



# **Questions and answers on the E-commerce Communication**

Brussels, 5 February 2025

#### Why did the Commission propose the E-commerce Communication?

The EU market is facing growing challenges from e-commerce imports from outside the EU that pose risks to our health and safety, and which are unsustainable from an environment and climate viewpoint, and which are creating unfair competition for compliant businesses in the EU, including SMEs.

In recent years, there has been a surge of such products entering the EU, with around 4.6 billion lowvalue consignments entering the EU market in 2024. In the same year, just six Member States were responsible for the supervision of 89% of directly imported goods sold online. This has put a significant strain on customs authorities.

The Communication on a Comprehensive EU Toolbox for safe and sustainable e-commerce (Ecommerce Communication) outlines short- and medium-term actions to achieve a safer, more sustainable and fairer market.

The Commission will assess within a year the effect of the actions announced in this Communication and will consider whether further actions and proposals are necessary.

#### What does the E-Commerce Communication highlight in the area of customs reforms?

The sheer amount of e-Commerce imports is putting increasing pressure on customs authorities, with goods bought online already accounting for over 97% of all customs declarations.

The Communication highlights the proposed Customs Reform Package, calling on the co-legislators to swiftly adopt the proposal on removing the  $\in$ 150 duty exemption and introducing a simplified tariff treatment for low-value consignments. It also invites the co-legislators to consider further measures, such as a non-discriminatory handling fee, payable by retailers or platforms, on e-commerce items imported in the EU directly to consumers, to address the scaling costs of supervising compliance of billions of such consignments with EU rules.

#### Which actions aim to protect consumers online?

Consumers see the presence of non-trustworthy online sellers among the top online challenges that have the biggest personal impact on them.

**The Digital Services Act** sets EU-wide rules for online intermediaries, including online marketplaces to help ensure that only compliant products are sold on their platforms, . Online marketplaces that have been designated as very large online platforms also need to assess and mitigate risks related to the distribution of dangerous, counterfeit or otherwise non-compliant goods through their services, risks to consumer protection in the EU, or risks related to public health and the physical well-being of individuals.

**The General Product Safety Regulation**, which came into effect on 13 December 2024, establishes a modernised framework for consumer product safety across the EU and sets out specific product safety obligations for online marketplaces.

Alongside this, the Commission will prioritise the way digital gatekeepers impact opportunities for European e-commerce in its enforcement of the **Digital Markets Act**.

Online marketplaces are also subject to the general EU consumer law provisions that apply to all traders and prohibit unfair commercial practices that interfere with the consumers' choices. These rules ensure the highest standard of consumer protection, for instance, by shielding consumers in the EU from deceitful practices and scams. Following a recent assessment of these rules, the Commission

plans to propose a Digital Fairness Act to fill the gaps to ensure consumers are as protected online as they are offline.

National consumer authorities are responsible for enforcing consumer laws, and the **Consumer Protection Cooperation (CPC) Regulation** allows the Commission to coordinate enforcement actions with the CPC network, when a large portion of EU consumers are concerned. For example, a coordinated action was launched against Temu in November for practices that are in breach with consumer law, e.g. fake discounts, dark patterns, forced gamification and fake reviews.

The Commission will reflect on ways to further strengthen and improve the enforcement system of EU consumer laws, in particular as regards widespread illegal practices and against non-EU traders, with a view to ensure a level playing field for legitimate EU businesses.

#### How will the import controls at borders and product safety checks be implemented?

The Commission **will announce specific coordinated customs controls under a priority controls area (PCA)** together with the Member States' customs authorities, market surveillance and other competent authorities, focusing specifically on e-commerce imports. This will focus on products with significant safety hazards and risk of non-compliance, bringing together customs and market surveillance authorities to gather evidence about such products.

To further increase cooperation, the Commission will **subsequently launch a new Coordinated Activity on the Safety of Products** regarding products or product categories sold online, and facilitate the exchange of information between market surveillance authorities and customs on emerging product safety issues and risks. Within the framework of the **Consumer Safety Network**, the Commission will propose to conduct joint product testing and mystery shopping activities. In the second quarter of 2025, the Consumer Safety Network will carry out its first ever product safety sweep to check and enforce compliance of products that are the most frequently ordered on ecommerce platforms. They will, for instance, check if products bear the required information such as the contact details of the person responsible for the product in the EU.

### Which digital tools can aid in tackling the highlighted challenges brought on by imports?

Digital tools can facilitate the supervision of the e-commerce landscape. The Commission will increase coordinated actions and shared digital tools to foster cooperation across all stages of the supply chain.

It will also follow up on the implementation of the Digital Product Passport and expand the passport to include additional layers of information to facilitate compliance checks.

