

AIM FEEDBACK

**European Commission's call for feedback on
the Single Market Strategy**

31 January 2025

[AIM](#), the European Brands Association, represents 2,500 branded consumer goods manufacturers in Europe, in the food, beverages, personal care, home care, luxury, toy, and apparel categories. Our members are small, medium, and large companies, with brands ranging from national household names to global icons, all intent on delivering trusted and high-quality goods to consumers across Europe.

The Single Market creates value for consumers, Member States and businesses

- The Single Market, the EU's flagship collective achievement, has been **the main catalyst in delivering consumer choice for all EU citizens in the past 30 years.**
- **In 2022, €276.1 billion of consumer goods were traded within the Single Market.**¹ Every year, cross-border trade enables the consumer goods industry, Europe's third largest manufacturing industry, to deliver a vast range of innovative products and services to consumers, **creating value for both consumers and EU governments.**
- **Household consumption represents 51% of the EU's GDP**, of which 8.1% is accounted for by fast-moving consumer goods (FMCG)² consumed at home, after other household expenses such as housing, water, and energy costs.
- Investment in R&D drives innovation. The FMCG industry invested EUR 17.3 billion in R&D in 2022 alone, more than the entire R&D expenditure of some EU countries. The **scale of this R&D investment** leads to **better products, improved production processes, cleaner technologies**, and therefore **more sustainable consumption**, enabling brands to be **catalysts for change.**
- The Single Market framework provides **legal certainty for brands, rules setting high standards for the safety and quality of goods, and fundamental freedoms for this value chain to operate with trust** in the best interests of European consumers, taking into account local traditions and cultural elements, taste preferences and social habits, as well as local and regional market conditions.
- Accounting for 11.6% of the total production of manufactured goods in the EU in 2022,³ the consumer goods industry is one of the strongest contributors to the EU's industrial base. In 2022, 61% of all FMCG products manufactured in the EU were traded within the EU, accounting for 6.5% of total intra-EU27 trade, while the remaining 39% were exported, accounting for 6.8% of the total extra-EU27 trade.⁴ **An open, competitive, fair and sustainable business environment is essential for the continued success of the Single Market.**

Tackling Single Market fragmentation to ensure consumer choice, competitiveness and innovation

- Today, Europe's competitiveness and innovation potential are undermined by the persistent fragmentation of the Single Market. As highlighted in the reports by Enrico Letta⁵ and Mario Draghi⁶, the **fragmentation of the EU Single Market has a cascading effect on the EU's competitiveness.**
- This fragmentation is **exacerbated by the divergent interpretation, application and enforcement of EU legislation by its Member States.** This imposes significant costs on companies operating in the Single Market, which in some cases must **set up separate production lines to comply with different legal requirements** (e.g., for product formulation and packaging labelling) or face different intellectual property protection procedures.
- These disparities not only **impact production costs, capacity and logistics but also create barriers to the free movement of goods, hindering intra-EU trade.** Ultimately, this **limits companies' ability to scale up innovative solutions**, thereby **stifling economic growth across the EU.**

¹ Euromonitor based on Eurostat using HS codes, Trade by commodity

² FMCG = Food, Beverages, Home Care, Personal Care, Tissue, Pet Care

³ Eurostat, Prodcom

⁴ Eurostat, trade by commodity and NACE Rev.2 activity

⁵ Enrico Letta, "Much more than a Market"

⁶ Mario Draghi, "The future of European competitiveness – A competitiveness strategy for Europe"

- The **considerable compliance costs for companies**, particularly related to country-specific packaging, which in some cases require different production lines, as well as re-packaging and re-labelling, has a **detrimental environmental impact** that runs counter to the objectives of EU legislation. For instance, the need to comply with different labelling requirements on packaging may lead to a larger volume, contrary to the packaging minimisation requirements of the recently adopted Packaging and Packaging Waste Regulation.
- Diverse packaging and product information requirements are increasingly challenging for manufacturers, who need to fit all this information on pack to meet diverse legal obligations across EU markets. This can lead to **consumer information overload or confusion**. As brands play a crucial role in empowering consumers with the necessary and relevant information to make informed choices, this divergence in legal obligations is contrary to the health, safety and environmental objectives pursued by EU legislation.
- **The Single Market should form, or at least complement, the legal basis for all EU legislation relating to the value chain serving consumers.** Compliance with EU rules through the Single Market framework will safeguard the goods sold on the EU markets and protect all those in the legitimate value chain serving EU citizens. **A fair and level playing field should be the fundamental basis for ensuring EU competitiveness and stimulating growth.**

