

Commission indicator confirms barriers to retail in EU remain extremely high

The European Commission's [updated Retail Restrictiveness Indicator \(RRI\)](#) confirms that retail is one of the [most restrictively regulated business sectors in the EU](#).

Christel Delberghe, Director General of EuroCommerce, the association representing retailers and wholesalers in Europe, highlighted: *"The publication shows that the retailers' environment has remained the same or even deteriorated since 2018, when the indicator was established. Retail provides an essential service, is facing a challenging environment with high inflation and has the potential to support the EU's digital, sustainability and skills goals. The RRI provides a useful tool to point to restrictions that stand in the way of the sector's digital and sustainability transformation and longer-term competitiveness"*.

The indicator is limited to restrictions for retail establishments (e.g. authorisations required for opening stores) and local operational restrictions that are retail-specific. There are obviously more rules that apply to retail, but those also apply to other sectors (e.g. product safety, corporate sustainability due diligence, food regulation, waste & packaging, etc.).

This means there is enormous potential to reduce regulatory burdens and increase competition and innovation in our sector. There are 3.5 million retailers in Europe (1 in 6 businesses), providing 16.5 million jobs, especially to young people. EuroCommerce has seen in the past years a different direction, with Member States imposing more legal requirements, political pressure and increased inspections across the EU e.g., to force retailers to reduce food prices or to keep them low. This increases the burden of regulatory costs while [a recent study that EuroCommerce published in collaboration with McKinsey](#) shows that margins in food retail have decreased.

EuroCommerce encourages the Commission, Member States and the European Parliament to use the RRI to assess how regulatory burdens in the sector can be reduced. This will foster competitiveness and innovation and deliver more choices and affordable prices to consumers. This will also be a step forward in reaching the targets of increasing integration and reducing regulatory compliance the EU set for itself in its [recent communication](#) looking beyond 2030, according to EuroCommerce.

The association recommends discussing this in the Single Market Enforcement Taskforce (SMET) to help remove barriers and administrative burdens in our sector.

EuroCommerce welcomes the reference to the RRI in the [country reports of the European Semester Spring Package](#) and encourages the Commission to consider reflecting them in the future in the country-specific recommendations asking Member States to remove unnecessary and unjustified barriers for retailers and wholesalers.

Finally, the sector looks forward to the RRI being one of the measures for the upcoming transition pathway, which will act as a roadmap for the retail and wholesale eco-system.

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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.