

Futureproofing Consumer Goods & Retail

Key regulatory changes that should be on your radar

17 February 2026

2026 marks the year of implementation and strategic recalibration for many of the regulatory projects initiated under the previous Commission. Key regulations shift from concept to enforcement and transition to practical compliance obligations for the consumer goods and retail industry: Under the Packaging and Packaging Waste Regulation, sustainability and transparency requirements will become binding, and the Empowering Consumers Directive imposes stricter standards on packaging design and environmental claims.

At the same time, the new Commission has been shaping its own priorities and appears to be pursuing a dual approach: regulating the European industry while ensuring competitiveness against global players. Platforms such as Temu and Shein, operating under far less restrictive regimes, have underscored the need for a level playing field. This broader perspective is likely to influence both policy and enforcement in the coming years.

Competition law remains a key pillar of this agenda. The Commission has announced new tools to tackle Territorial Supply Constraints (TSCs), reinforcing its commitment to market integration. Recent enforcement in the luxury segment, including fines against Gucci and Loewe for resale price maintenance, highlights the risks of restrictive pricing and distribution practices and signals a more assertive stance on vertical restraints.

Against this backdrop, companies must prepare for a regulatory environment that is not only more demanding but also more strategic in its global outlook. Here is a brief overview of what these changes mean for market players and how to navigate the challenges and opportunities they present.

Antitrust & Competition

Companies should be aware that policy attention to TSCs is increasing and may bring new compliance requirements. TSCs are practices by brands or manufacturers restricting retailers, wholesalers, or distributors in how to source or resell products, typically segmenting markets along country borders. Persistent inflation and the cost-of-living crisis have intensified scrutiny. Following a call by Member States in 2025, DG GROW and DG COMP are developing new tools beyond the current antitrust framework. A call for evidence and public consultation is expected by early February, followed by an impact assessment and stakeholder workshop in mid 2026, with a legislative proposal

planned for year end. The initiative particularly targets the consumer goods and grocery retail sectors, where Member States have reported widespread TSC practices.

On the enforcement side, the Commission has signaled a sharper focus on vertical restraints. In October 2025, it imposed fines of EUR 157 million on **Gucci, Loewe, and Chloé** for resale price maintenance across the EEA. Based on information uncovered during 2023 dawn raids, the Commission found that the three brands operated systems restricting independent retailers in setting online and offline sales prices. Between 2015 and 2023, retailers were pressured not to deviate from recommended retail prices, maximum discount ceilings, and fixed sales periods.

In November 2025, the Commission opened an investigation against **Red Bull** for suspected abuse of dominance in the wholesale supply of branded energy drinks. Central to the investigation is Red Bull's alleged misuse of its role as category manager (a position that allows a supplier to influence shelf layout, assortment and promotion across an entire product category) by steering retail space, visibility and product selection in ways that could foreclose larger rival brands in supermarkets, petrol stations and other off-trade channels. This is the first EU investigation to examine category management as a potential abuse of dominance, signaling a broader approach to vertical foreclosure and underlining the need for companies to reassess both price and non-price aspects of their distribution strategies.

Price-fixing allegations amongst companies in the Ski-equipment are under investigation and algorithmic collusion remains a concern for the Commission under Article 101 TFEU where enforcement in Europe is something to watch out for sooner rather than later.

International Trade

The Packaging and Packaging Waste Regulation (PPWR) will apply as of 12 August 2026. Due to its broad scope and its extensive requirements on packaging materials and labeling requirements, the PPWR takes on a significance that may not be apparent at first glance. Essentially, packaging that does not comply with the new requirements must not be placed on the market. Crucially, this also extends to products in non-compliant packaging, as the PPWR applies not solely to packaging standalone.

Requirements regarding recyclability, the minimum proportion of recycled raw materials in packaging, and the obligation to minimize packaging will only become mandatory in the coming years and involves a staged system with minimum thresholds increasing over time. In its personal scope, the PPWR makes it inevitable for economic operators to ascertain their own status within the meaning of the Regulation, as different obligations apply for manufacturers or distributors for instance, and a full set of specific obligations is foreseen for so-called e-commerce packaging.

The same might await a broad range of economic operators under the Ecodesign for Sustainable Products Regulation (ESPR). The ESPR aims at standardizing the environmental sustainability of almost all physical products placed on the EU market and sets out requirements for durability, energy efficiency, and reparability.

Next to these material future requirements for products, the ESPR introduces a so-called digital product passport designed to make sustainability information about products accessible, reliable, and interoperable across the entire EU market. It will gradually apply to all products covered by the ESPR, whether manufactured in the EU or imported.

One central prohibition under the ESPR will apply as of 19 July 2026: From then on, certain unsold consumer products may not be destructed any longer. The prohibition will first only apply to footwear, clothing, and apparel, but the Commission will widen the scope of application step-by-step.

Both regulations contain a multitude of rules, and the expected substantial number of delegated acts by the Commission will make it difficult to keep an overview. Navigating the regulatory maze could prove to be more challenging than compliance itself.

ESG

Even though the so-called omnibus has brought substantive changes to a number of regulations and directives, the legal acts concerned have not ultimately been abolished.

Already postponed twice since its initial introduction, the EU Deforestation Regulation (EUDR) is currently scheduled to come into force by year end. It will apply to seven categories of raw materials and certain derived products linked to climate-damaging deforestation. Among them are coffee, palm oil, chocolate, and in particular, wood-based products, i.e. packaging materials. The food and hygiene industries will be heavily affected, even where they do not market in-scope products, but because they rely on raw materials and inputs covered by the EUDR.

The EUDR also stipulates formal requirements: For example, so-called due diligence statements must be submitted as a precondition to place in-scope products on the market. While they were originally designed to apply across the entire supply chain, the omnibus procedure has narrowed their scope and limited the obligation to the Operator, i.e. the first economic actor placing a product on the EU market.

Product requirements are only one side of the coin. Due to the increased attention to ESG in recent years and its potential influence on consumer purchasing behavior, the EU has adopted the so-called Empowering Consumers Directive, which amends existing consumer protection regulations and is aimed at combating greenwashing. It is intended to protect against misleading claims in the area of product sustainability and prohibits generic environmental claims if these are not confirmed by certification systems. Since the directive sets only minimum requirements and leaves implementation to the Member

States, it is particularly important to keep an eye on national developments. The directive sets an implementation deadline of 27 March 2026, and from 27 September 2026, Member States will have to apply their implemented domestic measures to comply with the Directive.

Ultimately, the Empowering Consumers Directive demonstrates how intertwined and multi-layered the regulatory landscape is and that a global perspective is mandatory.

For more detailed information about these regulations and their potential implications for your business, please don't hesitate to reach out to Anna Huttenlauch, Elisa Hauch, Laura Louca, Bruno Galvão or any other member of our team.

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