Key principles to prevent further fragmentation of the Single Market

AIM calls on the European Commission, Member States, the European Parliament, and all EU institutions and agencies to work together with all stakeholders - businesses, consumers, and civil society - to prevent further fragmentation of the Single Market. Key principles to achieve this will be:

- **Seek to harmonise rules and rules implementation** to avoid the creation of different rules at national level.
- **Strive for the further uptake of digital solutions** in products and packaging requirements.
- **Strengthen and actively enforce existing Single Market instruments** to address and prevent barriers created by divergent national requirements.
- Ensure **dialogue with industry stakeholders and Member States** on implementation, enforcement and compliance.
- Ensure **consistency between different legislative proposals** to avoid conflicts that undermine the achievement of interlinked and coherent frameworks.
- Ensure that the EU institutions take a **holistic approach, covering the whole value chain, when drafting, discussing and adopting legislative initiatives**, to avoid unintended negative impacts on certain segments of the value chain.

In considering how to strengthen and reinvigorate the Single Market, while recognising the rich diversity of Europe's citizens and economy, AIM identifies examples of barriers in the Single Market in the Annex below, and policy recommendations to unlock the further potential for EU competitiveness and growth.

ANNEX: Examples of barriers in the Single Market and recommendations for policy solutions

	Dossier	Impact on the Single Market	AIM recommendations
1	Intellectual Property	<p>AIM's members are key drivers of the EU's competitiveness, with the quality and reputation of many of their brands recognised worldwide. However, rules, procedures and costs for registering and defending the foundation upon which all successful brands are built – intellectual property – remain fragmented and expensive across the EU. Counterfeiting and piracy, increasingly proven to be linked to organised crime, already account for some 5.8% of all EU imports and 2.5% of all global trade, yet while European companies that rely heavily on IP account for 40% of EU jobs and 47% of its GDP, the cost and complexity involved in registering and enforcing their rights present an obvious barrier to their ability to invest in innovations and new markets, and are beyond the reach of most SMEs.</p> <p>For European innovators and creators to be able to truly benefit from and contribute to the EU's competitiveness, harmonised and simplified IP procedures and rules across the Single Market are essential.</p>	<p>Harmonisation is sorely needed to support our creators and innovators of all sizes. The branded goods sector calls for:</p> <ul style="list-style-type: none"> • Improved implementation of Directive 2004/48 on the Enforcement of IP Rights, especially on costs awards and the proportionality principle, and of Regulation 608/2013 on Customs Enforcement of IP Rights, particularly to impose the cost of storage and destruction on those parties responsible for importing infringing goods into the EU, to harmonise the widely differing national customs procedures and to improve data sharing. • Guidance on the GDPR-compliant sharing of data for IP enforcement purposes, and full implementation of Article 28 of Directive 2022/2555 on measures for a high common level of cybersecurity across the Union (NIS2) to permit companies and law enforcement to identify infringers and cybercriminals who misuse brand names in e-mails, messages and website or domain names to reach their victims.

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			<ul style="list-style-type: none"> Individual IP right holders, that satisfy the conditions, to be granted trusted flagger status under Regulation 2022/2065, the Digital Services Act so they can truly protect our markets and consumers from illegal goods offered online. Retention of IP Crime as a priority in the European Multidisciplinary Platform Against Criminal Threats (EMPACT) 2026-2029 policy cycle, as it is increasingly linked to a plethora of - including global, organised - crime types, funding offences from money laundering through to forced labour. Increased resources and political priorities in all Member States for the training, support and retention of expert IP judges, prosecutors and law enforcement officers. Consumers in every Member State to be equally protected from parasitic copies, where third parties mimic all the main attributes of a brand and its packaging, including its entire look and feel and related claims, but without directly infringing any IP rights, in order to dupe purchasers into believing they offer equivalent quality. Finally, to bolster EU capital markets and fuel the green transition, the leveraging of IP rights as financial assets with harmonised recognition and improved reporting.
2	Unfair Trading Practices	A fair and level playing field depends on a well-functioning supply chain. Different legal instruments have been adopted in the EU, each imposing	The European Commission should adopt a holistic approach to the treatment of unfair trading practices and

