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Global trade
in transition

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SHEIN, TEMU, ALIEXPRESS: LOW-COST PLATFORMS HITTING THE REGULATORY WALL

After the scandal involving child-pornographic products sold on Shein, the French government is stepping up its response. It has officially expanded its legal action to five additional e-commerce platforms: AliExpress, Joom, Wish, Temu and eBay. These marketplaces—already criticized for selling dangerous or illegal goods—are now being targeted for serious offences ranging from the sale of prohibited weapons to the distribution of pornographic content accessible to minors. As French authorities intensify inspections and seizures, this new phase signals a clear intent to regain control over a sprawling digital ecosystem that has become difficult to regulate and often operates beyond the reach of European standards.

In an interview, Trade Minister Serge Papin revealed the extent of the case: AliExpress and Joom were identified as offering child-pornography dolls, while Wish, Temu, AliExpress and eBay were found selling category-A weapons. Several reports have already been submitted to the public prosecutor, with more expected in the coming days.

Shein remains the most emblematic case. Despite its voluntary suspension of the marketplace in France, the government has asked the courts to order an official suspension—a procedure currently under review by the Paris judicial tribunal.

In total, the DGCCRF is monitoring around thirty platforms. This number reflects the growing scale of a phenomenon that public authorities struggle to contain: the proliferation of non-compliant, dangerous or illegal products, often originating from third-party sellers based outside Europe.

At the same time, the French government launched a major operation at Roissy–Charles de Gaulle airport and in other local zones: more than 200,000 parcels were subjected to full inspection within 48 hours. Customs officers uncovered a mountain of irregularities: toys without CE markings, cosmetic products without instructions, electronic items lacking compliance documentation.

The numbers confirm the scale of the problem: 80% of parcels coming from low-cost platforms reportedly fail to comply with European standards. Roissy alone accounts for 95% of non-EU parcels entering France, making the airport the frontline in confronting the excesses of global e-commerce.

The objective is clear: to support the three procedures initiated by the State—suspension, criminal investigation, and European investigation—and to force platforms to assume responsibility, even when they claim to be mere intermediaries.

TRUMP ROLLS BACK HIS OWN TARIFFS TO CONTAIN THE RISING COST OF LIVING

Under pressure from a public increasingly worried about soaring prices, Donald Trump has taken a notable step back in his trade policy. The U.S. president has removed part of the tariffs he himself introduced just months earlier on everyday consumer goods. The move, made official in a White House executive order, comes as the cost of many basic food items continues to weigh heavily on American households and as the administration seeks to show concrete action ahead of the midterm elections.

The measure primarily affects agricultural products that the United States either does not produce at all or produces in quantities far too small: coffee, tea, bananas, mangoes, avocados, spices and pine nuts. Some products more deeply rooted in domestic consumption—such as orange juice, bread or beef—also appear on the list, showing that the tariffs implemented in April were having a broader-than-expected impact on household grocery baskets.

These so-called “reciprocal” tariffs, set at a minimum of 10%, were initially intended to reduce the trade deficit and support U.S. production. Yet they applied even to goods physically impossible to grow on American soil—a choice heavily criticized by the opposition and several economic stakeholders. While the direct impact on prices remained limited, the persistent rise in the cost of living continues to burden households already strained by post–Covid-19 inflation. Coffee, for example, has seen its price jump by 19% in a single year.

Faced with this reality, the administration has multiplied its commercial concessions. Tariffs imposed on Switzerland have been significantly reduced, while several partial exemption agreements have been reached with Argentina, Ecuador, Guatemala and El Salvador. At the same time, the White House is highlighting other measures intended to ease household expenses: decreases in gasoline and egg prices, reductions in the cost of certain medications, and even a proposal to extend mortgage terms to 50 years to lower monthly payments—despite the higher total repayment amount.

This backtracking illustrates the tension between Donald Trump’s stated protectionist strategy and the real-world effects of these choices on consumers. With one year to go before the midterm elections and while 56% of Americans express dissatisfaction with his economic management, the administration is trying to rebalance its trade policy to ease pressure on purchasing power. The positive response from business circles suggests that this shift is seen as a sign of openness. The question now is whether these adjustments will be enough to regain household confidence and stabilize an economy still shaken by inflation.

EU–MERCOSUR AGREEMENT: A GRADUAL OPENING THAT REDRAWS GLOBAL VALUE CHAINS

The trade agreement between the European Union and Mercosur, negotiated for more than twenty years, represents one of the most ambitious economic projects for European industries. Its goal: to create an expanded transatlantic market, reduce customs duties, and facilitate the exchange of goods, services, and investments. Despite political uncertainties and heightened demands from several Member States, the agreement is already influencing industrial and commercial strategies.

