

To:

Mr Jürgen Ligi, Minister of Finance of Estonia

CC:

Ambassador Kyllike Sillaste-Elling, Permanent Representation of Estonia to the European Union Mr Raigo Uukkivi, Director-General of Estonian Tax and Customs Board

Brussels, 12 December 2024

Your Excellency, Honourable Minister of Finance, Mr Ligi,

The European Commission put forward in May 2023 the most ambitious reform of the Customs Union since its inception.

In view of the Council's deliberations on the reform of the Union Customs Code, we are writing to you as the new rapporteur and the shadow rapporteurs for this dossier in the European Parliament's Committee on the Internal Market and Consumer Protection.

The European Parliament adopted its position in March 2024, recognising the urgency of addressing, amongst other, the huge increase in trade volumes, especially in e-commerce, and the fast-growing number of EU rules that have to be checked at the border. Furthermore, the European Parliament has significantly shortened the deadlines for starting the implementation of the reform: to as early as 2026.

Since then, these challenges have only grown. The number of packages entering the internal market has reached 4 billion in 2023 - years earlier than any forecast predicted. The large volume of low-value parcels creates difficulties for customs authorities and market surveillance authorities in ensuring compliance with EU standards, applying VAT correctly, and preventing fraud. Moreover, non-compliant products entering the EU endanger the competitiveness and livelihoods of compliant EU-based businesses and pose serious risks to the health and safety of EU consumers.

A study conducted by the European Consumer Organisation (BEUC) in 2021 found that 66% of 250 products tested that were purchased via online marketplaces were unsafe. The actual proportion of non-compliant products entering the EU via online marketplaces is likely to be even higher in 2024, not least because e-commerce has increased significantly in recent years, particularly on Chinese platforms such as Temu and Shein. Additionally, according to the European Commission, about 65% of the e-commerce consignments are undervalued, thus avoiding customs duties to the detriment of the national and EU budget.



Our businesses and consumers are suffering from our lack of action. It is of vital importance that we act and that we do so swiftly. We welcome the ambition of the Polish Presidency and insist on the need to start inter-institutional negotiations before the end of the presidency.

We are ready and available to cooperate closely to speed up the process and really deliver for Europeans.

Thank you very much for your consideration.

Yours sincerely,

Dirk Gotink, MEP, Rapporteur (EPP)

Maria Grapini, MEP, Shadow Rapporteur (S&D)

Denis Nesci, MEP, Shadow Rapporteur (ECR)

Jeanette Baljeu, MEP, Shadow Rapporteur (Renew)

Anna Cavazzini, MEP, Shadow Rapporteur (Greens/EFA)

Leila Chaibi, MEP, Shadow Rapporteur (The Left)