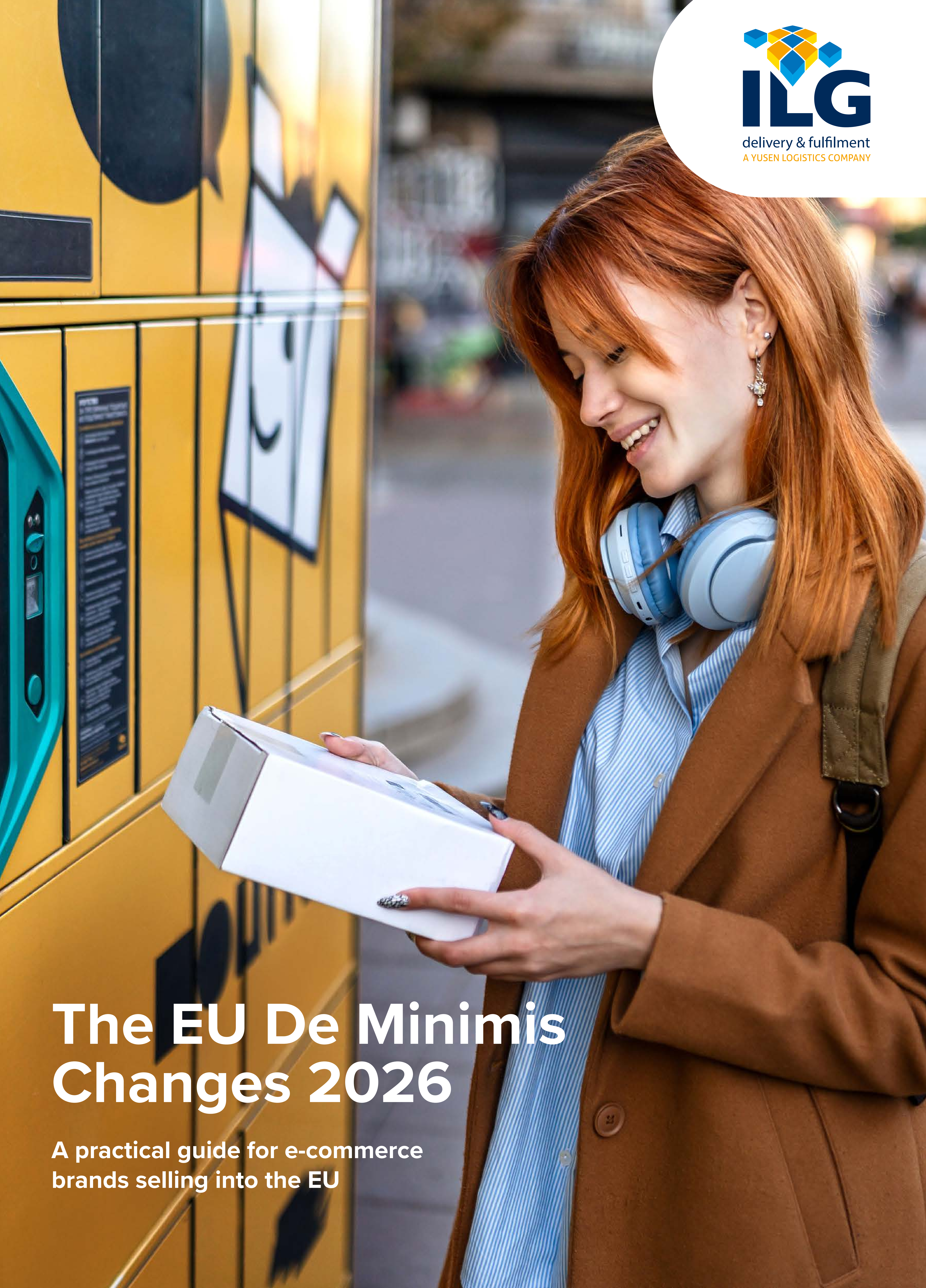

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delivery & fulfilment
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The EU De Minimis Changes 2026

A practical guide for e-commerce brands selling into the EU

The EU De Minimis Changes 2026

From **1 July 2026**, the European Union will remove the **€150 de minimis duty exemption** for imported goods.

