

Retail Market Monitoring Report

“Towards more efficient and fairer retail services in the internal market for 2020”

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Overview

- Objective
- Novel horizontal approach
- Main findings
- Follow-up

Objective

- To ensure that IM freedoms are applied in the retail sector to stimulate growth and promote innovation, whilst respecting economic, social and territorial cohesion together with worker, consumer and environmental protection
- “Fair” retail services that are smart, sustainable and inclusive contribute to the achievement of the EU2020 agenda
- The emphasis on “fair” avoids the excesses of economic fundamentalism

Novel horizontal approach

- Report pilots new horizontal approach to IM policy making (consistent with Professor's Monti's report)
- On the basis of desk research, interviews and surveys:
 - Consider indicators for each public interest objective
 - Fully incorporate links to downstream and upstream markets
 - Examine differences across Member States
 - Set out economic and regulatory explanatory factors
 - From this identified (some 20) Internal Market problems

Main findings

Consumers

- A lack of accessibility to affordable retail services
 - A lack of efficiency and diversity across commercial planning rules and malfunctioning in the commercial property market
 - Insufficient development of e-commerce
 - Malfunctioning of commercial communications and independent information services including on-line

Main findings

Retailers

- Market entry barriers
 - Discretionary planning requirements, differing rules on franchising, malfunctioning of commercial property market
 - A lack and divergence of rules on unfair commercial practices undermining cross-border sourcing that is at the heart of the Internal Market

Main findings

Suppliers

- A lack and divergence of rules on unfair commercial practices undermining viability and innovation
- A lack of transparency in quality control systems and high costs of associated labels across borders

Main findings

Employees

- Differing national labour law frameworks including collective agreements resulting in different working conditions between Member States
- Insufficient enforcement of rules and the negative impact of the informal economy
- A lack of information on social responsibility
- Skills mismatch

Main findings

Future generations (sustainability)

- Insufficient consideration of environmental costs in the retail supply chain (e.g. energy use, logistics)
- A lack of common environmental product life-cycle methodology giving rise to risks of fragmentation
- Different and inefficient urban mobility planning structures
- Waste/recycling issues

Follow-up

- Wish to consult broadly (over 100 responses received so far)
- First ideas may be suggested in Single Market Act
- Conference on 27 October
- Presidency considering prioritisation of actions
- Keen to have the view of the EP on priorities and welcome therefore the forthcoming report with Ms Corazza-Bildt
- Happy to work closely with the rapporteur, this committee and other interested EP committees to share information
- Intend to keep the new horizontal IM policy approach in determining future actions in this key part of the EU service economy