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Response to HM Treasury and HM Revenue and Customs consultation on reforming the customs treatment of low value imports into the UK

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Consultation response
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About this consultation response

This paper represents a response to the open consultation on the reform of the customs treatment of low value imports into the United Kingdom launched by HM Treasury and HM Revenue and Customs on 26 November 2025. The response was submitted to HM Treasury and HM Revenue and Customs on 3 March 2026 and specifically addresses areas of the consultation that relate to the author’s economic and fiscal policy expertise.

The open consultation can be viewed here:

www.gov.uk/government/consultations/reforming-the-customs-treatment-of-low-value-imports-into-the-united-kingdom

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Summary of key points

Relevant international climate and trade obligations

- The proposed low value imports (LVI) reform could support the delivery of the UK's climate commitments – under the Paris Agreement and the Climate Change Act 2008 – by curbing the growth of the UK's imported emissions.
- For context, while the UK's territorial emissions declined by more than 50% between 1990 and 2024, the UK's imported emissions increased by 33% from 1990 to 2022. China's share of these imported emissions grew by 249% between 2001 and 2022, and it now accounts for 21% of the UK's import-related emissions.
- As the UK and EU are reforming LVI arrangements at the same time, the authors recommend UK-EU cooperation under the EU-UK Trade and Cooperation Agreement.

Potential socio-economic impacts from low-value import reform

- The authors argue that the socio-economic impacts of the proposed low-value import reform could be mixed and would depend on the availability of affordable and accessible alternatives to essential goods on the UK market.
- Low-value import reform may limit the exposure of consumers to hazardous substances that are frequently found in low-value products imported from abroad, including clothing, jewellery, electronics and children's toys. This could potentially protect the largest consumers of these products, including women and children.
- The authors recommend that the UK Government conducts an equality impact assessment for different population groups as the reform may have a negative impact on consumers who rely on low-value e-commerce by exposing them to higher prices. This impact may be disproportionately felt by consumers on low-incomes, consumers of fast fashion and people living with restricted mobility.
- Set against this, the authors argue that products sold at e-commerce sites are often poor quality, and any current affordability benefits might be offset by consumers buying fewer products of higher quality. Consumers may also be less exposed to aggressive and manipulative marketing tactics used by online retailers.

Opportunities and challenges of the proposed new customs arrangements

- The authors highlight that the most significant opportunity of the reform is its potential to curb ultra-fast fashion imports, which currently dominate low-value parcel flows into the UK and have significant environmental impacts: the textile industry, for example, contributes around 10% of global greenhouse gas emissions.
- Other opportunities highlighted include the potential for the reform to generate an extra £535–555 million annually in customs duty revenue (HM Treasury, 2025). The reform could also level the playing field for domestic retailers and prevent job losses, while encouraging local growth in the UK's logistics industry.
- However, the authors acknowledge that the reform is likely to cause increased administrative costs for customs authorities and the risk of product stockpiling before the policy is implemented.
- Overall, the authors argue that the proposed reform allows the UK to keep pace with similar customs reforms in the EU and US.
- However, the authors highlight the risks of delaying reform until 2029. These risks include exposing local producers disproportionately to customs duty charges in the US and EU, increasing environmental costs and encouraging online retailers to target the UK to compensate for losses in other international markets.

Response

Introduction

7. HM Treasury and HMRC are required to have regard to international arrangements to which the government is a party that are relevant to the exercise of any functions under Part 1 of the Taxation (Crossborder Trade) Act 2018. If there are any international obligations that you consider may be relevant to the proposed changes set out in the Introduction, please identify them here.

Most significantly, the UK is a party to the Paris Agreement and submitted a nationally determined contribution (NDC) to the United Nations Framework Convention on Climate Change (UNFCCC), requiring the UK to pursue climate mitigation consistent with its emissions reduction targets. This commitment is also enshrined in domestic law through the Climate Change Act 2008, which requires the UK government to establish legally binding carbon budgets and achieve net-zero greenhouse gas emissions by 2050. Therefore, the proposed low value imports (LVI) reform could support the delivery of the UK climate commitments by curbing the growth of the UK's imported emissions. Notably, while the UK's territorial emissions declined by more than 50% between 1990 and 2024, the imported emissions showed a 33% increase from just over 300 million tonnes of CO₂ equivalent (MtCO₂e) in 1990 to 400 MtCO₂e in 2022 (Climate Change Committee, 2025). The emissions associated with imports from China demonstrated the largest spike, growing by 249% between 2001 and 2022 and now accounting for 21% of the emissions associated with the UK's imports (Defra, 2025). Since the majority (51%) of low-value parcels arrive from China, the proposed low-value import tax could potentially contribute to the decline in the UK's imported emissions (Lumby, 2025). Additionally, the reform could lead to a decrease in the national carbon footprint, which includes both domestic and imported emissions and is currently four to five times larger than the carbon footprint recommended by the Paris Agreement.