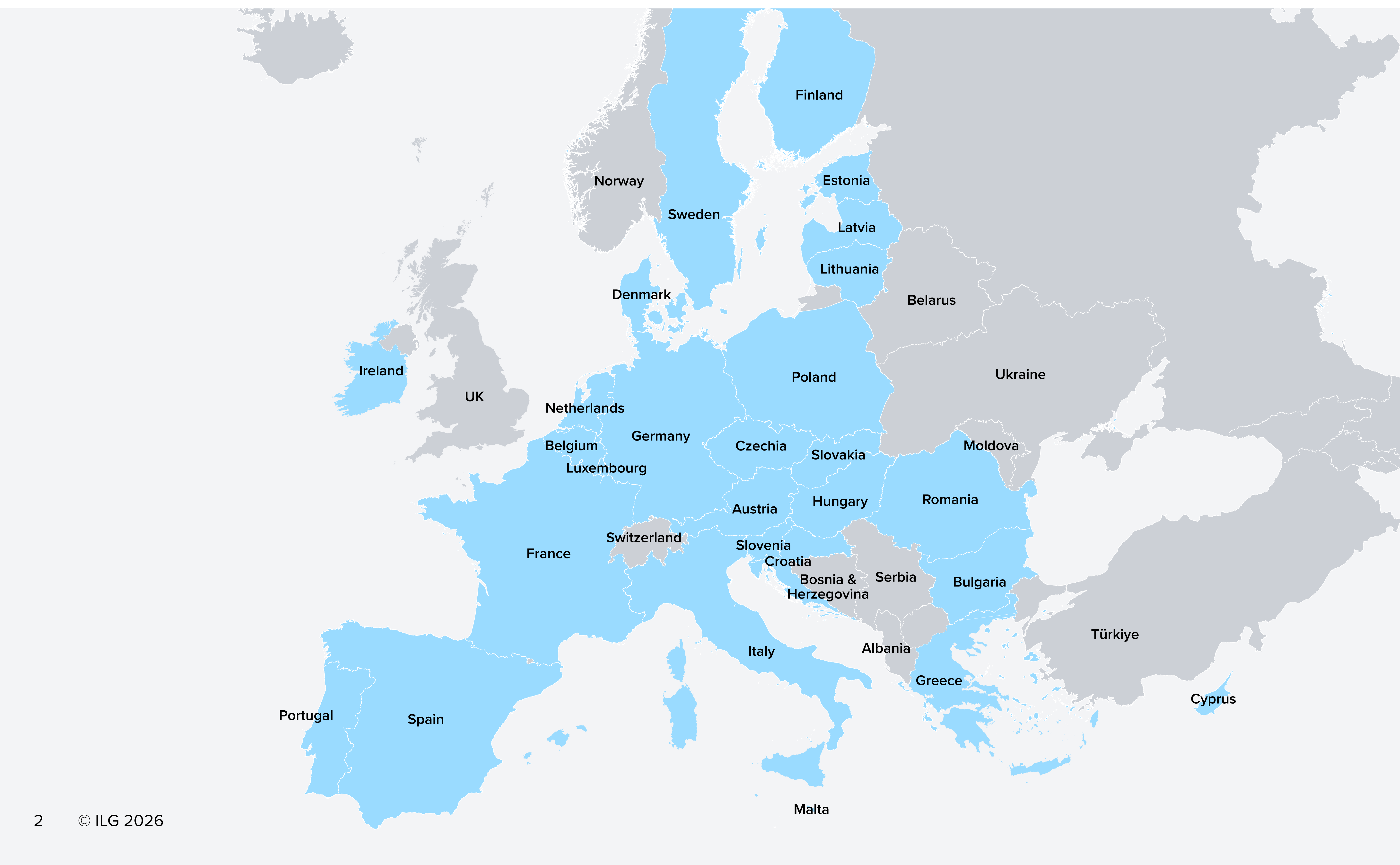
For **UK and US brands selling directly to EU consumers**, this change could significantly increase the cost and complexity of shipping low-value orders into the EU.

Many brands currently ship small parcels directly from the UK or US to EU customers without paying customs duty. When the rules change, these same shipments will attract new charges at the border.

