





Brussels, 10 November 2020

JOINT STATEMENT

Brexit: crucial to ensure continuous and efficient crossborder delivery of goods and parcels between EU27 and UK

The undersigned industry representatives and companies involved in the e-commerce value chain are following with great concern the recent developments around Brexit, in particular the potential risk of a nodeal scenario. For cross-border trade, we believe it is of utmost importance to avoid any unnecessary disruption of the customs and transport network so that the movement of goods and parcels between the EU27 and the United Kingdom can continue efficiently.

A no-deal Brexit will lead to a serious disruption of cross-border retail, e-commerce and related trade flows. In such a case, we consider it essential that negotiating parties agree on introducing the necessary transport contingency measures that have been already prepared in case there will be no Free Trade Agreement reached before the end of the transition period on 31 December 2020. Such a decision should then be adopted and communicated well in advance, so that businesses from both sides would have the necessary time to properly prepare. This decision gains further importance since EU VAT and customs rules will no longer apply in the UK after 1 January 2021. On the one hand, should no agreement be reached within the transition period, the EU-UK relationship would fall within WTO rules and therefore the UK would be considered as a Third Country. On the other hand, should a deal be agreed in time, the UK would still be out of the EU Single Market and Customs Union and therefore the EU VAT and customs rules will not apply for cross-border retail.

The undersigned would like to reiterate their strong support for the adoption of a swift Free Trade Agreement between the EU and the UK before the end of the transition period, which would ensure a freer flow of goods and parcels across the UK, and reduce the risk of queues and delays at border crossings; otherwise, EU and UK businesses - in particular SMEs - and consumers will ultimately carry the economic burden of increased friction and reduced cross-border trade. A highly integrated and long-term EU-UK trade relationship would help minimise frictions the supply chains and coordinate trade facilitative measures, safeguarding a continuous flow of goods and parcels. In this perspective, we call on the EU and UK negotiating parties to ensure that at least the following elements will be part of the deal:

- A "zero tariff, zero quota" deal to prevent the reimposition of tariffs on key goods;
- A continued cross-border flow of goods via land and air, by securing as soon as possible
 agreements for road and air transport, customs simplifications and mutual recognition on security
 requirements, without compromising safety;
- Simplified rules and procedures for import and export of goods, while maintaining a high level of convergence of both parties' customs legislation;
- Simplified rules to facilitate border controls, in order to avoid bottlenecks and slowdowns of the goods and parcel flows¹.

¹ We would like to draw your attention to globally adopted simplified rules, applicable to the vast majority of parcels sent between the UK and EU by 1 January 2021. Both, the UK and the EU (by 1 July 2021) have adopted a simplified set of data-elements to be sent prior of any border crossing to the respective authorities. Postal Operators will be ready to use these data elements to send predeclarations digitally by 1 January 2021, as well as Courier-, Express- and Parcel operators (as they are familiar with these predeclaration already in a more extensive format).

The future EU27-UK relationship should overall ensure legal certainty for businesses from both sides, avoid market fragmentation as far as possible and aim at facilitating business opportunities. However, we doubt that the limited time left before the end of the transition period would be enough to conclude any substantial and long lasting deal between the EU and UK, also considering the ongoing health situation caused by the COVID-19 pandemic, which led to a shift to other more pressing priorities. Regardless of when and if an agreement will be reached, we consider it crucial to introduce an implementation period so that businesses from both the EU and UK will have the necessary time to adapt to the new framework.

The undersigned industry associations and companies stand ready to support the negotiators in their work on the future EU-UK relationship, to ensure that it will be fit for the current and future challenges of the wider digital commerce sector, including traders, postal and parcel delivery operators.

About Ecommerce Europe

<u>Ecommerce Europe</u> is the sole voice of the European Digital Commerce sector. As a result of <u>joining forces with EMOTA</u>, Ecommerce Europe now represents, via its 25 national associations, more than 100,000 companies selling goods and services online to consumers in Europe. Ecommerce Europe acts at European level to help legislators create a better framework for online merchants, so that their sales can grow further.

About the European Express Association

<u>The European Express Association (EEA)</u> represents express delivery companies and associations, both large and small, in Europe. By communicating on behalf of the express industry with one single voice, the EEA works to ensure that policy-makers fully understand the challenges we face as an industry and as a result, that policy is implemented in a way which maximises the benefits for all involved.

About PostEurop

<u>PostEurop</u> is the association which represents European public postal operators. It is committed to supporting and developing a sustainable and competitive European postal communication market accessible to all customers and ensuring a modern and affordable universal service. Our Members represent 2 million employees across Europe and deliver to 800 million customers daily through over 175,000 counters.