TRADE OBSERVER

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Industry giants are rewriting the rules

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YOUR CUSTOMS MONITORING

SHEIN: THE END OF “SO-CALLED GREAT DEALS”

The penalty matches the severity of the offenses found. The Chinese ultra-fast-fashion giant Shein has just been slapped with a €40 million fine by the Directorate-General for Competition, Consumer Affairs and Fraud Control (DGCCRF). The charge ? Misleading commercial practices related to the discounts displayed on its French website and unfounded environmental claims. This unprecedented decision shines a harsh light on the flaws of a business model built on excess and rock-bottom prices.

The investigation, carried out between October 2022 and August 2023, put several thousand online products under the microscope. The findings are damning: in 57 % of cases, no real price drop was applied despite promotional claims. Worse still, 19 % of discounts were smaller than those advertised, and 11 % were in fact price increases. These practices gave consumers the illusion of scoring exceptional bargains, when in reality the reference prices had simply been manipulated.
As a reminder, French regulations require that the reference price correspond to the lowest price applied during the 30 days preceding the promotion. A principle that Shein clearly ignored, despite public statements professing a commitment to compliance.

Beyond the bogus promotions, the DGCCRF also flags unsubstantiated environmental claims. The Chinese giant, which proclaims an ambition to cut its greenhouse-gas emissions by 25%, was unable to demonstrate these goals on the ground. A glaring inconsistency for a company whose model depends on a massive supply of low-priced textiles and ultra-fast production.

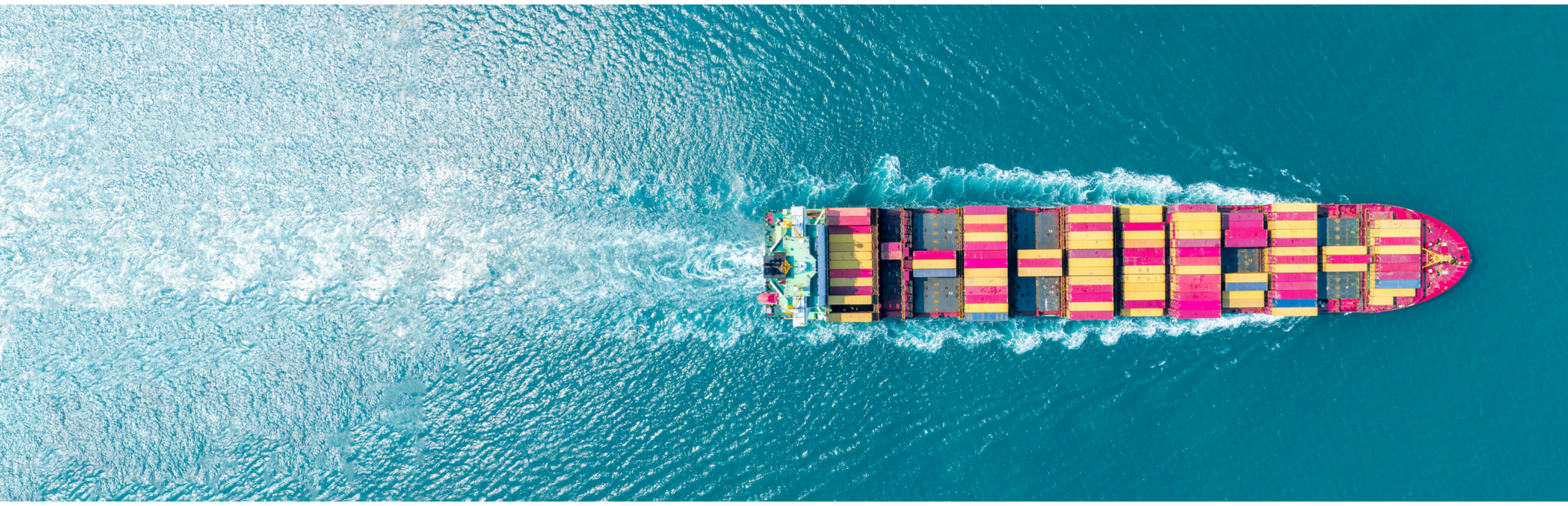
Shein maintains it enacted corrective measures “without delay” after being notified by the DGCCRF in March 2024. Yet this case has reopened a broader debate over the regulation of low-cost sales platforms. France, via Commerce Minister Véronique Louwagie, is now considering delisting measures for repeat offenders, even going so far as to remove them from search-engine results.

This penalty comes as Shein prepares for a Hong Kong IPO and could undermine its image with investors. It also reflects French and European authorities’ growing determination to restore a level playing field between local players and e-commerce giants.