This guide explains:

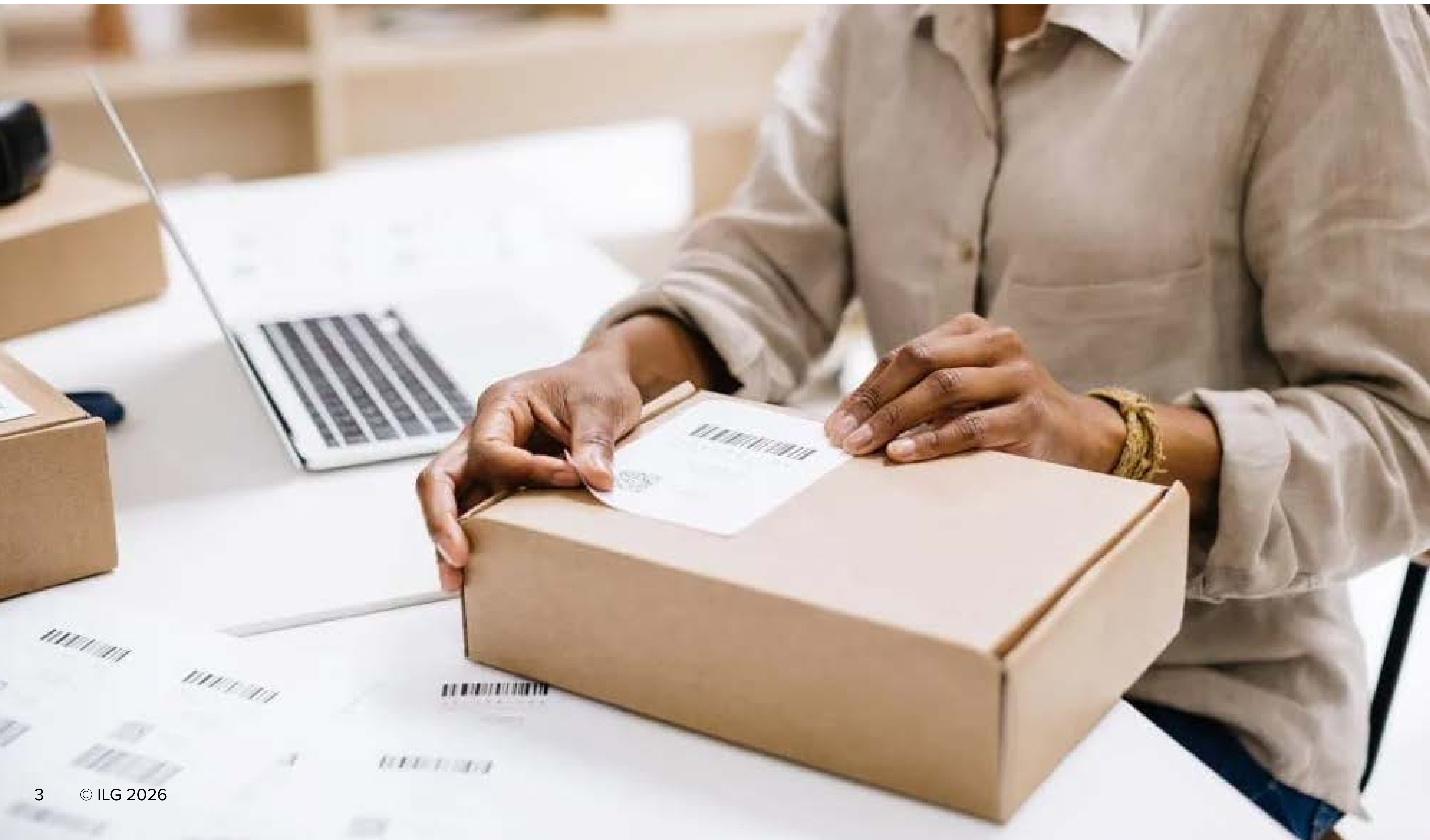
- ▶ What the **EU de minimis rule** currently is
- ▶ **Why it is being removed**
- ▶ How the new rules will affect **brands shipping into the EU**
- ▶ The **true cost implications** for direct-to-consumer shipping
- ▶ Why many brands are **moving fulfilment inside the EU**
- ▶ Why **Poland is emerging as a leading fulfilment hub**

If your brand sells to customers in **Germany, France, the Netherlands, Italy or anywhere else in the EU**, now is the time to prepare. For many e-commerce brands, the removal of the €150 exemption will require a rethink of how EU orders are fulfilled.