Other key relevant international obligations include GATT¹ Article I, which requires the UK to apply the same customs duty treatment to like products from all World Trade Organization (WTO) countries, avoiding the favouring of selected jurisdictions. This principle is crucial to ensure that the UK does not discriminate between like products based on their origin, unless a recognised exception applies (such as GATT Article XXIV on preferential trade agreements). Importantly, the article applies to both *de jure* and *de facto* discrimination, extending the validity of the principle beyond formal legal framing to the discriminatory effects in practice as well.

Additionally, GATT Article VIII is relevant to the proposed LVI changes. It sets forth that fees and charges relating to importation must be limited to the estimated cost of services and shall not create an indirect protection of domestic products or a tax on imports for fiscal purposes. GATT Article VIII has a direct relation to the introduction of handling fees, highlighting that the amount should be set at a correct level without undermining global trade rules.

As the UK and the EU are reforming the low-value imports arrangements simultaneously, there is a strong case for UK-EU cooperation under the EU-UK Trade and Cooperation Agreement. Since the agreement aims to reinforce trade and customs cooperation and maintain compatibility of customs legislation and practices, it could be used as a basis to align LVI data requirements and databases, mutually share data on high-risk sellers, platforms and patterns of misdeclaration and undervaluation, and coordinate enforcement of the new customs arrangements.

¹ General Agreement on Trade and Tariffs

8. The government is interested in understanding whether any particular groups might be impacted by the new LVI arrangements. Do you foresee any socio-economic impacts from the LVI changes, including the protected characteristics, as defined in the Equality Act 2010?

The reform may potentially limit the exposure of consumers to hazardous substances that are frequently found in products imported from abroad, including clothing, jewellery and electronics. For example, the toxic materials found in ultra-fast fashion clothing can cause various health impacts, from chronic skin conditions to hormonal disruption and even increased cancer risk (Pinto and Peleg Mizrahi, 2025). Since women are considered the largest consumer group of ultra-fast fashion items, they might be disproportionately exposed to health risks. Additionally, similar product failures and high chemical contents are observed in electronics and children's products bought on the Temu and Shein platforms, suggesting that the LVI change has the potential to address the health and safety concerns associated with the imports of low-value products and protect the most affected groups, including women and children (Euroconsumers, 2025).

It is important to note that the new reform may negatively impact consumers who rely on low-value e-commerce by exposing them to higher prices. This impact might be disproportionately borne by low-income individuals and consumers with disabilities, especially those with restricted mobility. While low income is not a protected characteristic under the Equality Act 2010, distributional effects remain relevant from a socioeconomic and policy perspective. A study conducted in the US found that low-income and minority households will be disproportionately hit by the removal of the '*de minimis*' threshold (a tariff exemption for low value imports) due to their reliance on low-value imports (Fajgelbaum and Khandelwal, 2024). The welfare effects might be comparable in the UK. Similarly, women are frequent consumers of ultra-fast fashion, and the removal of *de minimis* might affect them and their disposable income disproportionately more than men (Wallaschkowski, 2023).

Consumers with disabilities are also more likely to be disproportionately disadvantaged by the proposed import duty change. According to the Office for National Statistics (ONS, 2022), disabled people are significantly more likely than non-disabled people to report difficulties in accessing products in person, suggesting that they might rely more on e-commerce channels. Scope (2025) reports the Disability Price Tag stands at an additional £1,095 per month per household, indicating that any further potential price increases may exacerbate the impact. Therefore, we recommend conducting an equality impact assessment for different population groups.