Furthermore, in the first half of 2025 it will **propose a plan for the application of the Ecodesign for Sustainable Product Regulation** and streamline existing databases into an interoperable system and provide free access to authorities to its new Artificial Intelligence tool, the eSurveillance web crawler, to be deployed in early 2025.

#### How does the Commission propose to tackle the environmental impact?

The surge in e-commerce imports directly shipped to consumers has very serious detrimental effects on the climate and the environment stemming from the transport of goods, pollution from the use of certain materials or fossil fuel energy in the production of goods, and the fact that such goods are often short-lived products which often cannot be repaired or recycled. Moreover, non-compliant products raise serious challenges for EU recycling industry who is left to deal with low quality, toxic or difficult to recycle products.

The E-commerce Communication calls on co-legislators to accelerate the adoption of the proposal for a Regulation on the accounting of greenhouse gas emissions of transport services, as well as on the revision of the Waste Framework Directive.

# What other actions does the Commission foresee to tackle the rising risks of harmful products into the EU?

#### • Providing information for consumers and traders:

The Commission will support awareness-raising campaigns throughout the European Consumer Centre Networks, to empower consumers with knowledge about their rights, potential risks, and redress mechanisms when purchasing online. Furthermore, the Commission will continue targeted actions for awareness raising among economic operators offering imported goods in the EU.

#### • International cooperation and trade:

The EU will continue its close cooperation with international partners and engagement in discussions at the World Customs Organisation. It will continue bilateral cooperation with countries producing a significant amount of imported goods, providing awareness raising and training activities on EU product safety rules. Furthermore, the Commission will continue to assess evidence related to dumping or subsidisation regimes in the EU.

#### How can consumers benefit from EU e-commerce rules concerning the import of goods?

Consumers in Europe mostly buy clothes, shoes, accessories, cosmetics and beauty products online. If these products do not comply with EU or applicable national laws, there can be serious health consequences stemming from harmful substances in toys to chemical levels in clothes to falsified medicines and more.

European rules relating to e-commerce imports provide a number of protections that help us to ensure products reaching consumers – including children – are safe and sustainable. Furthermore, there are initiatives that empower consumers to know their rights online so they can directly address any issues.

For one, the E-commerce Communication emphasises that, once the Customs Union Reform is implemented, online marketplaces and sellers registered in the 'import one stop shop' should be the 'deemed importer' of goods, which means they will collect the relevant duty and VAT and provide the data to customs authorities, rather than the consumer bearing responsibility for the correct payment of duties.

More so, that the Digital Services Act aims to make online shopping safer for consumers, with measures to curb the sale of illegal products on online marketplaces and bring better insights into their potential risks. In addition, **the General Product Safety Regulation**, which came into effect on 13 December 2024, establishes a modernised framework for consumer product safety across the EU and sets out specific product safety obligations for online marketplaces.

#### How can businesses benefit from EU e-commerce rules concerning the import of goods?

As expressed in the Political Guidelines of the President, speed, coherence and simplification are key commitments from the Commission, not least in an effort to create a level playing field for smaller companies and large digital players and a proportionate regulatory burden.

There are a number of ways the competitiveness of businesses, including small and medium-sized enterprises (SMEs), is affected by e-commerce imports from non-EU traders, not least the fact that around half of fake products seized at EU borders that infringed on the intellectual property rights of SMEs were purchased online.

By using the tools at its disposal, and by proper enforcement of EU legislation through a coordinated approach, the Commission hopes to bring about a level playing field based on effective customs, tax and safety controls and sustainability standards.

To this end, the Commission calls on co-legislators to swiftly adopt the proposal to remove the  $\in$ 150 duty exemption, together with the rest of the customs reform. Additionally, the Commission proposes the introduction of a new fee on e-commerce parcels delivered directly to final consumers, to address the scaling costs of supervising compliance of billions of such consignments with EU rules.

The Communication also outlines ways to give legitimate businesses a fair chance. For example, European SMEs have become heavily dependent on digital gatekeepers. The Digital Services Act introduces rules for online marketplaces to protect consumers online and curb the availability of illegal products online. Online marketplaces must know their traders and they must allow users to quickly flag illegal goods and content they encounter. The Commission is monitoring designated marketplaces, including AliExpess, Amazon, Shein and Temu, and it has opened proceedings into AliExpress and Temu.

# For More Information

Communication on a Comprehensive EU Toolbox for Safe and Sustainable E-commerce

Press release

#### Factsheet on the Communication

# Safety Gate: the EU rapid alert system for dangerous non-food products

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Press contacts:

Thomas REGNIER (+32 2 29 91099) Patricia POROPAT (+32 2 29 80485)

General public inquiries: Europe Direct by phone 00 800 67 89 10 11 or by email