Why the EU De Minimis Threshold Is Being Removed:

- De minimis rates across the EU, effective until 30th June allow for goods valued under €150 to enter the EU without customs duty being charged, although VAT and Customs Declarations still apply.
- For many years this rule enabled e-commerce brands to ship large volumes of low-value goods directly to EU consumers with relatively little friction.
- However, the growth of cross-border e-commerce has changed the scale of these shipments dramatically.
- The rule has contributed to a boom in direct-to-consumer postal and small-parcel deliveries, creating shipment volumes that EU customs authorities increasingly struggle to manage.
- At the same time, regulators found that some sellers were undervaluing goods to stay below the €150 threshold, making it harder for EU-based retailers to compete fairly.
- As part of a wider programme of customs reform, the European Council announced in November 2025 that the de minimis threshold would be removed.
- **From 1 July 2026, the exemption will end and a fixed duty of €3 will apply to imported goods valued below €150.**
- In addition, the **EU is also considering introducing a separate handling fee for low-value shipments**, which would apply alongside the new duty.
- For brands that rely on direct-to-consumer international shipping into the EU, this represents a significant structural change.



What the New Rules Mean

For companies selling to end-customers in the EU, the removal of the de minimis threshold means that low-value orders will no longer move duty-free through EU customs.

The proposed €3 duty is expected to apply per item, based on tariff classification (CN codes).

This means an order containing multiple items with different classifications may incur the charge several times.

For example:

- A single order containing three items with different CN codes could attract €9 in duties
- Additional handling fees may also apply
- Administrative and customs costs may increase

Responsibility for paying these charges depends on the Incoterms applied to the shipment:

Delivered Duty Paid (DDP)	Delivered at Place (DAP)
The shipper pays the duty and import charges.	The end-customer pays duties and charges upon delivery.

Either approach presents challenges.

- Under DDP, the brand absorbs the additional cost.
- Under DAP, customers may face unexpected charges at delivery, which can lead to cart abandonment, refused shipments and poor customer experience.

As a result, many brands are now reassessing how they serve EU customers.

Concerned about how the EU de minimis changes could affect your shipping costs? Speak to your usual ILG contact to understand the potential impact on your current order volumes.

Putting a Value on the Impact

While €3 per item may sound small, the impact becomes clearer when applied across real order volumes.

Brands selling **cosmetics, fashion, accessories, supplements, electronics or homewares** often ship:

- multiple items per order
- high volumes of small parcels
- relatively low-value goods

Under the new rules, these shipments could attract:

- **€3 duty per item of different classification code**
- possible **EU handling fees**
- increased **administration and customs processing**

A simple example:

Consider a brand shipping 5,000 EU orders per month, with an average order value of €60.

The typical order contains three items with different CN classification codes meaning the €3 duty would apply to each item.

That means each order could incur:

3 items x €3 duty = **€9 in duties per order**

Across **5,000 monthly EU orders**, this equates to:

€45,000 in duties per month or €540,000 per year.

This figure doesn't include potential handling fees or additional customs administration costs.

Over thousands of orders, the additional cost quickly compounds and significantly alters the economics of EU sales.

This is why many e-commerce businesses are now exploring a different approach: **fulfilling orders from within the EU itself.**

Why Fulfilment From Within the EU Is More Cost-Effective

Since Brexit (when the UK left the EU, in January 2020) and the tightening of global customs rules, many brands have been reconsidering their logistics strategy for Europe.

Rather than shipping **individual parcels across borders**, an increasing number of companies are choosing to **hold stock inside the EU.**

This approach changes the model entirely.

Instead of processing customs clearance for **every individual order**, stock is imported in **larger consolidated shipments**, with customs handled once at the point of entry.

Orders to EU customers are then shipped **domestically within the EU single market.**

This approach offers several advantages:

- **No customs checks on individual customer orders**
- **Lower delivery friction**
- **Faster transit times**
- **More predictable costs**
- **Improved customer experience**

The removal of the **€150 duty-free threshold** adds further weight to this strategy.

