Brussels, 30th January 2026

Subject: EEA revised position – Customs Duty Deminimis Removal_JAN2026

The European Express Association (EEA) takes note of the ECOFIN political agreement of 12 December 2025 on the elimination of the EUR 150 customs duty *de minimis* threshold and the introduction of a temporary fixed customs duty of EUR 3 per line item, effective from 1 July 2026.

While the EEA supports the objective of strengthening enforcement in low-value e-commerce and ensuring fair competition within the Internal Market, we remain concerned that the current design of the transitional framework, as set out in the European Commission's draft Delegated and Implementing Acts, risks creating avoidable distortions, unnecessary operational complexity and incentives that run counter to the EU's own customs reform objectives.

In particular, the EEA identifies three additional structural issues that require urgent attention in the Delegated and Implementing Acts.

1) H7 customs declaration for all goods sold under distance sales of goods arrangements

Under the current Commission proposal, simplified tariff treatment applies only to consignments declared under the IOSS scheme or the special arrangement. All other distance sales consignments (where the VAT is due at import – standard VAT collection method) with a value below EUR 150 fall outside the simplified regime and must be declared using a standard H1 declaration, with application of the Common Customs Tariff.

The EEA considers that this approach fragments the treatment of low-value distance sales and risks undermining both fiscal neutrality and operational simplicity.

Limiting the application of the EUR 3 duty and the use of the H7 declaration to only two VAT collection models (IOSS and the special arrangement) from existing 3 VAT collection models creates an artificial segmentation of otherwise identical distance sales transactions.

This segmentation:

- encourages diversion of trade flows between VAT models in order to minimise customs duty exposure;
- distorts the level playing field between economic operators;
- increases the volume of H1 declarations for low-risk, low-value consignments; and
- undermines the objective of preserving simplified procedures during the transitional period.

The EEA therefore proposes that the temporary EUR 3 duty, specifically targeted for e-commerce shipments below 150 EUR, should apply coherently across all VAT collection models used for distance sales of goods namely IOSS, special arrangement and standard import VAT (*Standard import VAT means: calculation and payment of VAT at the moment of import in the destination country*). To most

accurately restrict the scope of the 3 EUR duty to its actual target, we recommend aligning the definition of "postal consignment" of eligible goods with the VAT Directive concept of distance sales under Article 14.

> *Textual proposal*
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> *Delegated Regulation (EU) 2015/2446 is amended as follows:*
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> *(1) Article 1 is amended as follows:*
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> *Paragraph (24) is replaced by:*
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> *"(24) 'goods in a postal consignment' means goods sold in distance sales of goods imported from third territories or third countries, as defined in Article 14(4)(2) of Council Directive 2006/112/EC, with the exception of goods the importation of which is exempt from VAT in accordance with Article 143(1)(ca) of that Directive."*

The scope of the H7 declaration should be limited to goods sold within the framework of distance sales of goods. In practical terms, this would cover IOSS consignments and postal consignments as amended above.

This change would also minimise the need for IT adjustments in existing national systems for H7 declarations by keeping the actual working practice of import clearance of the relevant consignments, while taking into account the future implementation of the EU Customs Data Hub for e-commerce, as envisaged in the Union Customs Code reform package. Such alignment would ensure neutrality between VAT models, prevent diversion of trade flows, and preserve a coherent and manageable clearance framework during the transitional period.

2) Additional data elements in the H7 declaration

The EEA firmly opposes the introduction of any additional data elements into the H7 dataset. For customs authorities to conduct meaningful risk assessment and exercise effective control, **LVC subject to P&R, including IOSS shipments must remain in the H1 declaration** — the only dataset with the necessary structure, legal basis, and operational reliability to support such assessments.

The current framework already enables customs administrations to perform targeted, risk-based controls on P&R-relevant consignments. Shifting these flows into H7 and compensating with new data requirements would not strengthen risk management. Instead, it would:

- fragment risk data across different declaration types,
- undermine customs authorities' ability to carry out coherent analysis,
- introduce inconsistencies with existing TARIC-based controls, and
- compromise compliance by weakening the link between the dataset and the applicable P&R measures.

For these reasons, the EEA strongly rejects the proposal to expand the H7 dataset. The appropriate solution is to maintain all P&R-relevant flows in H1, where customs already have the full set of data elements and legal tools needed for accurate targeting and enforcement.

3) No change to the definition of the declarant

From both an operational and economic perspective, the EEA considers that **revising the declarant-related provisions risks introducing significant legal and procedural complexity without realistically achieving the intended outcome**.

In practice:

- any customs duty collected at import will ultimately be reflected in the final price paid by the consumer, whether directly or indirectly;

- service providers cannot absorb systematic fiscal charges without passing them on through pricing;
- shifting the formal status of the declarant does not alter the economic incidence of the duty.

At the same time, changing the declarant-related provisions would:

- complicate the allocation of customs debt and liability;
- create new contractual and compliance risks;
- increase the likelihood of disputes and misalignment between VAT and customs responsibilities;
- add legal uncertainty at a time when operational stability is essential.

While politically understandable, the proposed redefinition of the declarant risks introducing legal and operational complexity without achieving its stated objective of shielding the final consumer from the EUR 3 duty. In practice, economic reality indicates that the duty will be reflected in the final price irrespective of the formal declarant.

Rather than pursuing a formal reallocation of the declarant in pursuit of a consumer-protection objective that cannot be guaranteed in practice, the EEA believes the priority should be to:

- preserve the simplest possible declaration and customs debt collection model;
- ensure legal clarity and consistency between VAT and customs frameworks;
- minimise procedural complexity throughout the transitional period.

The EEA stands ready to work with the Commission and Member States on alternative transparency or consumer information mechanisms, while cautioning against the introduction of complex legal constructs that do not materially affect economic outcomes.

Conclusion

The EEA therefore calls for targeted adjustments to the amending Delegated and Implementing Regulations to ensure legal coherence, operational feasibility and a genuine level playing field during the transitional period. The EEA urges the Commission to refine the Delegated and Implementing Acts in line with the recommendations set out above, in order to ensure a workable, proportionate and future-proof implementation.

The express industry remains dedicated to collaborating constructively with EU institutions and Member States to find a practical solution—one that protects consumers, encourages legal trade, and preserves the European economy's competitiveness and calls for bilateral meeting to discuss further details of the practical implementation.

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About the European Express Association

The European Express Association (EEA) represents the interests of the express industry in Europe. The express industry provides door-to-door transport and delivery of next-day or time-definite shipments, throughout Europe and the world. According to a 2020 Oxford Economics study on the impact of the express industry on the EU economy, the European express industry directly supported 330,000 jobs and an estimated 1.1 million indirect jobs in the EU in 2018, while generating €24 billion in tax revenues for EU Member States' governments that same year. EEA's EU Transparency Register number is 1894704851- 83.