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		<p>different rules on different product categories and channels. To ensure a consistent approach and create a coherent Single Market, the European Union should strive for greater coherence and convergence between these instruments to boost the EU's growth and competitiveness.</p> <p>European legislation targeting unfair B2B practices is a patchwork of largely divergent rules enforced by national authorities that lack resources and are not well-equipped to cooperate or communicate with each other in a meaningful way.</p> <p>A piecemeal and minimalist approach was taken when the Unfair Trading Practices ("UTP") Directive was adopted in 2019 to address UTPs imposed by buyers on their suppliers. It fragments the market by retaining a turnover threshold that deprives larger suppliers of any protection in 14 Member States, whereas they are protected in the remaining 13. There is even less coherence in terms of who is protected, with all goods sold through the grocery channel being protected in some countries, and not in others. Investigations by national authorities in recent years have demonstrated that UTPs remain a widespread problem and that suppliers remain the main target of (threats of) delisting coordinated by European retail alliances established by grocery retailers to circumvent national laws (please see point 4 below).</p> <p>As the UTP Directive leaves all enforcement to national authorities, it is extremely difficult for them to tackle cross-border cases without a formal procedure designed for doing so, while UTP rules also tend to vary widely from country to country. This fragmentation affects suppliers' ability to comply and to do business in the EU. Consistent legal remedies and redress mechanisms across the EU would provide legal certainty for suppliers and make it easier for them to navigate the EU markets and trade across borders.</p> <p>In summary, the current situation in the EU is the following:</p>	<p>consider codifying into a single European Code of unfair Business-to-business trading practices the rules currently laid down in "UTP" Directive 2019/633, "P2B" Regulation 2019/1150 and "DMA" Regulation 2022/1925.</p> <p>More specifically regarding the UTP Directive, the European Commission should notably:</p> <ul style="list-style-type: none"> • Add the Single Market legal base Article 114 to complement the current legal base Article 43, maintaining and enhancing protection of primary producers in the supply chain. • Extend the scope of application to all suppliers of grocery products, with no threshold limitations on size, in order to target the unfair practice, not the product or the company size. • Clarify the extraterritorial effect of national UTP laws in the EU. • Prohibit self-preferencing practices similar to those prohibited by Article 6 of the "Digital Markets Act", Regulation 2022/1925. • Swiftly adopt the proposed EU Regulation on cooperation among UTP authorities (COM/2024/576) to ensure enforcement of national UTP rules in cross-border cases by enabling UTP authorities to cooperate and take coordinated action where there are reasonable concerns of unfair trading practices with a cross-border dimension. <p>Ensuring a consistent framework for UTP enforcement is directly linked to the EU's ambition to promote</p>

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		<ul style="list-style-type: none"> The rules on UTPs vary considerably from one country to another (types of possible infringements, turnover thresholds or not, confidentiality standards, level of fines...). The overall level of enforcement of relatively similar rules varies considerably from one country to another. There does not appear to be a single EU-wide case where several authorities have coordinated their efforts to tackle cross-border UTPs, which is not surprising given the lack of a formal EU mechanism for this purpose. 	competitiveness, foster innovation, and drive sustainable growth across all Member States. When businesses operate on a level playing field—without facing distortions from fragmented rules—they can more confidently invest in new products, adopt digital technologies, and scale up innovations that benefit consumers and society as a whole. By harmonising UTP rules and closing legal loopholes, the EU can further its strategic priorities of creating a resilient, forward-looking Single Market that spurs entrepreneurship, rewards fair competition, and ultimately enhances Europe’s global competitiveness.
3	European Retail Alliances	<p>European Retail Alliances (ERAs) are entities created by grocery retailers to negotiate supply contracts with consumer goods manufacturers. They are structured in a way that exploits the fragmented landscape of national unfair trading practice (UTP) laws across the Single Market: by establishing their operations in jurisdictions where suppliers have limited protection from UTPs (Eurelec and Coopernic are based in Belgium, and Everest and AMS Sourcing are based in the Netherlands) or no protection from UTPs (Epic Partners, AgeCore and EMD are based in Switzerland), ERAs effectively circumvent stricter national rules by freeriding on the uneven playing field across the EU.</p> <p>Moreover, the way in which ERAs operate reinforces existing market segmentation and limits market entry dynamics, thereby preventing effective competition and integration within the Single Market. This foreclosure effect is exacerbated by the European competition rules on joint purchasing set out in the Horizontal Guidelines, which are designed to prevent anti-competitive collusion between domestic retailers but inadvertently discourage ERA</p>	<p>While market segmentation and restricted entry limit innovation, raise barriers for smaller retailers or new entrants and ultimately reduce consumer choice, greater harmonisation and stricter UTP enforcement would level the playing field, encourage cross-border activity, and enhance competitiveness throughout the EU.</p> <p>The fragmentation of the Single Market can be resolved by:</p> <ul style="list-style-type: none"> Harmonising national UTP laws through the upcoming revision of Directive 2019/633 to ensure an EU-wide high standard of protection, adding the Single Market legal base Article 114 TFEU to complement the current narrow base of Article 43 TFEU in order to align UTP rules with the Single Market’s broader objectives and enable the