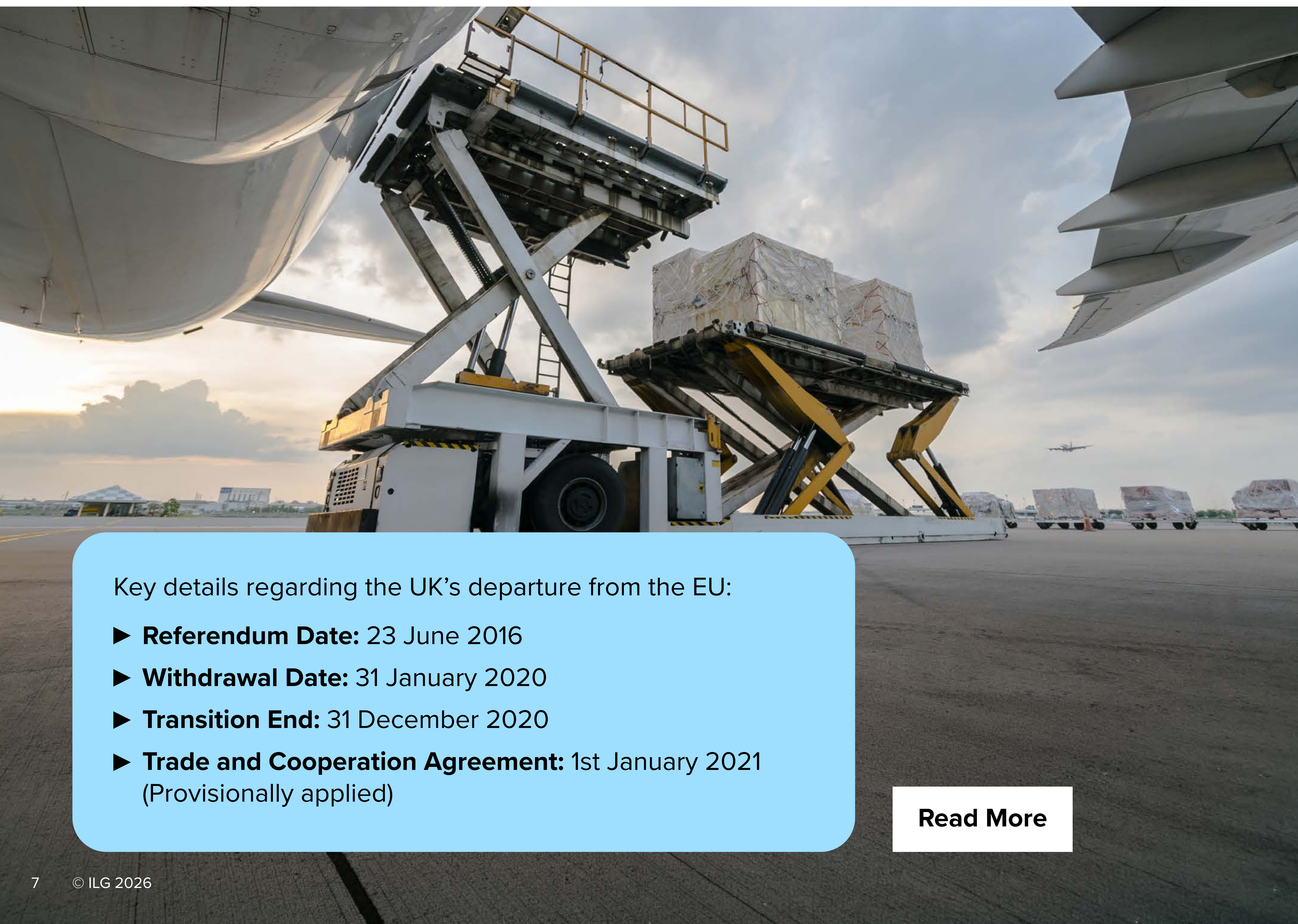
By moving stock to an **EU fulfilment centre**, brands can avoid the growing cost and administrative burden associated with multiple low-value international shipments.

