 0 | 0 | 0 | 0 | • | 0 | 0 |

Benefits

| Measure the necessary information about | | | | | |
|---|------|-----|----------|------|--|
| severely disrupted supply chains and | none | low | moderate | high | |

| ensuing shortages should be provided by the industry : | | very low | | | | very high | do not know |
|--|---|-------------|---|---|---|--------------|-------------------|
| 23.2.e to the Member States on a voluntarily basis | 0 | 0 | 0 | 0 | 0 | 0 | • |
| 23.2.f to the Member States on a mandatory basis | 0 | 0 | 0 | 0 | 0 | © | • |
| 23.2.g to the Commission on a voluntary basis | 0 | 0 | 0 | 0 | 0 | 0 | • |
| 23.2.h to the Commission on a mandatory basis | 0 | 0 | 0 | 0 | 0 | 0 | • |

24. if replying "to a great extent/to some extent/to limited extent" to question 23.1.a & b

Please indicate if you believe that the information about severely disrupted supply chains and ensuing shortages collected by the Member States on the identified supply chains:

| | to a great extent | to some extent | to limited extent | not at all | do not know |
|--|----------------------|-------------------|-------------------|------------------|----------------|
| 24.a should be provided to the Commission on voluntary basis | 0 | 0 | • | 0 | 0 |
| 24.b should be provided to the Commission on mandatory basis | • | 0 | 0 | 0 | 0 |
| 24.c should not be provided to the Commission | 0 | 0 | 0 | • | 0 |

25. if replying "to a great extent/to some extent/to limited extent" to question 20.a

Please indicate what the targeted information needed from industry should consist of in order to **anticipate and prepare for crisis** adequately :

| | yes | maybe | no | do not know | not applicable |
|--|-----|-------|----|-------------------|-------------------|
| 25.a information regarding their production capacities | 0 | 0 | 0 | • | 0 |
| 25.b information regarding their current primary disruptions | 0 | 0 | 0 | • | 0 |
| | | | | | |

| 25.c information regarding existing stocks of goods of potential relevance to that particular crisis | 0 | 0 | 0 | • | 0 |
|--|---|---|---|---|---|
| 25.d information regarding their prices | 0 | 0 | • | 0 | 0 |
| 25.e information regarding their supply chains | 0 | 0 | 0 | • | 0 |
| 25.g any existing data necessary to assess the nature of the crisis or to identify and assess potential mitigation or emergency measures at national or Union level. | 0 | 0 | 0 | • | • |

25.h Other? Please specify:

It is very difficult to answer question 25 because you do not know for what type of crises you need to prepare. So it is unclear if the information mentioned above is useful or not.

26. Please indicate what the targeted information needed from the industry should consist of in order to **manage a crisis** adequately :

| | yes | maybe | no | do not know | not applicable |
|--|-----|-------|----|-------------------|-------------------|
| 26.a information regarding their production capacities | 0 | 0 | • | 0 | 0 |
| 26.b information regarding their current primary disruptions | 0 | • | 0 | 0 | • |
| 26.c information regarding existing stocks of goods of potential relevance to that particular crisis | 0 | • | 0 | 0 | 0 |
| 26.d information regarding their prices | 0 | 0 | • | 0 | 0 |
| 26.e information regarding their supply chains | 0 | • | 0 | 0 | 0 |
| 26.f any existing data necessary to assess the nature of the crisis or to identify and assess potential mitigation or emergency measures at national or Union level. | 0 | • | 0 | 0 | 0 |

26.g Other? Please specify:

During a crisis industry may already have its hand full to manage the crisis. Also systems and definitions may differ, it may be challenging to collect comparable data during a crisis. A good example is prices, does this mean the consumer price, with our without VAT?, purchase price by a business somewhere in the supply chain, production price? In general, it is difficult to answer question 26 if you do not know what type of crises you have to manage.

27. Please indicate to what extent you believe that :

| to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| | | | | | |

| a strategic storage or stockpiling system | | | | | | |
|---|---|---|---|---|---|---|
| for goods of key strategic importance, | | | | | | |
| such as critical raw materials, is | 0 | 0 | • | 0 | 0 | 0 |
| necessary to prevent and prepare for | | | | | | |
| disruptions to adequately manage a crisis | | | | | | |
| ? | | | | | | |

28. for businesses & Member States

How would you consider determining goods of key strategic importance and what are today the goods of key strategic importance ?

This assessment should be done with the industry through stakeholder consultation, surveys, expert groups, etc.