LIDL SETS SAIL: WHEN A RETAILER BECOMES A SHIPOWNER

In the plush yet fiercely competitive world of mass retail, Lidl has just upended the status quo. The German chain, renowned for its rock-bottom prices and eye-catching sales events, is now setting sail into maritime transport. Today, Lidl is having five giant container ships built, marking an unprecedented milestone in the history of European retail.

The project is colossal: five vessels each with a capacity of 8,400 containers, at a unit cost of €120 million. These maritime behemoths are slated for delivery between 2027 and 2028. They will sail under the banner of Tailwind Shipping Lines, the Schwarz Group's maritime subsidiary and Lidl's parent company. This initiative is no mere publicity stunt, it forms part of a carefully considered, deeply ingrained strategy.
Since the Covid-19 pandemic, global trade has been on unsteady footing. Freight rates have skyrocketed, ports are overflowing, delivery times have lengthened, and shipping lanes have become unstable, particularly due to tensions in the Red Sea. For an international retailer like Lidl, relying on the major traditional shipping lines has become a risk, even a vulnerability. The chain has therefore opted for autonomy.



Building its own fleet means breaking free from the volatility of the freight market. It allows Lidl to schedule its restocking according to its own priorities, avoid stockouts, and ultimately reduce logistics costs. It also means being able to respond more quickly to seasonal demand and better manage non-food items, such as apparel, home appliances, or tools, often imported from Asia.

But this logistical pivot doesn't stop at sea. Simultaneously, Lidl is expanding its on-land infrastructure : the company has just secured a concession at the Port of Barcelona to build a 55,000 m² logistics hub directly linked to maritime flows. From quay to warehouse, Lidl is drawing a seamless, fully controlled supply-chain line.

Beyond efficiency, it's also a political statement. By venturing out to sea with its own vessels, Lidl sends a clear message: in an uncertain world, it's better to be the captain of your own ship than a passenger at the mercy of a storm. The Schwarz Group is no stranger to this arena. Since 2022, Tailwind has already been operating a chartered fleet of ships. But with this order, it shifts into high gear: a fully owned fleet, built to last and more environmentally friendly thanks to dual-fuel engines (running on LNG and conventional fuel).

It must be said plainly : never has a retailer taken vertical integration of its supply chain so far. Lidl is no longer content merely to optimize its deliveries; it owns them. This move, at the crossroads of industrial strategy and sustainable logistics, could well inspire other players in the sector. In a world where margins are shrinking and each day of delay is expensive, controlling one's logistics becomes a true lever of competitiveness, even survival.

Some will view it as an over-the-top gamble, a perilous plunge into a maritime domain as costly as it is complex. Others will hail it as a clear-sighted and courageous vision : a form of logistical sovereignty applied to private enterprise. In any case, Lidl has just sent a powerful signal: in the years ahead, logistics will no longer be merely a cost to trim, but a strategic asset to build.

PREFERENTIAL ORIGIN : THE STRATEGIC ADVANTAGE OF MAJOR BRANDS

Adidas, Nike and their peers don't pick their production sites at random. Behind every factory set up in Asia, or elsewhere, lies a strategy far more complex than simple labor costs. The driver ? Free-trade agreements signed between the European Union and numerous third countries, which allow import duties to be reduced, or even waived.

But beware, gaining access to these tariff advantages isn't just about producing locally. Companies must comply with specific rules of preferential origin. These rules determine whether a product can be considered "originating" from the partner country, and therefore eligible for duty reductions.

Take the EU–Vietnam agreement, for example. If a pair of shoes is fully assembled in Vietnam in line with the criteria (notably using materials from "any tariff heading"), it qualifies for preferential customs treatment. But if certain components, like soles or uppers classified under heading 6406, are imported and merely attached in Vietnam, the rule is no longer met. The result : full import duties apply.

These technical constraints are central to the concerns of multinational companies, especially at a time when several trade agreements, such as those with India or Indonesia, are being renegotiated. Such changes can alter the rules of origin or the list of eligible products, forcing companies to reassess and adapt their strategies.
To stay competitive, brands sometimes have to relocate parts of their production, switch suppliers, or adjust their logistics routes. A delay in adapting can cost millions of euros annually and lead to supply disruptions, customs delays, and rising costs.

These challenges go far beyond mere financial considerations. In a context where logistical fluidity and customer expectations are critical, mastering customs regulations has become a true lever of competitiveness. Local subcontractors are also under pressure to align their processes with the requirements of international trade agreements.
One thing is certain: behind every pair of sneakers sold in Paris lie decisions made in Brussels, Hanoi, or Jakarta, decisions that shape the contours of global trade. In this shifting landscape, anticipation and customs agility are more than ever strategic assets for businesses.

