



“Time to end Territorial Supply Constraints once and for all”, say EU retailers and wholesalers

Brussels, 7 April 2025 - Today, EuroCommerce and Independent Retail Europe, representing European retailers and wholesalers, asked to end Territorial Supply Constraints (TSCs) once and for all at a stakeholder dialogue organised by the European Commission. TSCs increase prices and limit product choice for consumers in Europe, according to the associations.

EuroCommerce Director General, Christel Delberghe, highlighted: *‘The upcoming Single Market Strategy must set out a clear road map of EU and national actions to ban Territorial Supply Constraints and address national measures that strengthen their impact. Today’s discussion showed how large manufacturers systematically prevent retailers and wholesalers from sourcing where they wish in the Single Market; this artificially limits choice and keeps price high for consumers in the middle of a severe cost-of-living crisis.’*

Else Groen, Director General of Independent Retail Europe, commented: *‘Territorial Supply Constraints are so widespread that in practice retailers do not have a Single Market for sourcing. Groups of independent retailers are unfairly blocked from purchasing competitively across borders, which inevitably leads to higher prices for consumers. We urgently need an EU legislative response to end these unjustified practices and provide retailers fair and non-discriminatory access to products across borders.’*

[Territorial Supply Constraints](#) are practices imposed by manufacturers that make it impractical or impossible for retailers and wholesalers to freely choose where to buy products in the EU. This allows large manufacturers to keep prices artificially high in certain countries and extract higher margins from retailers and consumers.

At today’s event, EU retailers and wholesalers explained how suppliers refuse to sell cross-border within the EU, offer different prices to distributors depending on in which EU country products will be sold to consumers and maintain unjustified differences in packaging per country to prevent products from circulating in the Single Market.

This confirms evidence recently gathered by the Commission that in all Member States retailers and wholesalers - large and small - are systematically blocked from cross-border purchasing through a range of practices affecting a wide variety of products. This leads to higher consumer prices amidst ongoing inflation and severe cost of living crisis. A 2020 study estimated that Territorial Supply Constraints cost consumers €14 billion a year - a figure calculated before the recent inflation crisis.

Existing competition rules can only tackle TSCs by dominant players or when agreements explicitly include TSCs, leaving a broad legislative gap. The only effective solution is the introduction of dedicated Single Market legislation. The associations urge EU institutions to address TSCs at European level - based on the non-discrimination principles of the Geo-blocking Regulation - and to tackle national measures that facilitate or strengthen TSCs – such as certain labelling requirements and other laws fragmenting the Single Market. #SingleMarket4All

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More on the subject of Territorial Supply Constraints:

<https://www.eurocommerce.eu/singlemarket4all/>

Explainer video: <https://www.youtube.com/watch?v=sOKepHlPeg4>



EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 28 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 businesses 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.

Independent Retail Europe is the European association that acts as an umbrella organisation for groups of independent retailers in the food and non-food sectors. Our members are groups of independent retailers, associations representing them as well as wider service organisations built to support independent retailers. Independent Retail Europe represents 24 groups and their over 500.000 independent retailers, who manage more than 764.000 sales outlets, with a combined retail turnover of more than 1,411 billion euros and generating a combined wholesale turnover of 621 billion euros. This represents a total employment of about 6,5 million persons.