

Quick action on energy vital in tackling cost of living crisis

Ahead of the meeting of EU ministers in the Energy Council on 9 September, EuroCommerce reiterates the need to act quickly on the ideas put forward by President von der Leyen in her speech on 7 September. We look forward to seeing the details of these proposals shortly. Meanwhile we wish to underline the important role that retailers and wholesalers can play in Europe's energy saving efforts and in supporting the move towards renewable sources of energy. But in doing so, they need urgent EU action and help.

Retailers and wholesalers provide an essential service to consumers and employ more than 26 million people, but they are also significant users of energy, operating large networks of stores and warehouses across Europe. Many of our companies have made concrete commitments, and are also taking urgent action to contribute to national energy saving initiatives, and to nudge consumers towards saving energy at home. They are already making a real contribution to addressing the energy crisis and investing in renewable energy sources, e.g. solar panels, wind and biomass.

But they are particularly vulnerable to current skyrocketing energy prices: retailers and wholesalers are working hard to cushion customers from the impact of energy and commodity price rises. But they operate on very low net margins (1-3%) and they cannot absorb these additional costs forever. The companies in our sector also cannot slow down their activities, turn off heating and refrigeration or cease their logistics operations if they are to continue to serve their customers with safe, quality products. In this energy and cost of living crisis, our sector needs:

- non-discriminatory access to short-term schemes to compensate companies – not just utility operators - from the impact of spiralling energy costs;
- investment support in national programmes under the Recovery and Resilience Facility and other programmes to be focused on both immediate and structural measures on renewable energy and facilitating easier access to permits as set out in the RePowerEU package;
- support targeted to low-income consumers; no consumer should have to choose between heating and eating;
- a review, at least temporarily, of current price-setting mechanisms and decoupling the price of electricity from gas, and
- to be treated as a priority sector in any emergency measures to ration energy.

With winter approaching, Europe's consumers and businesses cannot wait. The EU and the member states must take urgent action to correct the current imbalances in the European energy market, mitigate present energy prices and their impact on consumers – and ensure the continued survival of many businesses in our sector.

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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.