Tesco and Carrefour to end cooperation deal

By Sandra Halliday - 8 June 2021

UK retail giant Tesco and French giant Carrefour are ending their purchasing partnership when the deal expires later in 2021.

The two retailers — which operate in different territories and so don't compete with each other — have been cooperating since 2018. Their deal included joint buying for a number of products such as fresh foods, packaged goods and non-food items.

The two had seen it as a way to reduce prices and offer more choice for customers. But sources told Reuters that the UK's exit from the EU had made things “more complex”. That said, Tesco has denied Brexit was the reason for the ending of the agreement, although it didn't give any other reason.

But analysts have suggested that one key reason could be that the benefits the two companies had expected from their cooperation had failed to materialise.