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		<p>members from expanding into territories where their alliance partners already operate.</p> <p>The paradigm of a uniform Single Market is clearly undermined by the patchwork of national UTP laws that currently prevails and gives ERAs undesirable opportunities for regulatory arbitrage. As much as limited supplier protections and fragmented enforcement can only lead to reduced product choice or higher prices for consumers, only consistent rules and enforcement can maintain fair competition and prevent ERAs from exploiting differences between Member State laws.</p>	<p>Commission to better coordinate enforcement across Member States.</p> <ul style="list-style-type: none"> • Adopting stronger enforcement mechanisms to ensure a level playing field across all jurisdictions in the current proposed Regulation 2024/576. • Facilitating cooperation between national competition authorities in cross-border cases involving ERAs.
4	Unauthorised sales	<p>Despite the increased use of tailored distribution networks by brands in recent years (selective distribution, exclusive distribution, franchising, direct sales to consumers, etc.) and the recognition of their pro-competitive effects both in EU legislation (Vertical Block Exemption Regulation (“VBER”)) and in landmark case law (Metro, Coty, etc.), there is currently no harmonised EU legal framework to enforce the obligations within these networks, i.e., to address sales taking place outside of authorised distribution networks.</p> <ul style="list-style-type: none"> • Unauthorised sales can be defined as sales by an economic operator (distributor, retailer or intermediary) who is not authorised by the brand to sell the brand’s products, either because there is no contractual relationship with the brand or because the products are sold exclusively by the brand. • Only a few Member States, such as France, have specific legislation or case law to combat this growing phenomenon. Even in these countries, the existence of unauthorised cross-border sales means that consumers can still be targeted and deprived of the benefits of tailored distribution systems (customer experience, adequate consumer information, pre- and after-sales services, etc.) as well as the possible lack of original product qualities, 	<p>AIM calls for the introduction of EU legislation to adequately prohibit unauthorised sales, thereby ensuring the well-functioning of the Single Market and a level playing field, which are both essential to fostering economic growth and maintaining the EU’s competitiveness and leadership.</p> <p>This could be achieved by:</p> <ul style="list-style-type: none"> • Extending the scope of the Unfair Trading Practices Directive to cover all consumer products and making it an unfair trading practice (i) for a buyer to participate directly or indirectly in the violation of the prohibition of off-network resale imposed on members of selective or exclusive distribution networks exempted under competition law and (ii) for a buyer to falsely state or imply that it is not acting for purposes related to its business activities or to falsely represent to the supplier that it is a consumer.

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		<p>warranties and safety standards. Indeed, the effectiveness of national enforcement is undermined by the absence of a harmonised European framework due to cross-border made by unauthorised sellers located outside France.</p> <ul style="list-style-type: none"> The absence of an EU-wide ban on unauthorised sales not only creates a situation of unfair competition for brands and authorised distributors, as unauthorised sellers unduly profit from their investments, but it also further fragments the current patchwork of national rules and enforcement practices applicable to brand owners' distribution networks, making it even more difficult for them to ensure consistent quality, warranties and after-sales services across the Single Market. Unauthorised cross-border sales limit legitimate brand owners' ability to leverage the Single Market, hampering consistent product standards, warranties, and after-sales services. A clear EU approach would provide legal certainty for brand owners, authorised distributors and consumers, while reducing unfair competition from those who ignore or circumvent authorised distribution networks. 	<ul style="list-style-type: none"> Addressing unauthorised sales in articles 5 and 6 of the Unfair Commercial Practices Directive, thereby prohibiting professionals from unfairly influencing consumers through misleading practices. Amending Article 15 of the EU Trademark Regulation to specify that unauthorised sales are made without the consent of the trademark owner or to introduce closed networks, such as selective distribution, as a legitimate reason to oppose exhaustion of trademark rights. <p>Effective enforcement tools at the EU level to address cross-border unauthorised sales would ensure that brand owners can protect their distribution systems in a consistent manner across Member States by preventing "forum shopping" and fragmented national approaches.</p>
5	Territorial Restrictions	<p>In 2022, €276.1 billion of consumer goods were traded within the Single Market.⁷ This high volume of intra-EU trade demonstrates the dynamism of the EU Single Market in the consumer goods industry. Any allegations to the contrary should be supported by substantive evidence and detailed impact assessments.</p> <p>EU competition law – in particular Articles 101 and 102 TFEU, together with the Vertical Block Exemption Regulation (VBER) and its accompanying guidelines (VGL) – already provides a solid framework for identifying and prohibiting unlawful territorial restrictions. At the same time, EU competition law</p>	<p>The European Union should continue efforts to harmonise logistics, labor, transport, tax, and VAT regimes, as well as sector-specific regulations (e.g., labelling, packaging, recycling, composition), which vary significantly among Member States.</p> <p>Achieving greater alignment would reduce administrative burdens, facilitate parallel trade, and ensure a level playing field for businesses throughout the Single Market.</p>

