

EU leaders demand urgent action on territorial supply constraints

EUROCOMMERCE COMMENTS ON EUROPEAN COUNCIL CONCLUSIONS

Today's [European Council](#) send an unequivocal message: European leaders want urgent action to remove the barriers holding back the Single Market, explicitly including territorial supply constraints. [These practices fragment Europe's market](#), limit retailers and wholesalers' freedom to source products across borders and ultimately restrict choice and raise costs for consumers. The political mandate is now clear.

President von der Leyen reinforced that mandate by placing action against unjustified territorial supply constraints prominently among the competitiveness initiatives in her [2026 Letter of Intent](#) to the European Parliament and the Irish Presidency.

The Commission must now act without delay and propose legislation. Six competition authorities have backed up the call for legislation in July this year. Voluntary approaches cannot deliver an enforceable ban on territorial supply constraints. Attempts to punish the behaviour retroactively has had little effect as fragmentation continues despite high fines (see [AB InBev](#) and [Mondelez](#)). The legal gap needs to be closed and the European Commission must ensure that the Single Market works without artificial barriers imposed by powerful companies, so businesses, workers and consumers alike can benefit.

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Territorial supply constraints are practices aimed at deliberately fragmenting the Single Market to enforce different wholesale prices. [These practices include](#) the automatic redirection to a national sales office, the use of different packaging colour for the same product in different countries, size or language labelling combinations that make circulation in the Single Market extremely difficult, if not impossible. These are choices made not adaptations for national rules. The impact of [TSCs was estimated by the European Commission](#) at €14bn a year in 2020, and, adjusted for inflation, would reach over €18bn today.

Contact:

Daniela Haiduc | Director of Communications, haiduc@eurocommerce.eu, +32 473562936

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