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MISSION COMMERCE

GOVERNMENT REFERRAL

With turnover of €1,637 billion, retail accounted for 10.4% of the economy's total added value in 2017. 3.6 million people work in this sector, including 400,000 self-employed entrepreneurs and 3.2 million employees. Retail is highly diverse in its forms and practices, but over the last 20 years it has undergone considerable change as a result of the digital revolution and the ecological transition.

The ecological and digital challenges and their emergence within an economic model with sometimes contradictory requirements are part of an environment that "transforms the relationship with the customer towards greater individualisation and proximity".

The digital transformation, measured in particular through e-commerce sales, is disrupting the sector. E-commerce, which represented some 3% of total retail sales in 2010, reached 13.4% in 2020. According to the FEVAD, in 2020 alone the increase was more than 32% for products and 27% for marketplaces, confirming the accelerating effect of the health crisis. Although specialised players (Amazon, Cdiscount, etc.) initially dominated the change, the major retailers quickly adapted, combining traditional sales, in-store collection and online sales. On the other hand, the adoption of digital technology by independent retailers and craftsmen remains uneven and inadequate. A special effort must be made for these actors.

From an ecologicaltransition perspective, retail is a key economic sector. It is adapting to consumers' growing interest in local products, organic alternatives, and health and nutritional quality. The rise of second-hand sales and the growing interest in reparability also reflect greater environmental awareness. At the same time, the development of new forms of sales (direct sales, etc.), the revival of independent retailers and artisan food sellers, and efforts by supermarkets to relocate small shops to town centres are changing the geography of retail and the commercial flows it generates. Although, structurally, retail is only the 6th largest factor in land take, far behind housing, it is a major contributor to greenhouse gas emissions (goods flows account for a third of CO_2 emissions in urban areas).

For the ESEC, the main strategic objectives of transforming retail are therefore:

-to make digital technology work for local retail. Omnichannel selling must be massively supported, along with the reduction of digital inequalities (VHS coverage, digital illiteracy, training) and tax inequalities.

-to steer retail through a structural ecological transition by taking into account the challenges of transport, carbon impact and last mile logistics.

For the ESEC, these objectives can only be achieved by providing massive support for training to both employees and employers in the sector.

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THE ESEC'S PROPOSALS

The ESEC stresses the need to improve the recognition and visibility of retail by adding the word "retail" to the title of the relevant ministry, organising a conference on retail and creating a local retail week.

Pillar 1: Treatment of commercial vacancies and brownfields

- Facilitate the involvement of local authorities with financial support (PVD, Coeur de ville), the right of pre-emption and the development of infrastructures contributing to the ecological and digital transition of local retail.
- Make it compulsory for CDAC criteria to include the economic, environmental and social impacts of commercial development projects (particularly on employment). Introduce a mechanism requiring the project developer to provide compensation when there are brownfields in the catchment area that they do not help to reabsorb.
- Create "commercial revitalisation zones" and introduce tax incentives. Facilitate the transfer and takeover of local businesses.

Pillar 2: Reconciling different forms of retail

- Expand the omnichannel approach to local retail by promoting digital tools that support proximity and by creating a digital quality label.
- Incorporate retail into the "smart regions" projects and accelerate the development of VHS infrastructures and networks (fibre, 5G, short-range networks), including in rural areas.
- Increase understanding of data and cybersecurity issues and expand the implementation of algorithm transparency regulations.
- Develop a substantial support and training policy to help retailers and craftsmen take ownership of digital issues.

Pillar 3: Creating a level playing field

- Modify the tax on retail space (TASCOM) to take into account the consequences of retail digitalisation (with a special tax on warehouses).
- Hold a tax conference to correct the existing tax imbalances between physical and digital retail, particularly in relation to the GAFA, without reducing overall revenue.
- Exempt from income tax and social security contributions a portion of the profits reinvested in the digital or ecological transition by companies under the BIC regime.

Pillar 4: Supporting the ecological transition of retail

- Strengthen support for retail and craft companies to steer them through the ecological transition with the "TPE-PME gagnantes sur tous les coûts" programme.
- Promote low-carbon mobility in city centres.
- Support the purchase of low-emission business vehicles by retailers and set up efficient and carbon-free last mile deliveries.
- Develop schemes to encourage green transport for retail employees. Provide public aid to encourage companies with less than 10 employees to implement a sustainable mobility plan.
- Develop multimodal platforms (river, rail and combined).

Pillar 5: Strengthening support and training for employees and independent retailers

- Encourage social partners in the occupational sectors to negotiate an ambitious training programme by providing additional special funding for companies with less than 50 employees to invest in training.
- Encourage the creation of employer groups in town centres to develop quality employment and replace staff in training.
- Adopt a holistic approach toward assistance and training for local retail to support the sector's workers and employees.

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