29. for businesses & Member States

| | yes | no | do not know | not applicable |
|--|-----|----|----------------|-------------------|
| Does your organisation have a strategic storage or stockpiling system? | 0 | • | 0 | 0 |

30. for businesses & Member States

| | yes | no | do not know | not applicable |
|--|-----|----|-------------------|-------------------|
| Do you consider that a strategic storage or stockpiling system, coordinated at EU level, could be an efficient solution to crises? | 0 | • | 0 | 0 |

31. if answered "yes" to question 30

How do you consider that this strategic storage or stockpiling should be organised:

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| 31.a market-led voluntary storage or stockpiling by industry | 0 | 0 | 0 | 0 | 0 | 0 |
| 31.b mandatory storage or stockpiling by industry | 0 | 0 | 0 | 0 | 0 | 0 |
| 31.c voluntary stockpiling by Member States' public bodies | 0 | 0 | 0 | 0 | 0 | 0 |
| 31.d mandatory storage or stockpiling by Member States' public bodies | 0 | 0 | 0 | 0 | 0 | 0 |
| 31.e EU level guidance on voluntary storage or stockpiling to be organised at | | | | | | |

| national level, as appropriate (by public and/or private actors) | 0 | 0 | © | 0 | 0 | 0 |
|---|---|---|---|---|---|---|
| 31.f storage or Stockpiling by an EU level body through joint procurement | 0 | 0 | 0 | 0 | 0 | 0 |
| 31.g EU level guidance on rationing /redistributing stocks | 0 | 0 | 0 | 0 | 0 | 0 |
| 31.h EU rules ("solidarity clause") for mandatory redistribution of stocks in view of supply and demand | 0 | 0 | 0 | 0 | 0 | • |

31.i Other? Please specify:

Benefits of the stockpiling should be carefully assessed in the impact assessment; it may entail high costs with very few potential benefits or even without potential benefits at all. Stockpiling may actually disrupt well-functioning supply chains.

31.j for businesses

Please provide any qualitative and/or quantitative information to explain your choice (s). Specifically, what would be the cost/burden for you and/or your organisation?

Retailers and wholesalers are resellers of products and usually not the producer. Storage capacity is limited and costly. The sector will most likely try to anticipate demand during times of crisis and try to ensure consumers and professional customers are able to buy the products they want/need or a substitute. During the COVID pandemic at certain moments there was stockpiling behaviour by consumers, but there was no actual shortage of fast-moving consumer goods or non-food products.

<u>32.</u> Please indicate to what extent you believe that it is necessary to take the following measures at EU level for addressing obstacles to free movement in times of crises:

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| 32.a providing key principles concerning crisis measures restricting the free movement of certain categories of goods as well as persons, workers and professionals | • | 0 | 0 | 0 | 0 | • |
| 32.b conditions/mechanisms for drawing up key principles to determine products and/or services that are indispensable in the context of a given crisis and for facilitating their free movement | 0 | 0 | • | 0 | 0 | © |
| 32.c setting out key principles to identify a blacklist of national measures restricting | | | | | | |

| the free movement of goods, services and | • | 0 | 0 | 0 | 0 | 0 |
|--|---|---|---|---|---|---|
| persons incompatible with the particular | | | | | | |
| crisis situation | | | | | | |

32.d Other? Please specify:

Under normal circumstances local or national measures would be scrutinised in the national decision-making process where in most Member States stakeholders have adequate access to. Certain measures would need to be notified to the Commission e.g. the TRIS notification procedure, Services Directive, etc. Due to the emergency situation member states were allowed to take measures without the normal decision-making process. In certain cases measures appeared to be infringements (e.g. Bulgarian decree obliging large food retailers to reserve 90% of shelve space to local dairy products) or gave at least the impression to favour certain players or business models (different restrictions for small and large shops). Measures were sometimes perceived as ad hoc, not evidence based, needed to be complied with quickly, etc. Since the Ukrainian invasion several Member States considered or did cap food prices (Hungary) or restricted exports to other EU countries of certain goods (Hungary). It should be made clear upfront whether such measures are allowed at all or not. The SMEI should address these measures.

