

EuroCommerce urges Hungary to abolish margin caps without delay

EuroCommerce welcomes the Hungarian government's announcement that it will phase out the food and non-food margin caps introduced in 2025. Their removal is an important step towards restoring market-based competition, giving retailers greater scope to offer promotions and supporting consumers and the food supply chain.

The government should now clarify how and when the measures will end and abolish them without delay. The European Commission has initiated infringement proceedings against the food and non-food margin caps in Hungary and referred them to the Court of Justice of the European Union earlier this year (INFR(2025)2052 and INFR(2025)2102). A prompt and predictable phase-out would limit further market disruption and restore legal certainty.

EuroCommerce is, however, deeply concerned about the announced changes to Hungary's special retail tax. Rather than beginning to phase it out, the government has announced an increase. The European Commission has already opened an infringement procedure concerning this tax and referred the case to the Court (INFR(2024)4022). Such sector-specific measures undermine fair competition in the Single Market and continue to harm retailers, supply chains and consumers.

More broadly, national price-regulation measures address prices at the end of complex supply chains without tackling their underlying drivers. Similar interventions are being pursued in Bulgaria, Croatia and Romania. In the past, the European Court of Justice has consistently rejected these type of national price regulation measures. Across the EU, governments should favour competitive, predictable and market-based conditions that allow retailers and suppliers to cooperate efficiently and deliver choice and affordable prices for consumers.

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Notes to editors

International Monetary Fund, What Governments Should Do When Food Prices Surge:
<https://www.imf.org/en/blogs/articles/2026/09/17/what-governments-should-do-when-food-prices-surge>

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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.