However, given that the products sold at e-commerce sites are often of poor quality, any current affordability benefits might be offset by the quantity of products bought. Online retailers also tend to deploy aggressive and manipulative marketing tactics to persuade consumers into buying more items than needed, effectively increasing the aggregate spending and leading to overspending (Imtiaz, 2024; The European Consumer Organisation, 2025). According to a Citizens Advice study (2023), 8.5 million consumers in the UK recently spent money on something they did not need or want because of deceptive e-commerce platform selling techniques. On average, the cost of manipulative marketing is £276 per affected consumer, suggesting that the affordability benefits of low-value goods might be very unevenly distributed (Citizens Advice, 2023).

Crucially, the price elasticity of non-essential goods with close substitutes tends to be high. This suggests that the increase in prices of low-value goods might lead to substitution rather than higher expenditure. Moreover, delivery times for low-value imports are often longer than those of UK-based retailers. This may further reduce their attractiveness compared with domestic alternatives, particularly if price was a decisive factor before. In summary, the socioeconomic impacts of the proposed LVI reform could be mixed and would depend on the availability of affordable and accessible alternatives to essential goods on the UK market. This should be carefully assessed.

Chapter 3. New LVI customs arrangements

10. With respect to potentially mandating the new LVI customs arrangements, do you foresee any opportunities, challenges or impacts arising from implementing/using these arrangements?

The most significant opportunity arising from the new LVI customs arrangements relates to their potential to curb ultra-fast fashion imports, which currently dominate low-value parcel flows into the UK (Fashion Declares and Bates Wells, 2025). Ultra-fast fashion platforms rely on high-volume, low-value consignments because these face reduced scrutiny under the current system, making them harder to regulate for safety, labour and environmental compliance. In the clothing industry, the existing tax arrangement stimulates the race to the bottom in terms of pricing. It also pushes producers to relocate their facilities abroad in order to benefit from the *de minimis* tax exemption, where environmental and social standards of production are less stringent (Fashion Declares and Bates Wells, 2025; Finan, 2024).

The environmental impact of ultra-fast fashion is huge. It is estimated that the textile industry is responsible for around 10% of global greenhouse gas emissions, and this impact has intensified in recent years due to the increased contribution of ultra-fast fashion brands, such as Shein (Apparel Impact Institute, 2025; Pinnock, 2025). Since the primary material for ultra-fast fashion items is often virgin polyester, textile production for fast fashion brands requires excessive use of fossil fuels, chemicals and water. In turn, this leads to global plastic pollution, water contamination and excessive waste generation, as ultra-fast fashion has a high product turnover (e.g. Shein adds between 2,000 and 10,000 new styles to its website every day) and high product disposal rates due to low material quality (Deighton, 2023). Moreover, recycling rates for clothing are low in the EU and the UK. Large amounts of textiles discarded by European consumers are exported to Africa and Asia where they end up in large open landfill sites (The European Consumer Organisation, 2025). As the *de minimis* rule is part of the issue – allowing the smooth importing of ultra-fast fashion into the UK, closing the import tax gap will have a significant positive impact on addressing ultra-fast fashion consumption. According to Finan (2024), the clothing industry can be seen as a target sector for the *de minimis* reform, as it brings significant revenue due to relatively high import tariff rates.

The current textiles import system results in foregone revenue for the Treasury and high risks of improper, unsafe, environmentally damaging and unethical imports. For instance, Shein has been repeatedly accused of using forced labour and child labour in its production processes (da Silva, 2024; Prasso, 2022). Additionally, ultra-fast fashion items are often made of synthetic materials and contain toxic substances, causing multiple health problems at the point of consumption and disposal (Pinto and Peleg Mizrachi, 2025). By closing the tax loophole and introducing additional checks at the border, the proposed *de minimis* reform has the potential to promote sustainable and ethical textile products and make ultra-fast fashion less attractive to consumers.

Additionally, products sold by Temu and Shein have repeatedly been found not to meet safety standards set by the EU and the UK (Dubois, 2025; O'Carroll, 2025). The European Consumer Organisation (ECO, 2020) also reported that 66% of 250 randomly sampled products sold through online marketplaces failed safety tests conducted in 2019. The current product audit system applies the risk-based approach in parcel inspection, only requiring limited data collection from low-value goods importers. The proposed reform is likely to close this gap and improve product safety by increasing data sharing requirements.