YOUR CUSTOMS MONITORING

SIMPLIFIED RULES FOR TRANSPORTING ALCOHOL AND TOBACCO: A NEW DECREE NOW IN EFFECT

Decree No. 2025-590 of June 27, 2025, simplifies the rules governing the movement of alcohol, alcoholic beverages, and tobacco products under duty-paid status within France and to the overseas departments (DOM). These new provisions aim to ease administrative procedures for operators while maintaining effective customs oversight.
A simplified document must now accompany these goods to ensure traceability and compliance, as outlined in the decree of June 27, 2025. These changes mark a significant step toward streamlining logistical flows while upholding regulatory obligations.

CITES: STRENGTHENING MEASURES TO PROTECT BIODIVERSITY

Decision No. 2025/1314 marks a key milestone in strengthening the CITES Convention. Amendments to Appendices I, II, and III have been proposed to better regulate the international trade of endangered animal and plant species—as well as their parts (such as skins, feathers, and teeth) and derived products. The goal: to ensure that such trade does not compromise biodiversity conservation.
For now, these are merely proposals. Their implementation will require the adoption of a European regulation that will amend Regulation 2023/966 and, by extension, the foundational Regulation No. 338/97.

📌 **Reminder :**
Importing CITES-regulated products into the EU requires prior presentation to the customs office for inspection and endorsement, along with the appropriate import permits or notifications, depending on the relevant appendix.
Today, CITES already protects 6,610 animal species and 34,310 plant species from overexploitation linked to international trade. These measures aim to preserve ecosystems where certain players—such as primates, bees, fungi, bats, and even plankton—play a vital role in sustaining life on Earth.

UNITED KINGDOM: UPDATED CUSTOMS TARIFF EFFECTIVE JULY 18, 2025

UK customs is updating its tariff schedule (classification, duty rates, calculations) as well as its pages on free trade agreements and both preferential and non-preferential rules of origin. These new provisions will take effect on July 18, 2025. Operators are advised to review their procedures to remain compliant and optimize their supply chains.

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OVERSEAS DEPARTMENTS (DOM): NEW EXPORT QUOTA FOR RUM

A new decree updates the annual allocation of the traditional rum export quota among agricultural and sugarcane distilleries in the French overseas departments (Guadeloupe, French Guiana, Martinique, and Réunion). This text, which replaces the 2023 version, will come into force on January 1, 2026.

ENERGY PRODUCTS: UPDATE OF DUTIES AND TAXES AS OF JULY 1

BOD No. 7582 outlines the standard excise duty rates applicable to energy products, in accordance with Articles L312-35 and L312-636 of the Tax Code. This update specifies the duties and taxes in effect as of July 1, 2025.

MACF: EXPANSION OF MEASURES

A new measure aimed at reducing the risk of carbon leakage in sectors covered by the CBAM (Carbon Border Adjustment Mechanism) is expected to be introduced by the end of 2025. This initiative, tied to the reform of the EU Emissions Trading System (ETS) scheduled for 2026, seeks to prevent the relocation of carbon-intensive production to countries with less stringent environmental standards.

Important Reminder : Starting January 1, 2026, importers will be required to surrender CBAM certificates, marking the end of the transitional period.

ALCOHOL: CLARIFICATIONS ON MATERIAL ACCOUNTING AND PACKAGING

LBOD No. 7583 outlines the procedures under the Code of Taxes on Goods and Services concerning :

- the monitoring of packaging and blending operations,
- the requirements for maintaining material accounting (recording movements, storage, losses),
- and their inclusion in the monthly declaration and annual inventory.

These rules aim to strengthen control and traceability of alcohol flows.

YOUR CUSTOMS MONITORING

EU CUSTOMS REFORM: COUNCIL ADOPTS ITS POSITION ON THE FUTURE UCC

The European Union has taken a major step toward modernizing its customs framework. The Council has just adopted a common position on the reform of the Union Customs Code (UCC), paving the way for negotiations with the European Parliament.

This ambitious reform includes:

- 🏛️ The creation of a European Customs Authority (EU Customs Authority) tasked with coordinating national customs bodies, managing the EU customs data platform, and strengthening risk management.
- 🌐 A single customs hub, a centralized digital portal where businesses can submit one declaration valid for multiple shipments, while authorities gain real-time access to the entire supply chain.
- ✅ A strengthened framework for trusted operators, with the expansion of AEO (Authorised Economic Operator) status into a new category of "Trust and Check Traders," allowing, under strict conditions, simplified release of goods within the EU. The standard AEO status will be maintained for SMEs.
- 📦 The modernization of e-commerce processing, to better monitor flows and combat the entry of non-compliant or hazardous goods.

The goal is twofold : to protect the European market while reducing the administrative burden on operators and customs authorities. The final text must still be approved by both the Council and the Parliament before it can enter into force.