⁷ Euromonitor based on Eurostat using HS codes, Trade by commodity

	Dossier	Impact on the Single Market	AIM recommendations
		<p>recognises that even restrictions on parallel trade resulting from concerted practices or abusive exclusionary conduct may be compensated or justified under certain circumstances (Article 4 VBER and §§ 202-244 VGL), for example where they give rise to net benefits or efficiencies that outweigh the competitive disadvantages. The current framework for balancing the pros and cons of parallel trade is well established and supported by more than 50 years of jurisprudence since the landmark Consten and Grundig judgment in 1966.</p> <p>It is also important to remember that logistics and transport costs can play an important role in shaping cross-border trade flows: in some cases, transporting goods across Europe can be more expensive, time-consuming or environmentally less sustainable than national sourcing. In addition, many logistics networks are organised nationally or regionally to ensure timely deliveries and to meet sustainability targets, so not all cross-border sourcing options are always practical - quite apart from any competition concerns.</p> <p>In conclusion, imposing new rules outside the established competition law framework under the banner of tackling “territorial supply constraints” risks unintended consequences – including potential job losses, economic uncertainty, reduced competitiveness of SMEs, disrupted price dynamics and a setback to sustainability efforts. Rather than introducing new measures, and further increasing the regulatory burden on EU businesses, the EU should rely on its proven competition instruments, which provide both legal certainty and the flexibility to balance the pros and cons of parallel trade.</p>	<p>See all other instances of inconsistent national laws listed below or by sectoral associations, given the myriad of rules that apply across sectors.</p>
6	Packaging and Packaging Waste Regulation (PPWR)	<p>The recently adopted PPWR aims to harmonise requirements across the EU but allows Member States to introduce additional sustainability or information requirements beyond those outlined in the Regulation.</p> <p>Differing national labelling requirements create barriers to cross-border trade, complicating market access and increasing costs for manufacturers. Today,</p>	<ul style="list-style-type: none"> A consistent and harmonised application of the PPWR is essential to remove the obstacles created by national initiatives, ensuring the free movement of goods and safeguarding the Single Market.

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		<p>companies must comply with multiple labelling measures, requiring several labels/stickers on products. For instance:</p> <ul style="list-style-type: none"> • France's <i>Loi No 2020-105 du 10 février 2020 relative à la lutte contre le gaspillage et à l'économie circulaire</i> mandates the use of the "Triman" logo for products subject to Extended Producer Responsibility (EPR). This has created significant barriers to the free movement of packaged goods in the EU, as packaging must be specifically tailored for the French market, leading to additional costs associated with re-labelling, re-packaging, and adapting production lines. • Moreover, France had prohibited the Green Dot label (used to indicate that a producer complies with its EPR), while Spain and other countries had mandated its use on all packaging. This thus led to inconsistencies, preventing manufacturers from placing the same packaged product on the French and Spanish markets. • The Spanish Royal Decree 1055/2022 on packaging and packaging waste mandates the use of a label indicating packaging reusability and sorting instructions. This anticipates the EU-harmonised labelling system under the PPWR, forcing companies to re-design packaging twice – first for Spanish compliance and later for PPWR compliance. <p>These country-specific requirements not only impose substantial burdens on businesses during economic hardship but also risk confusing consumers and hindering their understanding of the EU-harmonised labels. Additionally, the need to meet multiple labelling requirements conflicts with the packaging minimisation requirements.</p> <p>Other provisions enable national deviations from the PPWR, for instance allowing the possibility to opt for home composting in addition to industrial composting. The Regulation provides a significant leeway for Member States to adopt unilateral or more ambitious packaging waste prevention measures,</p>	<ul style="list-style-type: none"> • While Member States should refrain from adopting national measures, the European Commission must promptly and actively address barriers by pursuing infringement actions against Member States introducing additional, country-specific requirements. • The European Commission should also provide clear and detailed guidance on the interpretation and implementation of key requirements. • Future PPWR implementing acts establishing harmonised labels should prioritise text-free pictograms as an EU-harmonised solution. Avoiding language is necessary to eliminate the need for translation and country-specific labels, which create challenges for manufacturers having to fit information on packaging that must be minimised. • Finally, the PPWR implementing measures should also integrate the use of digital solutions (QR code or other similar data carriers) not only to provide additional information to consumers but also to replace harmonised labels whenever it is not possible to provide the information on the packaging, due to its limited size. Digital solutions provide more flexibility for manufacturers, enabling them to provide up-to-date information and avoid reviewing the artwork of their packaging.

