

## **Rule of law in the EU is a key asset for investment protection and competition**

The Commission published its fourth Rule of Law report. This report will help the Commission to enter into conversations with Member States and discuss existing Rule of Law issues. Retailers and wholesalers suffer from the deterioration of the Rule of Law in the EU, as their rights to get access to justice, be heard, express themselves freely or even participate in an association, are undermined.

EuroCommerce Director-General, Christel Delberghe, commenting on the publication of the Rule of Law report said:

*‘Europe needs a strong legislative framework where businesses can freely conduct their enterprises, enforce their rights and have access to redress. We support the Commission’s efforts to protect and secure the Rule of Law and to make the EU a fairer and more attractive place to invest’.*

Citizens, businesses and the EU Single Market are all impacted by the deterioration of Rule of Law. Legal and administrative uncertainty undermines competition and discourages foreign investment. In retail and wholesale, strong competition brings a wider variety of products for consumers and business customers at a more affordable price.

The problems facing our sector include:

- Issues around the independence of the national judiciary and the lengthy procedures necessary to seek redress against national authorities’ decisions;
- access to the process of making decisions, affecting businesses (with either little or insufficient stakeholder consultation and regular decision-making procedures being replaced by ‘emergency’ procedures measures);
- legislation knowingly infringing EU law or using implementation of EU legislation as a pretext to introduce rules incompatible with the said measure and/or EU rules.

According to the [Eurobarometer survey](#) on how companies perceive the independence of national judiciary systems, 50% of companies believe that the independence of courts and judges in their country is ‘very good’ or ‘fairly good’, while 35% of companies rate it as ‘fairly bad’ or ‘very bad’.

EuroCommerce supports the Commission’s efforts to help Member States enhance and protect the Rule of Law in the EU and would encourage:

- 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 to maintain pressure on all EU and national institutions to restore and maintain rule of law 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.