For many e-commerce businesses, working with an established **third-party logistics provider (3PL) with facilities in the EU** is the simplest way to make this transition. Many brands are now exploring EU-based fulfilment as a long-term way to simplify cross-border operations and reduce customs friction.

The Brexit Effect: Why EU Fulfilment Became a Priority

- Before **January 2021**, most UK brands could ship products to customers across Europe without customs friction.
- Goods moved freely within the EU single market, meaning brands could fulfil European orders directly from UK warehouses.
- Brexit changed that.
- Since 2021, shipments from the UK into the EU are treated as **international imports**, with customs procedures and additional administration.
- For modern e-commerce brands, where customers expect **fast and frictionless delivery**, this can present a serious challenge.
- Unexpected customs charges, slower delivery times and additional paperwork all create friction in the buying experience.
- As a result, many brands began looking for ways to **hold inventory inside the EU itself**, allowing them to serve European customers domestically.

The question then became: **where should that fulfilment be based?**



Key details regarding the UK's departure from the EU:

- ▶ **Referendum Date:** 23 June 2016
- ▶ **Withdrawal Date:** 31 January 2020
- ▶ **Transition End:** 31 December 2020
- ▶ **Trade and Cooperation Agreement:** 1st January 2021 (Provisionally applied)

Read More

Why Many Brands Are Choosing Poland for EU Fulfilment

For years, the Netherlands was the default choice for EU fulfilment.

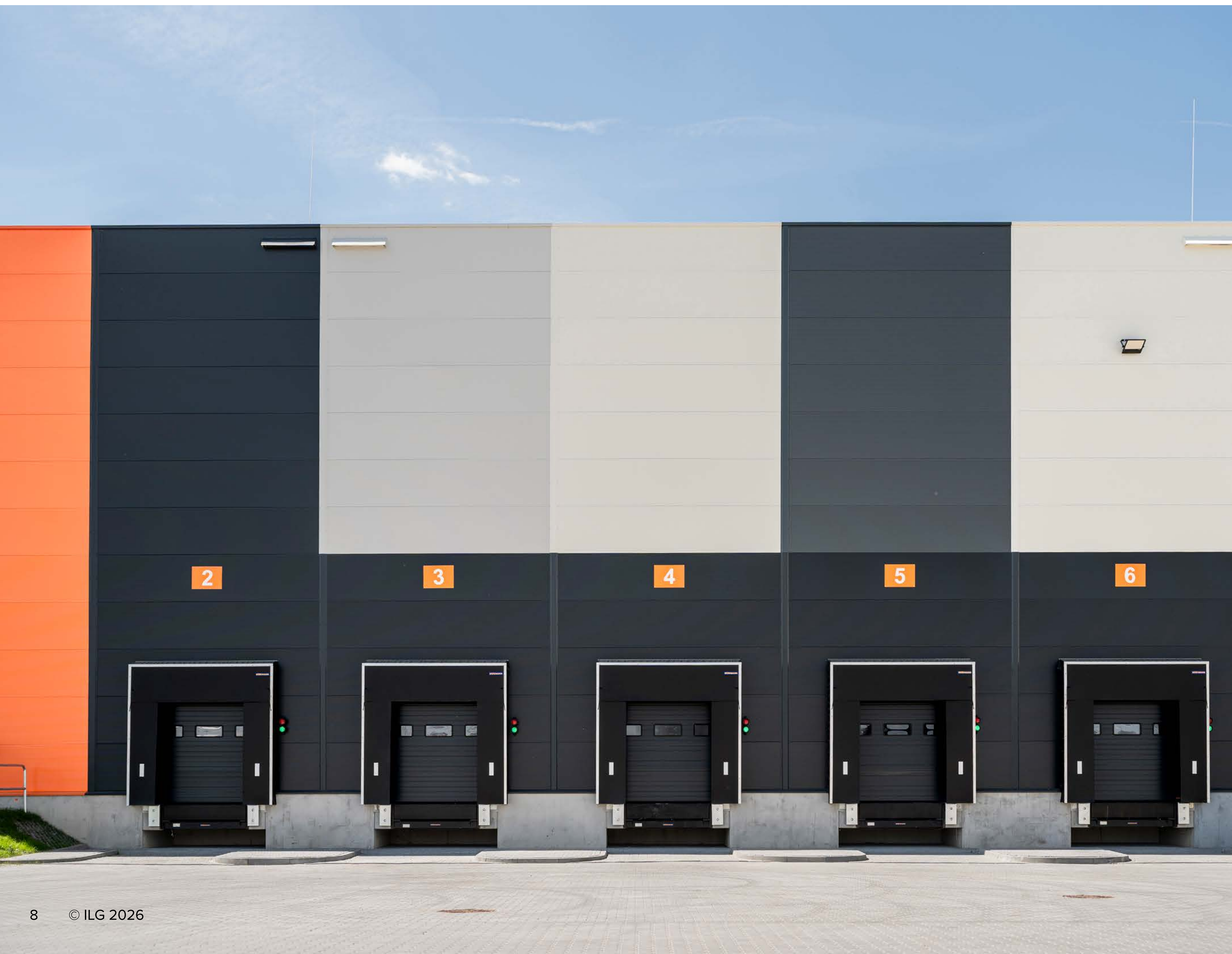
With Rotterdam as Europe's busiest port and Schiphol one of its most connected airports, it provided easy access to major markets across the continent.