<u>33.</u> Please indicate to what extent you believe that the following actions regarding information sharing and/or notifications of national crisis measure could be an efficient solution to the crisis situations outlined in this questionnaire :

| | to a great extent | to some extent | to limited extent | not at all | do not know | not applicable |
|---|-------------------------|----------------------|-------------------------|------------------|-------------------|-------------------|
| 33.a specific mandatory notification mechanisms for any national crisis measures restricting the intra-EU exportation of goods and restricting services provisions followed by flash peer review by the Member States and the Commission, during which adoption is suspended | • | • | • | • | • | • |
| 33.b voluntary information sharing on national crisis measures by Member States | 0 | • | 0 | 0 | 0 | • |
| 33.c require Member States to notify the national crisis measures and specific exemptions or special treatment that exist for recognised groups such as transport workers and service providers, health care workers, cross-border commuters etc. affecting the Single Market | • | • | • | • | 0 | • |
| 33.d publish the summary of the national crisis measures on a dedicated EU | • | 0 | 0 | 0 | 0 | 0 |

| website where citizens and businesses could acquire information about the national crisis measures | | | | | | |
|--|---|---|---|---|---|---|
| 33.e set up information contact points at EU level where citizens and businesses could acquire further information about the EU and national crisis measures | • | 0 | • | 0 | • | • |
| 33.f require Member States to set up information contact points at national level where citizens and businesses could acquire further information about the national crisis measures affecting the Single Market | • | © | © | 0 | © | © |

33.g Other? Please specify:

Our members appreciated the coordination and data sharing by EuroCommerce with members about the COVID crises measures across Europe. It helped members to assess what measures were affective, made sense and provide national and regional decision-makers with additional ideas and options to mitigate the crisis. This information should be more accesible and the EU should be the point where that information is collected.

It would be important to assess carefully what information businesses (and citizens) would need and to gather this information up to date at EU level in case of a next crisis.

33.h for Member States

| Please provide | e any qualitative and/or quantitative information to explain your choice |
|------------------|--|
| (s). Specificall | y, what would be the cost/burden for you and/or your organisation? |
| | |

34. Please indicate how efficient you believe the following measures are as regards the timely availability of critical products relevant to a crisis :

| | highly efficient | somewhat efficient | neutral | somewhat inefficient | very inefficient | of no use | do not know |
|---|---------------------|-----------------------|---------|-------------------------|---------------------|-----------------|-------------------|
| 34.a streamlining EU product rules (such as mandatory conformity assessment and standards) and prioritising products' controls for a limited time, to enable a swift deployment of products of potential relevance to a crisis on the market | 0 | • | 0 | • | 0 | 0 | 0 |
| 34.b ramping up production capacity, e.g. by repurposing or extending existing production lines on a voluntary basis | 0 | 0 | 0 | 0 | 0 | 0 | • |
| 34.c ramping up production capacity, e.g. by repurposing or extending existing production lines on mandatory basis with governmental support including the possibility of speeding up permitting procedures at national level, as a measure of last resort when the supply of crisis-related goods does not meet the need to adequately manage a crisis | 0 | • | 0 | © | 0 | 0 | • |
| <u>34.d</u> targeted and coordinated distribution of products relevant for a certain type of crisis when there are dire shortages of crisis-relevant resources in times of crisis | 0 | 0 | • | 0 | 0 | 0 | 0 |
| 34.e obligation on undertakings to accept and prioritise orders of goods and services relevant to a crisis in order to enhance their availability during a crisis | 0 | 0 | 0 | • | 0 | 0 | 0 |

34.f Other? Please specify:

It seems logical not to reinvent the wheel here. Any such measures should be discussed and coordinated upfront with industry and build on existing infrastructure and networks.

Possible leeway in labelling or other measures for emergency situations without compromising product safety.

34.g for businesses

Please provide any qualitative and/or quantitative information to explain your choice (s). Specifically, what would be the cost/burden for you and/or your organisation?

EuroCommerce could play a coordinating role in a crisis for members, but does not have the capacity or knowledge to implement the measures mentioned above.

35. for national authorities responsible for the Single Market; for associations representing industry, businesses and professionals; for businesses, including SMEs; for academic experts on free movement in the Single Market

Please indicate what, in your view, would be an appropriate **definition** of a crisis to be contained by the Single Market Emergency Instrument

The definition should be clear and provide predictability. We believe it is important to set out criteria that ensure the SMEI will only be applied when there is a crisis with a true EU dimension. It is difficult to anticipate what future crises lay ahead, but could link to how many EU citizens or Member States are impacted, geographical scope, impact on infrastructure and supply chains. And also capture the sense of urgency and level/intensity of impact for defining what is a crisis. This could be done by developing scenarios /scripts for different types of crises to respond appropriately. We need to ensure that the SMEI will only be used during real times of crises and not be used to justify policies that are not about real EU crises.

