

Retail and wholesale transformation is an opportunity to boost Europe's competitiveness – but support is needed

On 7 and 8 February, EuroCommerce's President, Juan Manuel Morales, and Director General Christel Delberghe, headed a delegation of 13 CEOs holding discussions with the European Commission's Executive Vice-President Timmermans, Commissioner Nicolas Schmit and Director General Olivier Guersent.

Commenting on the exchanges, President Morales noted: *"Our sector provides an essential service to Europe's consumers and business customers. It is transforming significantly, embracing change and offers huge potential to deliver on competitiveness and sustainability. As a sector deploying innovative technologies, employing more than 26 million people and holding a special position in the value chain between producers and consumers, we are uniquely placed to help the EU achieve its goals. However, low margins, difficult economic conditions and complex regulations make it difficult to achieve our potential. We need better recognition of our sector's contribution, a policy framework that supports our transformation and a well-functioning and robust Single Market as a bedrock for our competitiveness."*

[A recent study](#), conducted in partnership with McKinsey estimates that in order to achieve the necessary change, our sector needs to invest up to €600bn by 2030 to ensure accelerated digitalisation, advances on net zero, circularity and the required attraction and retention of talent.

The delegation of CEOs highlighted the multiple pressure points restricting the transformation of the sector but also the potential that the sector offers to support the EU in addressing its digitalisation, innovation, decarbonisation and circularity targets. They highlighted the important role that their companies play in local communities in providing jobs in all localities and in fostering diversity in the workplace.

A further critical issue, highlighted by the CEOs is the importance of a well-functioning and robust Single Market, which this year marks its 30th anniversary. Although this is one of the EU's greatest achievements, there still remains room for improvement. In relation to product sourcing, a European Commission study shows that barriers imposed by large brand suppliers ([so-called territorial supply constraints](#)) artificially drive prices up for both retailers and consumers, to the tune of at least €14 billion. At times of high inflation, they asked the European Commission to take action against these practices.

Concluding the series of meetings, EuroCommerce Director General Christel Delberghe noted: *"Our meetings have highlighted the high level of ambition within our sector and our potential to contribute to the EU's competitiveness and sustainability agenda. In view of the scale of the challenges we face and of what is at stake, we urgently need every support measure at the EU's disposal to create the right framework for transformative change. In partnership and with the EU's support, we have the potential to create a win-win situation with benefits for our workforce, the economy, the climate and consumers across the EU."*

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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.