Council of the European Union

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NOTE

From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	*Preparation of the Council (Competitiveness (Internal Market, Industry, Research and Space)) on 8 December 2025*
	E-commerce: Challenges with product compliance and enforcement
	- Exchange of views

Delegations will find attached a Presidency note on "E-commerce: Challenges with product compliance and enforcement" with a view to exchange of views at the Competitiveness Council on 8 December 2025.

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DISCUSSION PAPER

Meeting of the Competitiveness Council

Brussels, 8 December 2025

E-commerce: Challenges with product compliance and enforcement

Over the past decades, European and global consumer habits and business practices have changed significantly. The e-commerce sector has experienced remarkable growth and has become a central component of the global economy, fundamentally changing how goods are bought and sold within the EU and in the rest of the world. In 2022, 1.4 billion low value packages (up to EUR 150) entered the EU from third countries, significantly rising to 4.6 billion in 2024[1]. The rapid expansion of e-commerce has exposed several regulatory challenges that threaten the cohesion and functioning of the Single Market. One of the main challenges relates to the proliferation of illegal and non-compliant products entering the EU from third countries and the possibilities and conditions for authorities to enforce compliance across different sectors.

Large amounts of the products offered on online marketplaces, shipped directly to consumers in the EU from third countries, do not live up to the required standards and legislation[2]. With limited obligations to ensure compliance, online marketplaces act as a gateway for third country sellers to place their products on the Single Market from a distance without a traditional importer with obligations to ensure compliance.

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[1]   Single Market Strategy: According to EU surveillance data, 4.6 billion of low value consignments (up to EUR 150) were imported into the EU in 2024. This is almost twice the number recorded in 2023 (2.4 billion), and more than triple compared to 2022 (1.4 billion).

[2]   Single Market Strategy: Among the products listed on a well-known large e-commerce platform during a check by a consumer organisation, nearly all the products tested in categories such as helmets, cosmetics, toys and gadgets, candles and sponges, electrical and connected products either were dangerous, did not provide the required information such as safety instructions or lists of ingredients, and/or contained wrong claims.

The current enforcement system is not sufficiently able to handle the sheer volume of products entering from third countries[3]. E-commerce imports are straining the already limited resources of the two lines of defence of the EU ― customs authorities and market surveillance authorities (MSAs). European compliant businesses are left at a competitive disadvantage as they spend increasingly more resources on ensuring compliance with relevant Union legislation. Additionally, the exploding volume of products that are unsafe or noncompliant can lead to serious health and safety risks for consumers and has a negative impact on the environment and EU's competitiveness.

During the last decade, measures to address the challenges of e-commerce have gradually been taken in several related legislation, notably the Digital Services Act, the Market Surveillance Regulation and the General Product Safety Regulation. However, the issues in e-commerce persist and the challenges grow continuously with the constant increase in the number of products entering the Union from third countries.

The Commission has repeatedly addressed the growing challenges in e-commerce throughout this year. In February, the E-commerce Communication was presented, constituting a comprehensive EU-toolbox for safe and sustainable e-commerce. The Communication outlined the Commission's approach to addressing the challenges posed by e-commerce, focusing on the need for a holistic and well-coordinated approach from enforcing authorities, a series of structural changes to existing legislation, as well as the robust enforcement of relevant EU legislation protecting consumers online, including the enforcement of the Digital Services Act.

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[3]   Single Market Strategy: The sheer volume of products entering the European Market from the outside world makes it impossible to ensure full compliance via customs and market surveillance checks. According to the latest DG TAXUD report on product compliance, only 82 products in a million were inspected, 51 were suspended by customs authorities for concerns of product compliance or safety, and only 13 were refused for entry in the EU (https://op.europa.eu/en/publication-detail/-/publication/ea5db20e-840f-11f0-9af8-01aa75ed71a1/language-en).

Later, the Single Market Strategy was presented, highlighting issues in e-commerce, outdated products rules and lack of product compliance as one of the most harmful and persistent barriers for businesses in the EU. To solve these issues, the Commission identified as a possible solution to establish a new EU Market Surveillance Authority as well as to modernize and digitalise the product legislation framework. Furthermore, the EU Customs Reform proposal, currently under negotiations with the European Parliament, on which a provisional agreement was found within the Council, may reach a political agreement including on the removal of the 150 EUR customs duty exemption threshold intended to solve a number of issues with illegal products from third countries. Moreover, the Commission recently presented the idea of a European Product Act, which is expected to include proposals for revising the Market Surveillance Regulation, the New Legislative Framework and the Standardisation Regulation. Through this initiative, the Commission aims at addressing the issues within e-commerce and lack of product compliance.

With this in mind, we ask delegations to consider the following questions for the Competitiveness Council discussion:

1. What additional measures should be taken in the area of e-commerce at national level or EU-level to protect consumers, ensure a level playing field and strengthen the competitiveness of European businesses?

2. What can we do to improve coordination and strengthen enforcement within the existing regulatory framework to better tackle the challenges posed by the expansion of e-commerce? To what extent are new legislative measures necessary to solve the growing issues of e-commerce, e.g. giving online marketplaces more responsibility for products sold on their platforms?