Furthermore, the new customs arrangements are estimated to generate additional customs duty revenue of around £535–555 million annually, according to the costing estimates in the 2025 Budget (HM Treasury, 2025). Several other sources, including Armstrong and Parker (2025), claim that the current costs of the *de minimis* rule are up to £600 million per year, suggesting that the reform may lead to cost savings. However, the proposed reform is likely to cause a significant increase in administration and monitoring costs for customs authorities, especially given the need for additional checks at the border. In the US and EU context, Jerzewska (2025) and Du et al. (2025) suggested that the increased administration costs might offset any potential revenue if the customs system is not

prepared accordingly. Therefore, we recommend considering not only potential additional revenue from the import duty, but also the underlying administration costs and the efficiency of the customs.

More broadly, the proposed arrangements have the power to create a level playing field between domestic retailers and direct e-commerce imports by ending the favourable tax treatment of low-value imports, especially in the clothing industry. This argument has been supported in similar customs duty reforms in other jurisdictions, including the US, the EU and Australia. Likewise, the reform proposal has been well received by UK retailers who have been calling for this action for the past year (British Retail Consortium, 2025a; Masud, 2025). The reform might boost sales of local retailers and potentially prevent job losses incurred by the domestic businesses unable to withstand unfair competition from overseas retailers (Nakao, 2021). Additional jobs may be created if overseas e-commerce retailers respond by creating logistical centres in the UK to process and distribute orders from within the UK, boosting the growth of the logistics sector in the UK (Helps, 2025).

Moreover, the reform allows the UK to keep pace with similar customs reforms in the EU and the US, aiming for harmonised approaches among the large importers of low-value consumer goods. However, by delaying the reform until 2029, the UK risks losing momentum and exposing local producers disproportionately to recently introduced customs duty charges in the US and the upcoming temporary fixed charges in the EU (from 1 July 2026). Similarly, the three-year time gap remains a concern for the British Retail Consortium and major British retailers, such as Sainsbury's, Currys and Boohoo (Butler, 2025; Reid and Davey, 2025). The environmental cost of delaying the reform is also significant, given the rapid growth in greenhouse gas emissions associated with ultra-fast fashion and low-value e-commerce. For instance, Shein's emissions increased by more than 170% from 2021 to 2023 and continued to climb throughout 2024 and 2025 (Pinnock, 2025). Since the UK is one of the major import markets for Shein and Temu, delaying the reform until 2029 would have a high global environmental cost.

The EU's import duty reforms will come into full force in January 2028. Given this context, the UK needs to consider how it can cooperate with the EU to ensure that local businesses are not hit disproportionately by similar reforms in the EU (British Retail Consortium, 2025b). Huria (2019) also recommends regional collaboration on the *de minimis* rule to avoid price distortion and differentiated treatment. Additionally, if the UK delays reform until 2029, there is a risk that online retailers will increasingly target the UK market to compensate for losses in other major consumer markets that have abolished the *de minimis* rule earlier, such as the US and the EU. There is growing evidence that online retailers are already adjusting their supply chains to diversify from the US market and redirect their imports towards the UK (Armstrong and Parker, 2025; Davis and Zaidi, 2025; Onita, 2025). Similarly, as the case of the introduced handling fee in Italy shows, suppliers may ship to the UK (especially to Northern Ireland) and then further transport their goods by road to avoid paying tax in the EU (Ricozzi and Kazmin, 2026). That would also lead to increased transport emissions in the UK, further undermining domestic climate and environmental goals. Therefore, it is crucial that the reform is implemented in a timely manner with the other major markets, taking into account that further jurisdictions are discussing a similar measure (e.g. Japan) (Masuda, 2025).

Importantly, the abolition of the *de minimis* threshold could prevent fraud resulting from the undervaluation of imported goods, which is recognised as one of the greatest problems under the current system in various jurisdictions, including the EU and the US (Jerzewska, 2025). However, removing the *de minimis* threshold alone might not resolve undervaluation if the penalty is not designed to stimulate compliance and act as a deterrent. According to Fabry (2024), abolishing the *de minimis* threshold will not deter undervaluation when penalties are set proportionally to duties evaded. This penalty design leaves economic incentives unchanged, keeping undervaluation more attractive than compliance, especially if the probability of detection by customs authorities is low. By contrast, a flat-rate minimum stimulates deterrence for low-value undervaluation, while a proportional component raises deterrence for higher-value fraud. Therefore, Fabry (2024) recommends a penalty structure combining a flat-rate minimum fee with a proportional component increasing with the item's value. The expected penalty (i.e. the total potential fine multiplied by the likelihood of being penalised for undervaluation) should be higher than the cost of compliance to ensure that duty evasion is sufficiently disincentivised. Since the UK government has not yet published any guidance on penalties, this proposal could strengthen the reform design and improve customs compliance.