	Dossier	Impact on the Single Market	AIM recommendations
		<p>potentially introducing broader bans on certain packaging formats. Moreover, some Member States are already setting national reuse targets that greatly differ from those established in the PPWR, creating an unstable and unharmonised environment for companies.</p> <p>Finally, besides the PPWR, other EU legislation (e.g., Empowering Consumers for the Green Transition, CLP and other product-specific legislation) will require companies to change the artwork of their packaging. However, the different application timelines will create considerable challenges for companies, who will need to invest significant resources to comply with those different regulations at a different pace.</p> <p>Such nationally imposed requirements create uncertainty and instability for businesses reliant on the Single Market, hindering their ability to scale up technologies and innovations needed to meet the PPWR objectives, ultimately undermining their competitiveness in the EU.</p>	
7	Proposal for a Green Claims Directive	<p>The European Commission's proposed Green Claims Directive is key to creating a level playing field for businesses and providing consumers with reliable information. The provision of sustainability information is a catalyst for driving innovation and investments, fostering the industry's competitiveness in sustainability. However, some of the proposed measures risk leading to fragmented approaches and enforcement across Member States, generating legal uncertainty and negatively impacting businesses' ability to communicate. For instance:</p> <ul style="list-style-type: none"> The substantiation requirements risk creating fragmented interpretation, application and enforcement across national authorities, companies and third-party verifiers. This is due to the obligation of Member States to ensure that traders carry out the assessment for the substantiation of the 	<ul style="list-style-type: none"> During interinstitutional negotiations, the EU Institutions should carefully assess options to streamline and simplify the legislative proposal while ensuring full clarity in the interpretation and application of the rules. This will support the consistent application of the Directive, preventing the creation of barriers in the Single Market, as well as the unintended administrative burdens on companies. In particular: <ul style="list-style-type: none"> The substantiation requirements should introduce proportionality and clarify the definition of "lifecycle perspective", to ensure that claims related to environmental aspects

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		<p>claim, coupled with the lack of clarity and proportionality in the requirements.</p> <ul style="list-style-type: none"> The proposed ex-ante verification and certification process risk leading to considerable fragmentation. While we have reservations about the overall effectiveness and practicality of requiring an ex-ante verification and certification process for <i>all</i> types of environmental claims, we believe that for those claims requiring pre-verification, the Directive's requirement for Member States to establish those processes risks leading to 27 different certification systems. <p>This potential fragmentation would increase unpredictability for businesses, which would face different procedures, costs and timeframes, potentially discouraging them from innovating and developing more sustainable products if communicating about their sustainability efforts becomes too costly or uncertain. This would also deprive consumers of the necessary information to make more informed choices.</p>	<p>should not be substantiated as those related to environmental impacts.</p> <ul style="list-style-type: none"> The ex-ante verification and certification process for certain environmental claims should establish harmonised procedures, including clear deadlines for verifiers and procedures to address any appeals from companies.
8	Directive on Empowering Consumers for the Green Transition (ECGT)	<p>The lack of clarity on the Directive's measures raises concerns that Member States may transpose, interpret and enforce the rules inconsistently, leading to further fragmentation for businesses. As the assessment of compliance with the Directive is left to the Member States, there is a risk that some authorities could ban environmental claims that are allowed in other Member States. Moreover, there is a risk that Member States may diverge from the Directive by adding further requirements for the communication of environmental claims.</p> <p>This potential fragmentation, together with the risk of penalties and reputational harm, contributes to increasing uncertainty for businesses. As a result, companies may be discouraged or prevented from making and communicating investments behind environmental claims, which will negatively impact their competitiveness and investments in innovation.</p>	<ul style="list-style-type: none"> The European Commission should promptly update the Guidance Document for the Unfair Commercial Practices Directive to ensure a harmonised interpretation of the rules adopted in the ECGT Directive, as well as a consistent transposition and enforcement of the Directive across EU Member States. The European Commission should further monitor Member States' transposition to swiftly address any inconsistencies.

