

# The EU Recovery plan, an opportunity for retail & wholesale

On 21 July 2020, the European Council agreed the multi-annual EU budget as well as a major new package to support plans the recovery from COVID-19 and investments for the digital and green transition of Europe.

## MFF 2021-2027

Multi-annual Financial Framework, the EU's 7-year budget

Paid by the Member States

**€1,074 bn + € 750 bn**

= **€1,824 bn**

## NGEU

Next Generation EU, the COVID-19 recovery package

- Grants €390 bn
- Loans €360 bn

Capital raised on financial markets  
Early payments to the countries in 2021-2023  
Repayment until 2058

Breakdown of EU spending 2021-2027

Single market, innovation and digital  
**€ 143 bn**

Natural resources and environment  
**€ 374 bn**

Resilience, security & defense  
€ 13 bn

Migration & borders mgmt  
€ 23 bn

European public administration

**€ 73 bn**

Neighbourhood and the world

**€ 98 bn**

Cohesion and values  
**€ 1,100 bn**

OF WHICH:

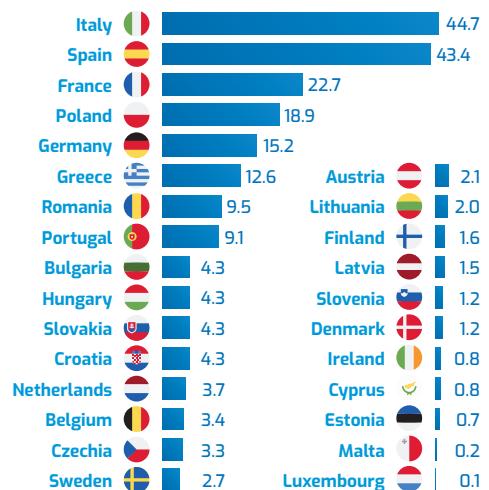
Recovery & Resilience Facility  
**€ 673 bn**

## Relevant EU programmes for retail & wholesale (€ bn)

Horizon Europe	87.7
InvestEU Fund	8.4
Connecting Europe Facility – Transport	21.4
Connecting Europe Facility – Energy	5.2
Connecting Europe Facility – Digital	1.8
Digital Europe Programme	6.8
Single Market Programme (incl. COSME)	3.7
Cooperation in the field of taxation (FISCALIS)	0.2
Cooperation in the field of customs (CUSTOMS)	0.8

European Regional Development Fund	200.4
Cohesion Fund	42.6
REACT EU	48.6
European Social Fund+	88.0
Erasmus+	21.2
European Agricultural Fund for Rural Development (EAFRD)	258.6
Just Transition Fund	17.5

## Grants to finance national recovery plans (€ bn, first phase 2021-22 only=70%)



The size of the envelope is related to population size, unemployment, GDP per capita, and GDP loss as a result of COVID-19.

# A European Pact for Commerce

## Driving Europe's recovery with retailers and wholesalers

With adequate investments and the right policies, retailers and wholesalers will be main actors in the digital and green transformation of the European economy. These investments and policies should achieve the following 4 goals :



### Digitalisation

Converting all retail and wholesale to omnichannel



### Sustainability

Making the Green Deal a reality in retail & wholesale



### Local employment

Supporting local employment & communities



### Open markets

Keeping markets open and fostering European ecosystems

## INVESTMENT NEEDS

Grants, loans, and fiscal incentives to:

### 1 Digitalise all retail and wholesale companies

- Websites, platforms, payments, delivery solutions, robots, digital tools for sales associates

### 2 Support and digitalise municipalities to anchor retailers in town centres

- Local online and delivery platform, digitalise local administration, local skills development schemes

### 3 Develop digital and data infrastructure

- 5G, broadband, cloud (GAIA-X), digital public administrations and customs operations

### 4 Boost digital, green, and soft skills

- Adapt primary and secondary schools curriculum for digitalisation and entrepreneurship
- Produce higher number of data scientists and engineers at universities

### 5 Renovate commercial buildings

- Energy efficiency, on-site energy generation, natural cooling gases, LED lighting

### 6 Accelerate conversion to green mobility

- Hydrogen (heavy vehicles for long-haul transport/delivery)
- Electrical mobility (light vehicles for short-haul delivery, e-bikes)

### 7 Accelerate conversion to organic farming

### 8 Develop reusable, recyclable, renewable, repairable materials and final products for textile/garment, toys, electronics, packaging

- Eco-design and material research programmes

### 9 Strengthen waste collection and recycling infrastructure

### 10 Revitalise town centres and stimulate urban regeneration

## POLICY NEEDS

Better and simpler regulation, more harmonised legislation, guidelines and standards to:

### 1 Remove restrictions and discrimination on retail and wholesale

- See Commission's communication on 'Retail fit for the 21st-century'
- Effective notification mechanisms of the services directive
- Address restrictions on retailers and wholesalers to buy exclusively from national suppliers (territorial supplier constraints)
- Stronger assessment and enforcement of single market by the Commission (European Semester)
- Make funding of national recovery plans conditional to the respect for the rule of law and single market rules

### 2 Adapt competition rules to online commerce and have an effective data strategy

- Data sharing, horizontal and vertical block exemption regulations, market definition notice, merger control
- Uniformly implement GDPR and facilitate voluntary data sharing

### 3 Improve enforcement of EU law on online import and clarify liabilities of online sellers and platforms (level playing field between imports and domestic online sellers)

### 4 Implement Farm-to-Fork strategy

- Food waste, front-of-pack nutritional labelling, organic food production

### 5 Have common rules and guidelines for extended producer responsibility (EPR) schemes to better manage waste and stimulate circular economy

### 6 Facilitate sustainability cooperation

- A clear competition law framework (horizontal block exemption regulation)

### 7 Harmonise eco-design requirements to set direction for circular economy

### 8 Reduce energy transition costs and taxes

- Fiscal incentives to use sustainable energy

### 9 Have fair and flexible working conditions (employment law)

### 10 Reform WTO and execute an effective new trade policy ('open strategic autonomy')

**A simple and smooth process to ensure fast delivery of the funds**



Submission to the European Commission  
Phase 1 Oct 2020 - Jan 2021  
Phase 2 Oct 2021 - Apr 2022



Assessment by the European Commission,\* within 2 months



European Commission sends Implementing Act to European Council



Approval by the Council by qualified majority



Funds are transferred to the Member State, possibly with conditions

\* The European Commission will assess national recovery plans against:

- the country-specific recommendations in the European Semester agreed in July 2020
- how they fulfill the digitalisation, sustainability, and resilience goals of the EU
- impact of COVID-19 on the GDP of the country

**Let's work together to make the European Pact for Commerce a reality in your country**

Priorities of retail and wholesale should be central to all national recovery plans

**EuroCommerce**  
for retail & wholesale