However, the European logistics landscape has evolved significantly in recent years.

Today, Poland is increasingly seen as a smarter location for EU fulfilment, particularly for growth-focused brands. This shift has accelerated as brands look for lower operating costs and strong access to both Western and Central European markets.

This shift is being driven by several factors.

Find out how we are supporting brands with their EU logistics from our Wroclaw facility.



Netherlands vs Poland: A Changing Equation

The Netherlands has long been a reliable entry point for EU fulfilment.

But it is also one of the **most expensive logistics markets in Europe.**

Prime warehouse space around **Amsterdam and Rotterdam** commands some of the **highest rents on the continent**, and labour costs have risen sharply in recent years.

Meanwhile, Poland has quietly become one of Europe's most dynamic logistics markets.

Operational costs in Poland are typically **20–40% lower than in the Netherlands** once warehouse rent, labour and overheads are taken into account.

For growing brands where margins matter, that difference compounds significantly over time.

Factor	Netherlands	Poland
Warehouse costs	High and rising	Significantly lower
Labour costs	Among the highest in the EU	Lower with strong workforce availability
Location	Western Europe	Central Europe near Germany
Access to Western EU	Excellent	Very good via German carrier networks
Access to Central & Eastern EU	Good	Excellent
Logistics growth	Mature market	Rapidly expanding

As logistics infrastructure has expanded across Poland, the country has developed into a **major European fulfilment hub.**

Operational Advantages of EU-Based Fulfilment

Moving fulfilment inside the EU offers additional operational benefits beyond shipping costs.