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9	Mandatory Eco Score labelling schemes set at national level	France's future obligation for companies to display the "Eco-Score", a label rating products from A to E, based on their environmental footprint, presents serious concerns for its creation of barriers to cross-border trade . This will impose significant costs on companies due to country-specific labelling and compliance with non-harmonised criteria that may conflict with those set in other EU markets and those that could be set under the implementation of the Ecodesign for Sustainable Products Regulation (ESPR) .	National mandatory labelling requirements , such as Eco Score should be avoided as they increase the fragmentation of the Single Market, requiring companies to design country-specific packaging to display the mandatory national label.
10	TRIS Directive	<p>The TRIS Directive procedure is designed to prevent infractions of the rules on the free movement of goods, the cornerstone of the EU Single Market before they have any negative effects. However, recent experience highlights the need to strengthen the system:</p> <ul style="list-style-type: none"> • Some Member States bypassed the TRIS notification for draft legislation and consequently, certain barriers stemming from national legislation were not addressed via the TRIS Directive. This contributed to the exacerbation of the fragmentation within the Single Market, with the related administrative, logistical and economic costs for companies. • Member States are currently required to notify draft national measures via the TRIS procedure. However, these drafts may become obsolete if they are later amended by the national parliaments. As a result, any evaluations conducted by the European Commission or stakeholders may be rendered irrelevant. • Infringement procedures are too slow and do not suspend unilateral national measures, creating ongoing barriers to the Single Market. The EU Court of Auditors' report on "Enforcing EU Law" confirms that the European Commission takes too long to manage such cases. As the opening of a procedure does not suspend the national measure, economic operators must comply to maintain market access, incurring significant costs. 	<ul style="list-style-type: none"> • Member States should submit full and detailed evidence (including risk analysis) for the restrictive measures they intend to take • The Commission, as a matter of routine, must, in accordance with its legal obligations, systematically undertake rigorous and comprehensive checks of submitted data to ensure that any measure is evidence-based, proportionate and compatible with EU law. • Member States should notify not only the draft national measures but also the final legislative texts once adopted. • In case of an opening of an infringement procedure, Member States should either accept a temporary suspension of the measure or continue with the measure but compensate affected economic operators for their compliance costs until the procedure is resolved. • Infringement procedures should be pursued promptly and if Member States fail to meet deadlines for submitting a response, a default finding of non-compliance should be triggered. Clear and rigorous deadlines should be established and enforced.

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		<ul style="list-style-type: none"> As shown by the Triman case, procedures take too long, with consequent negative consequences on economic operators that are, in the meantime, obliged to comply with the national measures. Infringement procedures should be pursued promptly. Member States should not be allowed to prolong the TRIS process through non-cooperation. 	<ul style="list-style-type: none"> Longer standstill periods should be established for product, packaging and labelling measures, including at least a 12-month transition period after the procedure for the Member State to publish a final text and implement it if it still deviates.
11	Digital	<p>For EU legislation related to online services, we strongly recommend adopting Regulations rather than Directives. Regulations are binding in their entirety to all Member States, ensuring uniformity, whereas deviations under Directives could lead to 27 different legal interpretations, ultimately complicating compliance and negatively impacting user experience across Europe. Several examples illustrate the challenges of legal fragmentation:</p> <ul style="list-style-type: none"> Age of digital consent (EU GDPR): Varying digital consent ages across Member States result in up to four different thresholds within the EU. This forces businesses to develop complex systems to determine users' locations and serve different consent mechanisms accordingly. Many online services lack the resources to implement such granularity and instead default to the highest age requirement, contradicting the Single Market's harmonisation objectives. ePrivacy Directive: Member States have significant discretion in defining what constitutes "strictly necessary" cookies and trackers, leading to fragmented interpretations. This prevents businesses from implementing a uniform approach to unconsented tracking across the EU. Accessibility standards (EU Accessibility Act): Differences in national accessibility requirements and varying definitions of "in-scope" services hinder the effectiveness of accessibility adaptations. Given that accessibility relies on consistency to meet diverse user needs, a single EU-wide standard with a unified interpretation would be a significant improvement. 	<p>A more unified regulatory approach is essential to ensure legal certainty, reduce compliance burdens, and maintain a seamless user experience for citizens across Europe.</p>