One additional concern over the introduction of the new LVI customs arrangements is the potential stockpiling of low-value imported goods ahead of the policy change. This was a common response of businesses in the US ahead of the tariff implementation there, which led to the overload of customs and disruptions in the supply chain. Clear and consistent communication ahead of the reform should be provided to avoid stockpiling and hoarding behaviour among consumers and businesses.

12. How do you expect the implementation of the new LVI customs arrangements to impact the use of the £39 relief for non-commercial consignments sent by one private individual to another?

One concern related to the impact of the £39 relief for non-commercial consignments is that it could be misused for commercial consignments through intentional gift mislabelling and undervaluation to avoid tax. This has been observed as a tax risk in China and other jurisdictions and may also be applicable in the UK context (Li, 2019; World Customs Organisation, 2017). Targeted risk-profiling and carrier data collection and exchange could serve as potential solutions to address the issue of misdeclaration and mislabelling of non-commercial consignments.

Chapter 4. Tariff treatment

30. What are your views on the illustrative simplified tariff schedule set out in Table 3? What would the specific impacts of this simplified tariff schedule be for your business?

The simplified tariff schedule set out in Table 3 is likely to protect revenue certainty and stimulate compliance. However, since the duty rates are higher than those set out in Table 2, consumer prices might be negatively impacted, causing regressive distributional risks. At the same time, the bucket design places ultra-fast fashion products within the highest duty category, sending a clear regulatory signal to the clothing sector. From an economic perspective, demand for non-essential goods with widely available substitutes tends to be highly price elastic. Ultra-fast fashion items are frequently non-essential purchases, characterised by low switching costs and high substitution rates across brands and retailers. In such markets, an increase in price leads to a proportionally larger decrease in quantity demanded. Consequently, the higher duty rate applied to this category is likely to have a strong impact on demand, potentially encouraging substitution towards more durable or domestically supplied alternatives and reducing overall consumption levels. In short, while there is a risk of a disproportionate effect on low-income households and groups reliant on e-commerce, this bucket design has the potential to stimulate meaningful behaviour change, encouraging consumers to move away from ultra-fast fashion.

33. When designing a potential simplified tariff schedule the government will have regard to the following factors as set out in Section 8(5) of the Taxation (cross-border Trade) Act 2018:

- a. the interests of consumers in the United Kingdom,**
- b. the interests of producers in the United Kingdom of the goods concerned,**
- c. the desirability of maintaining and promoting the external trade of the United Kingdom,**
- d. the desirability of maintaining and promoting productivity in the United Kingdom, and**
- e. the extent to which the goods concerned are subject to competition.**

Are there any additional factors which you think the government should have regard to when setting the tariff rates for the optional simplified tariff schedule?

Importantly, environmental and social impacts should be taken into account to discourage imports of ultra-fast fashion products produced by companies using practices that harm the environment and

accused of human rights abuses. The tariffs should promote sustainable production practices through the rates set for low-value products. While this may be out of scope of the new customs arrangements, there is a suggestion to introduce Digital Product Passports for clothing and textiles that would follow a harm-based taxonomy and provide data transparency and traceability for clothing production processes (Fashion Declares and Bates Wells, 2025). This would allow the UK to align its textile policy with the EU's, where the Digital Product Passports are due for introduction by 2027. In this way, the UK could maintain and develop its external trade with the EU by setting the same standards in the textile sector.

As mentioned above, the government should consider administration and compliance costs together with revenue certainty when determining the details for the customs reform. The tariff rates should be set at a level that would accommodate potential cost increases arising from additional checks performed at the border. In relation to this, operational feasibility should be considered as a key aspect, focusing on the current operational capacity, border flow and data collection mechanisms.

Finally, the government should consider the risks of fraud and tax evasion incentives. Setting the correct rate would discourage misclassification of goods. Additionally, the fines for evasion should be designed to discourage mistreatment and undervaluation and stimulate data sharing, e.g. by introducing a surcharge for repeated non-compliance or a rebate for high compliance.