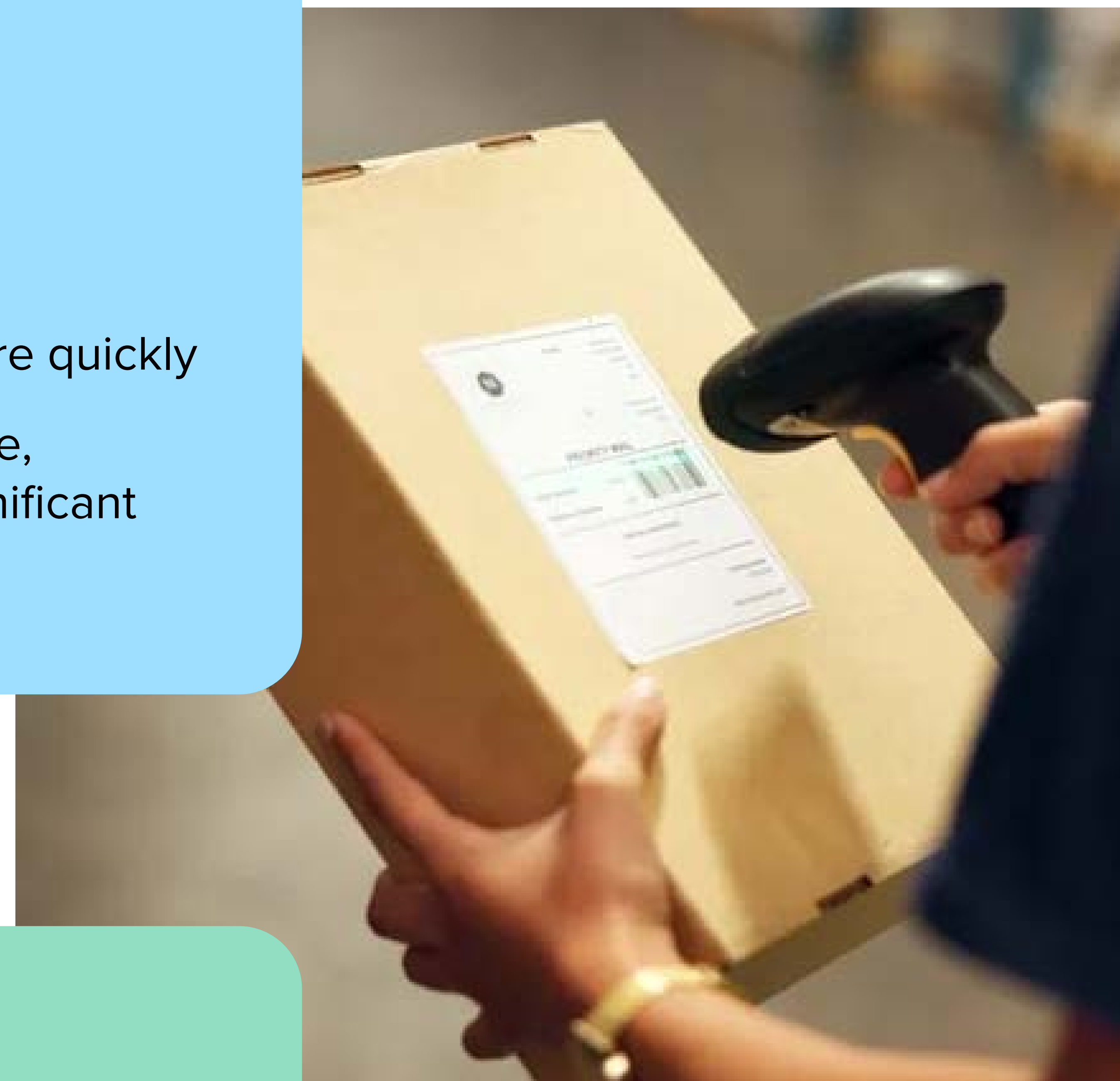
Returns stay within the EU

Returns are one of the most overlooked advantages of EU-based fulfilment.

When products are returned by EU customers to a warehouse within the EU:

- ▶ no cross-border customs processing is required
- ▶ returns can be processed faster
- ▶ stock can be returned to saleable inventory more quickly

For categories such as fashion, beauty and lifestyle, where return rates are higher, this can make a significant difference to operational efficiency.



One logistics partner across markets

Working with a 3PL that operates across both UK and EU locations can also simplify operations.

A single logistics provider allows brands to maintain:

- ▶ one data integration layer
- ▶ consistent reporting
- ▶ unified fulfilment processes across regions

This avoids the complexity of managing separate logistics systems in different countries.

Want to see how EU-based fulfilment could work for your brand? Learn more about EU Fulfilment with ILG.

A Smarter Way to Sell in Europe

For brands shipping high volumes of low-value goods to EU customers, the removal of the **€150 de minimis exemption** represents a major change.

Continuing to ship individual parcels directly from the UK or US will become **more expensive and operationally complex.**

Many businesses are now recognising that **EU-based fulfilment offers a more scalable long-term strategy.**

By holding stock within the EU, brands can:

- Consolidate customs clearance into **larger inbound shipments**
- Avoid duties on **individual customer orders**
- Reduce shipping friction
- Improve delivery times
- Create a better customer experience

As the July 2026 deadline approaches, businesses that sell regularly into the EU should begin evaluating their logistics strategy now.

For many, the shift toward **EU-based fulfilment, particularly in fast-growing logistics hubs like Poland, is becoming the most practical way to maintain growth in the European market.**

Speak to your usual ILG contact to explore your EU fulfilment options and minimise the impact on your EU shipping.

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