Other comments, information or materials

| fur | nctioning of the Single Market. What possible future crisis may the Single Market |
|-----|---|
| Ins | strument address? |
| | |
| | If you wish to elaborate on any of your answers or if you wish to add comments |
| or | information on anything else relevant to this initiative, please do so in the box |
| bel | low. |
| | |

36. The aim of the instrument should address all kinds of future crises affecting the

EuroCommerce believes a targeted instrument to protect the integrity of the single market and ensure the free movements may help to mitigate crises. The main focus should however be on better coordination and collaboration by Member States at EU level, facilitated by the European Commission. It were abrupt or not well-thought through national and regional measures that undermined the functioning of the single market, disrupted supply chains and restricted the free movements. This does not mean that the majority of the measures taken by Member States were not effective in mitigating the crisis, but clearly some measures created new problems or made it more difficult for businesses to operate than would have been necessary.

Therefore we seen no additional value in setting up supply chain mechanisms or creating stockpiling provisions under the SMEI.

What would be helpful are:

- A fast-track notification instrument for national (crisis) measures applicable to the free movements to assess proportionality and compatibility with EU law (e.g., based on the EU TRIS system), also allowing stakeholders to submit their views
- Ensuring that crisis measures are always temporary, maybe even have a maximum duration
- A guidance for Member States on what type of measures are appropriate or proportionate
- A blacklist of which measures are not allowed by default may be useful (e.g., infringement are never allowed)
- Full and up to date information portals where all Member States' measures are available

Regarding all the previous questions about data sharing: EuroCommerce has collected data during crises from members on a voluntary basis and shared that with the Commission on a voluntary basis. In that sense, we do not believe it is necessary to introduce mandatory information requirements on businesses as it is already in their interest during times of crisis to do so. Also, during the COVID and Ukraine crisis businesses were in crisis mode themselves, short of information and had many questions. Putting additional obligations to provide certain information on businesses during times of crises only seems to make the situation more problematic for businesses. In addition, all companies work in different ways, have different systems, use different definitions, etc. It may be very difficult to provide during times of crises easily comparable data from businesses. And sharing certain data may potentially lead to the disclosure of trade secrets and competition law infringements.

In addition, the proposed Data Act already foresees a data sharing obligation in Article 14 based on 'exceptional need'. Therefore, similar provisions are not necessary in the SMEI.

Also, it was consistently clear that our members were struggling to get the complete and up to date picture of regional, national and European measures. There was no central information point in the EU. Instead of requiring information from industry, it seems more sensible to improve information sharing from public bodies to industry to enable the latter to respond better to the crisis.

We also see no need for mandatory information sharing obligations for industry to prepare for a crisis. Such an obligation could easily lead to abuse and the types of crises is no doubt unlimited and could lead to excessive information requirements to prepare for crises that will not or almost never happen. Collecting such data should be part of the regular activities of public bodies that are best placed to mitigate risks. Additionally, there must be a clear correlation between the crises and the data needed. There is unclearness on when and who has to prove that it is necessary to inform and share data about an issue. Furthermore, it may be useful for the Commission and Member States to firstly assess which data is already available in the market or collected by research and national statistical agencies.

When Member States or the Commission foresee compensation due to costs made by industry due to measures covered by the SMEI, such compensation should take into account all players in the supply chain.

<u>38.</u> If you consider that certain materials/publications available online should be further considered in relation to this initiative, please describe them (including title, author) in the box below and include any relevant links:

The Covid EuroCommerce factbook of the impact of the Covid crisis on European retail and wholesale. [the document was too large to upload and we have sent it to: GROW-A4@ec.europa.eu]

General overviews of national measures taken during the Covid pandemic to, on the one hand, enhance recovery, and, on the other, impose restrictions to stores (6 documents). These overviews contain information collected via our members about restrictions and recovery measures throughout the Covid pandemic. We have shared with you just a few, but they were regularly updated. We can provide more upon request.

<u>39.</u> If you have additional information that you would like to share in a concise document such as a position paper, please add this below (this is optional and will serve as additional background to better understand your position):

Only files of the type pdf,txt,doc,docx,odt,rtf are allowed

65118b3f-0059-4e43-a4fb-9c0be7567065/Overview_COVID_19_measures_-_RECOVERY_05.10.21.pdf 11c5f9c0-6124-4bde-b451-3283eae2eb22/Overview_COVID_19_measures_-_RECOVERY_11.05.21.pdf e50fe058-073e-42da-a987-94b960069a57/Overview_COVID_19_measures_-_RECOVERY_19.01.21.pdf 90a8ce83-9278-4aa6-aa59-4bdd63bde953/Overview_COVID_19_measures_-_STORES_15.09.21.pdf 3b537cbb-8c61-4746-abe2-3e5a08afd15d/Overview_COVID_19_measures_-_STORES_16.03.21.pdf 12d5051a-6b7f-4312-bf83-fffef2d1f81e/Overview_COVID_19_measures_-_STORES_17.12.21.pdf

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