34. If there are any international obligations that you consider may be relevant to the proposed positions set out in Chapter 4, please identify them here.

GATT Article II might be relevant to the positions set out in Chapter 4 to ensure that the tariff lines do not exceed the bound rates listed in the UK GATT schedule of concessions agreed upon at the WTO. Since the simplified tariff schedule set out in Table 3 selects the highest tariff rate, there might be a risk of breaching GATT Article II. Additionally, GATT Article III on national treatment might be relevant as the proposed positions involve regulatory measures applied to imported goods. Article III requires that imported products, once they have entered the domestic market, are not treated less favourably than domestic products through internal taxation or regulation. Accordingly, any reform affecting low-value imports would need to ensure that comparable domestic products are subject to equivalent fiscal or regulatory treatment to avoid discrimination against imports.

Furthermore, the WTO Trade Facilitation Agreement (TFA) may be relevant, particularly Articles 7.3 and 10, which require customs procedures, documentation and data requirements to be proportionate, simplified and no more burdensome than necessary to achieve their regulatory objectives. Since a potential shift towards individual item-based taxation of low-value consignments increases documentary requirements, delays the release of goods or implies disproportionate compliance burdens, the reform would need to be carefully designed to remain consistent with the UK's obligations under the TFA.

Chapter 5. Additional fees on LVIs

35. What are your views on the concept and implementation of a handling fee on LVIs?

The handling fee helps cover increased administration and compliance costs. It also aligns with the polluter pays principle and provides revenue stability for the government. However, there is a concern that a flat handling fee could be regressive for consumers, as it would apply a uniform charge on all goods independent of their value. Therefore, for lower-value products, a flat handling fee would represent a larger share of expenditure, which might be a crucial factor for low-income households. It may also have a disproportionate impact on small and medium-sized enterprises (SMEs) and micro-sellers, for whom a flat fee can represent a large part of the item value. However, the introduction of a handling fee could further drive behavioural change if imported goods are of low necessity, low value and have high substitution availability. An additional price increase introduced by a handling fee could be the necessary push for consumers to reorient their purchasing decisions to domestic markets.

Furthermore, if the UK decides to introduce a handling fee on LVIs, it should harmonise with the EU. Currently, the EU is expected to introduce a European handling fee from 1 July 2026, and several EU

member states have already introduced handling fees ahead of the European date (e.g. Italy and Romania with €2 and €5 flat fees in place from 1 January 2026, respectively). As the early evidence from Italy shows, the timing of the handling fee introduction is key, since importers chose to reroute the shipments of their goods to other EU countries to avoid paying the handling fee, effectively making the Italian logistics industry worse off and driving carbon emissions up through elongated routes (Ricozzi and Kazmin, 2026). Harmonisation with the EU will make the *de minimis* reform easier to implement, especially for Northern Ireland.

39. Are there other ways you believe this fee could be designed?

One alternative option to design the handling fee would be to consider limiting the levy only to the large companies or businesses with a high parcel volume band or turnover. In this way, the proposed change would affect the largest importers of concern, including Temu, AliExpress, Shein and Amazon Haul, while still protecting independent, smaller retailers, who might be disproportionately impacted by the flat handling fee. Given the volumes of goods shipped to the UK by the largest importers, this measure is unlikely to negatively impact the revenue certainty of the policy. However, this suggestion should be approached with caution – based on HRMC’s experience with VAT evasion and abuse, there might be a chance that large e-commerce companies would set up SME subsidiaries to take advantage of the SME exemption (Croner-i Ltd, 2024). Therefore, if an SME exemption like this is considered, the costs and benefits of monitoring and compliance should be carefully weighed.

Another suggestion is to introduce an eco-modulated handling fee to address environmental externalities, aligning the reform with existing policies in the UK, such as extended producer responsibility (EPR) for packaging. For instance, an eco-modulated handling fee would result in higher rates for parcels and consignments with excessive packaging and lower rates for consolidated shipments or lower packaging use.

40. Are there any other international obligations that you consider relevant to the proposed introduction of a fee on LVIs?

As already mentioned in the response to question 7, the proposed introduction of a fee on LVIs must ensure its compliance with GATT Article VIII. Therefore, the handling fee must be limited to the approximate cost of services rendered and must not represent an indirect protection of domestic products or a taxation of imports for fiscal purposes.

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