

Press Release

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Retail & wholesale: Letta's report requires real commitment from EU institutions

The <u>High-Level Report on the Future of the Single Market by Enrico Letta</u> was published today. The report makes a clear call upon the EU institutions, the member states, social partners and citizens to commit and act to strengthen the Single Market for the EU to remain relevant.

Christel Delberghe, Director General of EuroCommerce commented, "This long-awaited report is a wakeup call to reprioritise the Single Market in light of powerful global changes at play. The time to act is now. We call on the EU institutions, member states and businesses to embrace the report and to take the necessary steps towards consolidating the Single Market and making the EU a more attractive place for investment, innovation and to live for future generations."

EuroCommerce, the European association representing small, medium and larger retailers and wholesalers, recognises the many hurdles facing the Single Market identified in the report. International competition and regulatory complexity have increased, and a lack of investment and commitment to a truly European market are affecting our relevance globally. EuroCommerce has long reported and called for action on the many barriers facing retail and wholesale, highlighting their impact on competitiveness, customer choice, prices and innovation. The Letta report acknowledges the specific exposure of retail and wholesale to global competition, the many barriers and the need to address them.

The EuroCommerce manifesto, published today, highlights that the Single Market is the bedrock on which to build a Europe that is dynamic, competitive and resilient. Retailers and wholesalers, large, medium and small, play a big role in making the digital and green transition a reality. But they also need a truly European Market, that fosters investment, where rules are easy to understand and comply with and where enforcement ensures a level playing field. They need EU institutions and member states to provide this environment and to work together to strengthen Europe's competitiveness.

As Mr Letta rightly says, the EU needs a "strong political commitment to empower a new Single Market." This goes hand in hand with the joint EU industry statement of 2022, where businesses call for "Fresh Political Engagement to Renew Economic Integration in the Single Market".

Note to the editors

<u>Click here if you want to know more about EuroCommerce's views on strengthening the Single Market</u> for retail and wholesale.

EuroCommerce's key Single Market recommendations

- 1. The European Commission, European Parliament and Member States' governments need to reinstate the idea of a Single Market as an economic union without internal obstacles and bring the four freedoms back to the top political priorities, which will be the best guarantee for the EU's future economic security.
- 2. **Stop the regulatory waterfall**. A rapidly changing regulatory landscape with increasing obligations for businesses makes compliance more difficult, especially for SMEs.
- 3. **Member States should notify all relevant (draft) national measures**, accompanied by a proper impact assessment, and ensure that these measures are justified, proportionate, and non-discriminatory.
- 4. The EU institutions should ensure that all **EU legislative proposal and substantive amendments are accompanied by an impact assessment** and proper stakeholder consultation, this will improve the quality of EU legislation.
- 5. The Commission should **make its internal infringement procedure process more automatic, transparent and faster.** If in a procedure, certain conditions are met the next step should be automatic and not subject to other considerations.
- 6. The Commission should have **suspension injunction powers** where national measures are an obvious infringement of Single Market rules to prevent that citizens and businesses have to suffer from infringements for years.
- 7. Each **economic actor** in the Single Market should carry out **responsibilities** that correspond and are proportionate to its activity and level in the chain.
- 8. The Commission and Member States should take action to **tackle Territorial Supply Constraints (TSC)**. It requires the use of competition enforcement measures, declaring those practices as non-acceptable and monitor the progress on TSCs through annual review processes.
- 9. Agree a new mandatory labelling and reporting requirements at EU level and limited to what is strictly necessary

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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.