

Annual report on the Code of Conduct on Responsible Food Business and Marketing Practices

General information

Name in full + acronym	EuroCommerce
Contact person with contact details	Els Bedert bedert@eurocommerce.eu
N° in the transparency register	84973761187-60
Date of signature of the Code	19 June 2021
Step of the food chain represented (ex: primary production, processing, trade, retail, ...)	Retail and Wholesale
Who do you represent? (e.g., number of members, companies, SMEs)	34 Company members 27 National associations 15 Affiliated EU associations Members

European Associations pledge to:

- *endorse the aspirational objectives set out in this Code (where applicable)*

By endorsing the code, we subscribe to its aspirational objectives

- *promote and disseminate this Code with(in) their constituency/ies.*

Since the start of the work on the Code of Conduct, EuroCommerce has closely engaged with its members through dedicated working group meetings (biweekly), the Food Committee meetings (3x/year), as well as at the board meetings.

At the dedicated F2F working group, exchanges take place on the activities under the code, its governance and on members' commitments.

EuroCommerce has set up a dedicated website which provides concrete examples of our members sustainability efforts <https://www.sustainable-commerce.com/>.

Pending a revamping of our website these best practices will be updated and a special section on the code of conduct will be added.

Further, the EuroCommerce secretariat has held bilateral meetings with other association signatories to better understand their commitments.

- *Encourage their members to align their sustainability actions and/or business practices to the aspirational objectives and targets of the Code and invite them, on a voluntary basis, to adhere to this Code, as appropriate*

Our members are fully aware of the Code of Conduct (CoC) and 12 of our company members have introduced their own pledge. Dissemination of the existence of the CoC and its objectives took place through our national member associations. Some national members invited the EuroCommerce secretariat to present the CoC at their internal meetings (namely our Belgian, Dutch and Spanish association members).

It should be noted however that our sector (as for other sectors) has experienced very challenging times and disruptions, first with the COVID 19 pandemic and currently with Russian invasion of Ukraine. This has a big impact on the resources (especially) SMEs have available to work of voluntary commitments in addition to ensuring compliance and continuation of usual business activities.

As an association we do not do “promotion” as such, but we consistently referred to the Code when speaking at European stakeholder events.

Lastly, the CoC features prominently in our annual work plan. With a strengthened communication team, our communication plan will be further developed and rolled-out throughout the year.

- *explore the possibility of developing sector-specific tools and resources in support of this Code.*

We have published joint McKinsey/EuroCommerce reports in 2021 and 2022 ([see annex](#)), which provides insights on how to address the sustainability challenges for our sector.

We are a partner of the ECR Community whereby our members and other companies exchange on practical learnings to prevent food waste and other sustainability related practices. The ECR community recently published [Global Review of Circular Economy Case Studies from Retail & CPG Sector](#). Dedicated work also takes place on the [ECR retail loss group](#).

EuroCommerce has published the values of European Retail: a [graphic factbook](#) which provides further insights on our sector.

- *continue to engage in dialogue with other food chain/systems actors and EU and international policymakers to forge (new) relationships, exchange good practices and discuss challenges encountered, learn from each other (studies, projects) and create better mutual understanding, and identify opportunities for collaboration and potential partnership.*

In the past 9 months we engaged with several food chain EU association members, including on organic production and consumption with IFOAM and at the launch of the EU organics day with DG Agri; on promotion the consumption of fruit and vegetables with Freshfel; at the 15th International Conference of Producer Organisations for Fruit and Vegetables (2021), and at the [annual conference of IMACE](#). We are a member of the CoC liaison group whereby we exchange with the Commission.

Continued exchanges take place through the following platforms:

- [the Market advisory council on fisheries \(MAC\)](#) – The MAC is a stakeholder-led organisation composed of representatives of the entire seafood value chain (primary producers, processors, traders, suppliers, retailers, trade unions) and other interest groups (NGOs). An advice on the CoC was formulated with our input.
- [EU platform on food losses and food waste](#) - the EU Platform on Food Losses and Food Waste (FLW) was established in 2016, bringing together EU institutions, experts from the EU countries, international organisations and relevant stakeholders selected through an open call for applications. The Platform aims to support all actors in: defining measures needed to prevent food waste; sharing best practice; and evaluating progress made over time. Our membership was confirmed for the second mandate.
- [EU platform on animal welfare](#) - In 2017 the Commission established the expert group 'Platform on Animal Welfare' (Decision 2017/C 31/12) with the aim to develop and exchange of coordinated actions on animal welfare with a particular focus on: better application of EU rules on animal welfare, through exchanges of information and best practices and the direct involvement of stakeholders; the development and use of voluntary commitments by businesses to further improve

animal welfare ; the promotion of EU animal welfare standards to valorise the market value of the Union's products at the global level. Our membership was extended under the new mandate.

- [European Circular economy stakeholder platform](#): A joint initiative by the European Commission and the European Economic and Social Committee which includes work on packaging (among others). We are part of the coordination group.

Annex

(Edition 2022) The state of grocery in Europe: Navigating the market headwinds

Over the past two years, grocery retailers responded by becoming more efficient, resilient, and innovative. They will be tested in 2022 by a number of new challenges, from increased inflation and the enduring rise of e-commerce to evolving consumer preferences. Download our new [96-page report](#) for insights and perspectives that will help grocery retailers navigate these market headwinds.

One of the findings points to an **increasing polarization between low- and high-income consumers regarding attitudes toward price, health, quality, and environment.**

(Edition 2021) Disruption and Uncertainty – State of Grocery Retail 2021 report

The report by McKinsey & Company and EuroCommerce, takes a comprehensive look at the long term-trends and effects of the pandemic on the European grocery industry. After COVID-19 shake up, grocery shoppers demand more health, online and value – resulting in ongoing disruptions and uncertainty in grocery retail

The report first recaps the industry developments in 2020 – it looks at how the COVID-19 pandemic has reshaped the European grocery landscape at unprecedented speed and scale, with government restrictions impacting shopping patterns and accelerating a dramatic shift to online.

- Revenues were positively impacted by the pandemic – based on Europanel data, during the first lockdown in March 2020, grocery sales in Europe increased on average by 20% and by 10% during 2020 as a whole
- At the same time, costs increased owing to pressure on supply chains and the growing need for additional hygiene measures
- The stricter lockdowns became, the more consumers changed their shopping patterns, shopped at different supermarkets or ordered their groceries online. In total 60% of consumers changed the store they shop in or went shopping online

Disruption and Uncertainty – State of Grocery Retail 2021, based on both the CEO survey and consumer research, identified four key trends that will shape the industry over the next years. These are based on the areas consumers intend to spend more money on and what CEOs see as the key industry-shaping trends, with the majority expecting an increased focus on adjusting to shoppers who want variety, value and online.