The agreement envisions a gradual and sector-specific tariff phase-out spread over several years. Machinery, industrial equipment, spare parts, and technical products—currently facing tariffs of 10 to 20%—would see duties progressively lowered or eliminated, following timelines ranging from immediate implementation to ten years. Vehicles and rolling stock, subject to tariffs of up to 35%, would follow a slower path, constrained by strict rules of origin.
For European companies, the challenge will not be limited to tariffs: mastering rules of origin will be decisive for accessing preferential customs rates. Without solid documentation—local value added, sufficient processing, or tariff classification change—the announced benefits could remain theoretical.

In sensitive sectors, especially agri-food, market opening will be limited and governed by quotas, transition periods, and safeguard clauses allowing the EU to respond in case of market disruption. Services, meanwhile, will gain partial but meaningful access: engineering, maintenance, environmental services, digital activities, and consulting could secure new contracts thanks to the gradual opening of Mercosur's public procurement markets.

Finally, the agreement includes a sustainability pillar that is central for France: compliance with the Paris Agreement, anti-deforestation measures, respect for sanitary standards and animal welfare, and safeguards against social and environmental dumping. Imports could be suspended if volumes surge or prices drop in a destabilizing manner. Market opening will therefore not be unconditional, but tightly linked to reciprocal commitments.

Although ratification is not expected before 2025–2026 and full implementation could stretch to 2036, the EU–Mercosur agreement is already producing early effects. South American manufacturers are preparing, European distributors are seeking local partners, and some SMEs are securing their positions ahead of market liberalization.

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REVOCATION OF CERTAIN BTIS – IMMEDIATE APPLICATION

Following the adoption by the Customs Co-operation Council (WCO) of new classification decisions, classification opinions, and amendments to the Explanatory Notes of the Harmonized System (HS), several Binding Tariff Information (BTI) rulings have become incompatible with the updated interpretation of the nomenclature.
In accordance with the customs notice published in 2024, the affected BTIs are revoked as of the date of publication, with immediate effect.

REMOVAL OF THE CUSTOMS DUTY EXEMPTION THRESHOLD

In 2024, the Member States of the European Union approved the abolition of the €150 customs duty exemption threshold for e-commerce goods.
Starting in 2026, all e-commerce imports will be subject to customs duties from the very first euro, pending the implementation of the European Customs Data Hub scheduled for 2028.
This reform marks the end of the current preferential regime applicable to low-value consignments.

REDUCTION OF THE RECIPROCITY RATE FOR SWITZERLAND

The current reciprocity rate of 39% applied by the United States to products originating from Switzerland and Liechtenstein is expected to be lowered to 15%, following the signing of a trade framework agreement on 14 November 2025 between the United States and Switzerland/Liechtenstein.

This agreement reflects the intention of both parties to correct potential distortions in bilateral trade and investment, particularly those related to:
- industrial subsidies, and
- actions undertaken by state-owned enterprises.

In parallel, new trade agreements have been announced with El Salvador, Ecuador, Guatemala and Argentina, confirming the expansion of Switzerland's trade policy.

New Rates Applicable to Products Originating from Switzerland
- Maximum rate of 15% for all products whose NPF/MFN rate is below 15%.
- For all other products: application of the normal MFN rate.

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ADDITIONAL "RECIPROCITY" DUTIES ON AGRICULTURAL PRODUCTS IN THE UNITED STATES

As of 13 November 2025, the United States will cease applying the additional 15% reciprocity duties on 237 tariff lines covering agricultural products that are not grown on U.S. territory.

This decision, announced by the Trump administration, aims to exclude from the mechanism products that the United States does not produce, in order to limit trade distortions.

Products concerned (examples)

- coffee, tea
- tropical fruits, fruit juices
- cocoa, spices
- bananas, oranges, tomatoes
- certain meats (including beef)
- certain fertilizers
- various food preparations

These products will remain subject to the normal MFN rate, but will no longer incur the additional reciprocity duty.

AMENDMENT TO THE EXPLANATORY NOTES OF THE CN

The Official Journal of the European Union of 21 November 2025 publishes Communication C (2025) 6343, which amends the Explanatory Notes of the Combined Nomenclature (CN).

This update concerns CN heading 2309 – Preparations of a kind used in animal feeding.

The amendment clarifies the interpretation of heading 2309 and must be taken into account for tariff classification, the preparation of customs declarations, and the determination of applicable duties.