

REPowerEU – retail and wholesale needs help but can play a major role

The European Commission today launched its detailed REPowerEU Plan, following up the outline ideas it presented in March. EuroCommerce Director General Christel Delberghe welcomed the Commission ideas, but stressed the need for support for the retail and wholesale ecosystem to address current challenges and in driving the move away from imported fossil fuels. The proposals for earmarking funding under the Recovery and Resilience Facility and the EU budget are of particular importance in this:

“The Russian invasion of Ukraine has made what were already high, and rising, energy prices now a major challenge to the EU economy and the well-being of its citizens. Our sector is a significant user of energy –in operating its logistics, heating, lighting and refrigeration without interruption. But operating at very low margins, it needs help in investing in the technologies that can bring about change. Obligations to invest without matching support will lead to costs our sector cannot absorb and thus would have to pass on to consumers, creating new inflationary pressures on the customers we serve every day.”

We very much support the proposal to amend the Recovery and Resilience Facility (RRF) guidelines to provide funding for investment in alternative energy sources and energy efficiency and ask that our sector is able to access support. Retail and Wholesale is a very significant user of energy for its own operations and needs to do so 24/7. It already works hard to reduce its carbon footprint and save energy while operating at very low net margins of typically 1-3%. We regret that very few member states have taken up the possibilities under the latest temporary state aid framework, nor have allocated significant funds under their national RRF plans.

Combined with the proposed new rules on planning and permitting, proposals for financing investment in alternative energy, and the Solar Rooftops Initiative could offer opportunities for our sector to contribute to reducing fossil fuel consumption significantly. But any obligation to invest must be accompanied by help in finding private and public funding to instal such infrastructure and in accessing other alternative energy sources.

As a sector also heavily dependent on logistics, we look forward to working with the Commission and co-legislators on the Greening of Freight proposals and roll-out of e-vehicles and hydrogen as an alternative to diesel. The load capacity and weight limitations of the design of electric goods vehicles hitherto make alternatives such as green hydrogen, and the infrastructure to support it, particularly important for our sector and can be an additional building block for greening freight transport.

Our sector is active in helping consumers save energy though offering modern energy-efficient appliances and products. We therefore welcome that, as part of the EU Save Energy communication, the Commission wants to finalise the work on the consumer interface of the European Product Registration for Energy Labelling (EPREL) database, in which our sector has been engaged since its launch in 2019.

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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.