

National Retail Pact

Working Together on the Transition in the High Street

Retail is more than just a place to buy products or services. The retail sector is the living room of Dutch society, where people meet and connect. With pride, we can say that our sector, with over 83,000 stores, plays a social role in municipalities and neighborhoods across the country. Our sector employs more than 800,000 people, making us the largest private employer in the Netherlands. For many young people, retail is where they gain their first work experience, and people from diverse backgrounds build lifelong careers in stores. We are proud that we not only create economic value but also play a fundamental role in cities and towns throughout the Netherlands. The European Commission has already recognized retail as a key sector. Through collaboration with partners in the National Retail Pact, we hope to achieve similar recognition for retail as a vital sector in the Netherlands.

Transition

The world around us is changing. Not only are customer expectations shifting, but societal expectations are evolving as well, for example around sustainability, digitalization, and the development of employee skills. To continue fulfilling our important role in the future, several European reports conclude that the retail sector must become more resilient, and that practical and financial support is necessary. McKinsey (2022) estimated that a Europe-wide additional investment of 1.2% of revenue is needed to make the sector future-proof. SEO Economic Research (2024) further concludes that this equals an additional annual boost of €1.7 billion for the Dutch retail sector until 2030. This amounts to a total extra investment of over €10 billion on top of already planned annual investments.

To remain a sector where people enjoy gathering and working, retail must invest in three major transitions:

1. **Sustainability and Green Growth Acceleration**
2. **Digitalization through Better Use of Data and AI by All Retailers**
3. **Training Employees and Developing Skills**

These transitions offer many opportunities. Although the sector is one link in the chain, it interacts daily with all segments of society. Retail can therefore play a key role in the sustainability transformation our society must undertake.

For many young workers, retail is the first place they encounter the impact of digitalization and AI in the workplace. Customers are increasingly informed and outspoken—but also more easily misinformed. This places pressure on retail businesses to provide ongoing training and to prioritize the human element where customers desire it.

Retailers themselves are already investing heavily in all transitions. For example, they play a key role in Extended Producer Responsibility (EPR), such as collecting discarded products—from clothing and electronics to batteries and drink containers.

Many trade associations organize eCommerce training for their members. Despite the rise of eCommerce in the Netherlands and growing importance of big data and AI, many Dutch retailers face serious challenges, particularly concerning privacy and cybersecurity.

The changing playing field also affects staff training and development. Many retail organizations invest in education and training together with trade unions. But the major labor shortage and the impact of digitalization require deeper and more structured collaboration between educational institutions and the retail sector.

A **National Retail Pact** requires customization, an integrated approach, and—action. Our goal is to work with **governments, knowledge institutions, and civil society organizations to accelerate and support the transition within the Dutch retail sector**. The transition task is significant, and many independent retailers lack the means to make all the necessary investments on their own.

In this way, we are working towards a social contract for the retail sector in which the sector retains its role as the living room of cities and neighborhoods—both now and in the future.

In a National Retail Pact, transition-specific agreements (sustainability, digitalization, skills) are made with societal partners, and joint ambitions are established. This includes identifying how retailers can best benefit from existing knowledge and incentive schemes.

It also looks at what is needed to initiate transitions, drawing inspiration from neighboring countries. The pact will be closely aligned with the Retail Agenda of the Ministry of Economic Affairs, which in recent years has worked to make shopping areas more attractive.

With this manifesto, we call for a National Retail Pact and invite all partners to collaborate on the retail transition challenge.

On behalf of the cooperating social partners in Dutch retail,

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