	Dossier	Impact on the Single Market	AIM recommendations
12	CLP Regulation	The newly adopted Regulation for Classification, Labelling and Packaging of Mixtures and Chemicals (CLP) mandates an increase in font size on packaging for certain products, limiting the available space for multiple languages on labels , and therefore, restricting the number of markets where products can be placed. The prohibitive cost of creating additional SKUs for smaller markets may prevent companies from offering products in those regions. Additionally, the CLP's increased information requirements lead to larger labels and, in some cases, bigger packaging, conflicting with the PPWR's goals of waste prevention and reduction through the minimisation of packaging volumes.	It is crucial to ensure that rules are consistent with those set out in other EU legislative proposals , especially when addressing interlinked issues. The European Commission should strive for consistency across DGs when drafting proposals, as well as throughout the legislative processes , particularly when the legislation is being reviewed at the same time, to avoid clear conflicts.
13	Biocides Regulation	The Biocidal Products Regulation (EU) 528/2012 (BPR), has been in effect for over a decade to harmonise national rules and improve the functioning of the Single Market for biocides. However: <ul style="list-style-type: none"> • Member States continue to operate national schemes, creating challenges for businesses. • A key issue in recent years is the introduction of national rules for certain biocidal product types (PTs), exceeding EU requirements. These rules often restrict or ban in-store advertising of certain PTs, such as consumer insecticides, and impose additional measures for specially trained staff and locked shelves for products. • As a result, many retailers have delisted these products, given their inability to accommodate the law. This led to a de facto ban of certain products from consumer shelves, undermining the harmonisation goals of the BPR and limiting consumer access to registered products in some Member States. 	<ul style="list-style-type: none"> • A consistent and harmonised application of the BPR rules is essential to remove the obstacles created by national initiatives, ensuring the free movement of goods and safeguarding the Single Market. • While Member States should refrain from adopting national measures, the European Commission should promptly and actively address barriers by pursuing infringement actions against Member States introducing additional, country-specific requirements. • Further harmonisation and clarification of rules and timelines should be part of the BPR review, to avoid further market fragmentation and unpredictability for businesses.
14	Food Information to Consumers	Manufacturers face diverging national interpretations of the EU harmonised rules. For instance, with Regulation 1169/2011 on Food Information to	It is key to address these inconsistencies and ensure a harmonised implementation throughout Member States.

Dossier	Impact on the Single Market	AIM recommendations
	<p>Consumers (FIC), national requirements are adopted to establish specific on-pack measures. For instance:</p> <ul style="list-style-type: none"> • Belgium requires a warning label in Dutch and French if vitamins and/or minerals exceed set levels; • France set a specific definition of “potato crisps” and required all the front-of-pack information to be provided in French and set up a mandatory origin labelling for cocoa products. • Finland requires a warning on the pack if salt content exceeds set levels. • The Netherlands are introducing a new precautionary allergen label to communicate the presence of allergens in products. <p>Moreover, there are national interpretations of the concept of what is “misleading” for the consumer, including in relation to pictorials representing ingredients on packs and claims, as well as “free from” claims.</p>	

About AIM

AIM (Association des Industries de Marque) is the European Brands Association, which represents manufacturers of branded consumer goods in Europe on key issues that affect their ability to design, distribute and market their brands.

AIM comprises 2500 businesses ranging from SMEs to multinationals, directly or indirectly through its corporate and national association members. Our members are united in their purpose to build strong, evocative brands, placing the consumer at the heart of everything they do.

AIM’s mission is to create for brands an environment of fair and vigorous competition, fostering innovation and guaranteeing maximum value to consumers now and for generations to come. Building sustainable and trusted brands drives the investment, creativity and innovation needed to meet and exceed consumer expectations.

AIM’s corporate members

AB InBev • Arla Foods • Bacardi Limited • Barilla • Beiersdorf • BIC • Carlsberg Group • Chanel • The Coca-Cola Company • Colgate-Palmolive • Coty • Danone • Diageo • Dr. Oetker • Essity • Essilor International • Estée Lauder • Ferrero • Freudenberg/Vileda • Groupe Lactalis • Haleon • Heineken • Henkel • HP Inc. • JDE Peet’s • Kenvue • Kellanova • The Kraft Heinz Company • Lavazza Group • The LEGO Group • Lindt & Sprüngli • L’Oréal • LVMH • Mars Inc. • McCormick • Mondelēz • Nestlé • Nike • Nomad Foods Europe • Orkla • PepsiCo • Perfetti Van Melle • Pernod Ricard • Philips • Procter & Gamble • Puma • Reckitt • Red Bull • Savencia Fromage & Dairy • SC Johnson • Sigma • Signify • Sofidel • Unilever

AIM's national association members

Austria Markenartikelverband • Belgilux BABM • Czech Republic CSZV • Denmark MLDK • Finland FFDIF • France ILEC • Germany Markenverband • Ireland Food & Drink Federation • Italy Centromarca • Netherlands FNLI • Norway DLF • Portugal Centromarca • Spain Promarca • Slovakia SZZV • Sweden DLF • Switzerland Promarca • United Kingdom British Brands Group

EU Transparency register ID no.: 1074382679-01