

Vertical rules – adapted for an omnichannel future, but some uncertainty remains

The European Commission has today adopted new rules on the assessment of vertical agreements in distribution which will come into force from 1 June 2022. These rules provide a safe harbour from anti-trust rules for agreements between suppliers and their customers, for example, for the sale, purchase or resale of products.

Christel Delberghe Director-General of EuroCommerce, which represents the retail and wholesale sector in Europe, commented:

“The European Commission has taken an important step by adapting the vertical block exemption rules to a digital environment. We welcome the Commission’s efforts to change the framework, but we are concerned that for SMEs the complexity will mean they remain reluctant to explore or pursue online sales. We, therefore, remain cautious about the degree to which the new rules leave room for interpretation and how they will be used in practice in a market where brands hold a very strong position.”

The retail and wholesale sector is going through a significant digital, sustainability and skills transformation. COVID accelerated the move to online sales and consumers who bought online during the pandemic are expected to continue doing so. Businesses need to be able to offer consumers such online sales, alongside or independently from their brick-and-mortar shops, and to do so as easily as possible. Clear rules on retailers’ and wholesalers’ ability to sell on online marketplaces are vital for small businesses to reach consumers, including those in other member states. EuroCommerce remains concerned about fair competition. It is unlikely SMEs will challenge brands that hold a strong position, where the effect of restrictions such as selective distribution, do not enable them to make effective use of the internet.

Mrs Delberghe added: *“Effective competition provides choice for consumers. We ask the Commission and national competition authorities to remain vigilant and to act consistently, to address abuse of the rules to the detriment of the Single Market and of EU consumers.”*

Retailers and wholesalers welcome the fact that the guidelines make it more explicit that territorial supply constraints, which are used by large manufacturers to restrict parallel imports, fragment the Single Market. The Single Market is key for the recovery of the retail and wholesale sector from the challenges of the pandemic, says EuroCommerce. But it needs strong and consistent enforcement across the Union to create the right competitive environment that can help retailers and wholesalers offer choice and reasonable prices to consumers struggling with rising costs of living.

European Commission links: [Block Exemption](#) – [Guidelines](#)

---ENDS---

Contact:

Daniela Haiduc – +32 473 56 29 36 – haiduc@eurocommerce.eu
Neil McMillan – +32 479 40 22 41 – mcmillan@eurocommerce.eu

www.eurocommerce.eu

.....
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.