

# EuroCommerce urges European Commission to take action against French rules on B2B commercial relations

EuroCommerce has lodged a formal complaint with the European Commission against the [Loi n° 2023-221 du 30 mars 2023](#) (also known as Egalim 3 or 'Loi Descrozaille') adopted by the French Parliament earlier this year.

Christel Delberghe, Director General of EuroCommerce – the European association representing retailers and wholesalers – explained: "*The Loi Descrozaille prevents retailers and wholesalers from seeking better sourcing conditions in the European Single Market. This in turn prevents retailers and wholesalers from providing greater choice and more affordable prices to consumers across Europe. We ask the European Commission to urgently address this violation of EU rules on choice of law and free movement with the French authorities.*"

The *Loi Descrozaille* is the third in a series of laws on commercial relations between suppliers and buyers. It infringes EU rules on free movement of goods, services and establishment as well as EU laws on choice of law by imposing French law and giving exclusive jurisdiction to French courts for all commercial negotiations that involve products destined for the French market.

This prevents retailers and wholesalers – such as e-commerce operators, European retail alliances and supermarket chains who seek to buy at the EU level – from benefiting from economies of scale in the Single Market and deprives consumers of the benefits that pan-European sourcing brings in the form of a broader selection of goods at more affordable prices. Consequently, the power of global manufacturers, who take full advantage of the Single Market by producing centrally, is further strengthened.

EuroCommerce questions why many sectors in the economy are encouraged to seek economies of scale in Europe (e.g. vaccines, energy), while this is not the case for the fast-moving consumer goods sector.

There is a real risk that the *Loi Descrozaille* creates a dangerous precedent and reinforces the fragmentation of the Single Market, already being imposed by some large global manufacturers using [territorial supply constraints](#). These cost EU consumers €14 billion every year – according to a [study](#) by the European Commission.

EuroCommerce asks the European Commission to urgently take action against this clear violation of European Union rules on free movement and choice of law in commercial relationships.

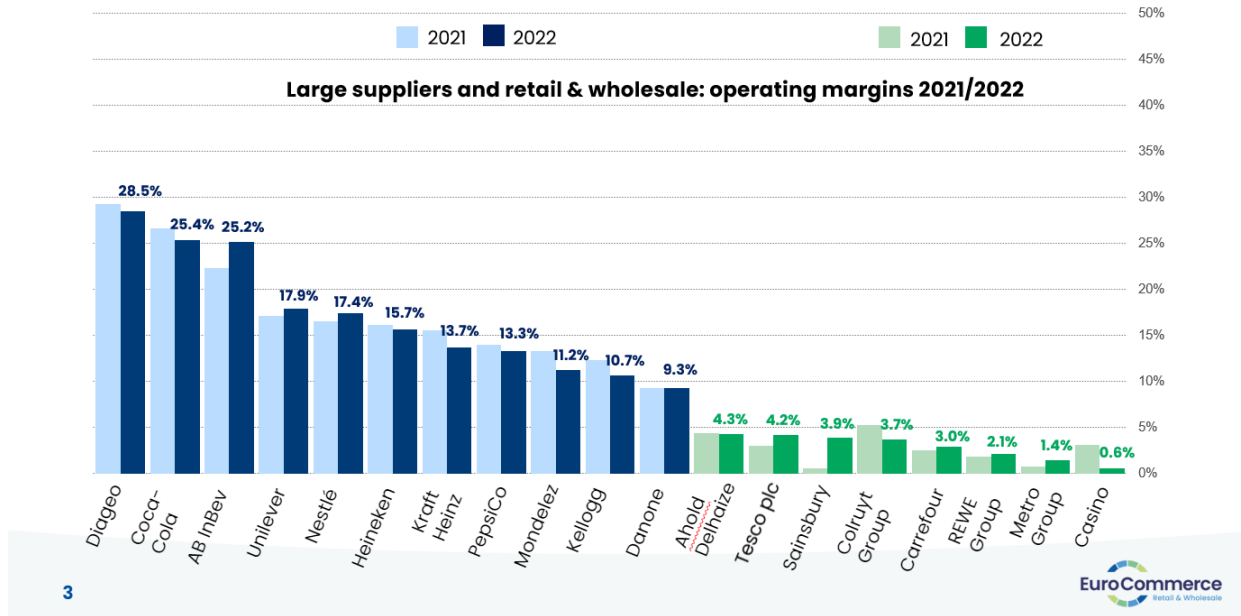
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**Note to the editor**

Further information about the procedure is available here: [Infringement procedure \(europa.eu\)](https://european-courts.eu/en/infringement-procedure)

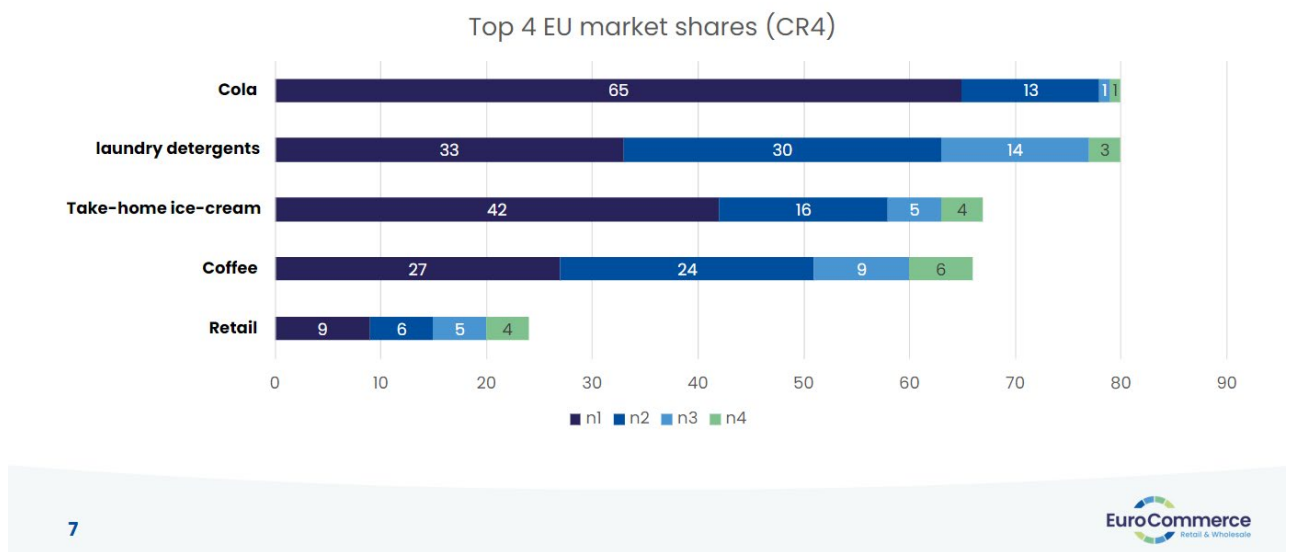
Some background information on the relationship of retailers and large suppliers

## Retailers face low margins, well below the ones of large suppliers



## A few global suppliers control most A-brands

In many key product categories, leading brands enjoy a significant position



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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.