Reform of the Union customs legislation

Fields marked with * are mandatory.

Introduction

The EU's customs union is the foundation of its single market and its involvement in international trade. The EU agrees on a common set of rules and policies concerning goods crossing the EU borders, which national customs administrations implement and enforce. Customs' mission is to facilitate legitimate trade, collect customs revenue and protect European citizens against products that do not comply with EU food, health and environmental rules, and against security and safety risks including smuggling, crime and terrorism.

Customs authorities supervise all goods entering or leaving the customs union. They use risk management techniques to identify risks and carry out controls of the goods, to ensure that rules are respected and that imported goods are safe and secure for EU citizens. Often, this happens in close cooperation with authorities competent for enforcing sectoral legislation, for example on product safety or animal health.

The EU applies a common customs tariff, which means the same way of calculating the duty for an import in all Member States, in line with the EU's trade agreements, and collects the customs duties for the EU budget. Once a good is in the EU single market, in technical terms 'released for free circulation', it can be moved freely from one Member State to another without customs controls. Any port, airport or external border crossing point is therefore the entrance to the EU. The protection provided by a customs officer in one place, is at the service of all.

However, there are significant differences in the capacity, risk analysis and resources of the national customs administrations. Furthermore, illegal activities can change routes from one entry point to another, making it more difficult to detect. Overall, global trade has evolved rapidly, with a significant increase in terms of volumes, including a rapid expansion of e-commerce. EU rules and standards have evolved as well, calling for an increasing role of customs in performing tasks going beyond revenue collection. Concerns for the protection of EU public interests, EU citizens and business have risen to the fore. Brexit, the Covid-19 pandemic and the Russian aggression of Ukraine have been accelerators of these changes.

The Commission has engaged in a deep reflection to make the customs union fit for the future. This includes in particular a foresight study, which resulted in a report on the future of EU customs 2040, and the report and recommendations of the Wise Persons Group on the challenges facing the customs union. Evidence gathered by this Group shows that dangerous, non-compliant products still enter the EU market every day and that we leave billions of customs duties uncollected. As a result, it appears that customs in the EU do not yet function "as one" as they should. This leaves the customs union at the mercy of its weakest link.

The European Commission is preparing a proposal to reform the customs union and is assessing its expected impacts. The aim of this consultation is to gather the views and experiences of interested parties (including businesses, trade associations, individuals, public authorities and other stakeholders) regarding the state of the customs union and possible reform elements.

A summary of the responses to this consultation will be published after the end of the consultation period.

About you

*Language of my contribution

- ○ Bulgarian
- ○ Croatian
- ○ Czech
- ○ Danish
- ○ Dutch
- ⦿ English
- ○ Estonian
- ○ Finnish
- ○ French
- ○ German
- ○ Greek
- ○ Hungarian
- ○ Irish
- ○ Italian
- ○ Latvian
- ○ Lithuanian
- ○ Maltese
- ○ Polish
- ○ Portuguese
- ○ Romanian
- ○ Slovak
- ○ Slovenian
- ○ Spanish
- ○ Swedish

*I am giving my contribution as

- ○ Academic/research institution

- ◉ Business association
- ○ Company/business organisation
- ○ Consumer organisation
- ○ EU citizen
- ○ Environmental organisation
- ○ Non-EU citizen
- ○ Non-governmental organisation (NGO)
- ○ Public authority
- ○ Trade union
- ○ Other

* First name

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* Surname

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* Organisation name

255 character(s) maximum

> BusinessEurope

* Organisation size

- ○ Micro (1 to 9 employees)
- ○ Small (10 to 49 employees)
- ◉ Medium (50 to 249 employees)
- ○ Large (250 or more)

Transparency register number

255 character(s) maximum

Check if your organisation is on the transparency register. It's a voluntary database for organisations seeking to influence EU decision-making.

> 3978240953-79

*Country of origin

Please add your country of origin, or that of your organisation.

This list does not represent the official position of the European institutions with regard to the legal status or policy of the entities mentioned. It is a harmonisation of often divergent lists and practices.

- ○ Afghanistan
- ○ Åland Islands
- ○ Albania
- ○ Algeria
- ○ American Samoa
- ○ Andorra
- ○ Angola
- ○ Anguilla
- ○ Antarctica
- ○ Antigua and Barbuda
- ○ Argentina
- ○ Armenia
- ○ Aruba
- ○ Australia
- ○ Austria
- ○ Azerbaijan
- ○ Bahamas
- ○ Bahrain
- ○ Bangladesh
- ○ Barbados
- ○ Belarus
- ◉ Belgium
- ○ Belize

- ○ Djibouti
- ○ Dominica
- ○ Dominican Republic
- ○ Ecuador
- ○ Egypt
- ○ El Salvador
- ○ Equatorial Guinea
- ○ Eritrea
- ○ Estonia
- ○ Eswatini
- ○ Ethiopia
- ○ Falkland Islands
- ○ Faroe Islands
- ○ Fiji
- ○ Finland
- ○ France
- ○ French Guiana
- ○ French Polynesia
- ○ French Southern and Antarctic Lands
- ○ Gabon
- ○ Georgia
- ○ Germany
- ○ Ghana

- ○ Libya
- ○ Liechtenstein
- ○ Lithuania
- ○ Luxembourg
- ○ Macau
- ○ Madagascar
- ○ Malawi
- ○ Malaysia
- ○ Maldives
- ○ Mali
- ○ Malta
- ○ Marshall Islands
- ○ Martinique
- ○ Mauritania
- ○ Mauritius
- ○ Mayotte
- ○ Mexico
- ○ Micronesia
- ○ Moldova
- ○ Monaco
- ○ Mongolia
- ○ Montenegro
- ○ Montserrat

- ○ Saint Martin
- ○ Saint Pierre and Miquelon
- ○ Saint Vincent and the Grenadines
- ○ Samoa
- ○ San Marino
- ○ São Tomé and Príncipe
- ○ Saudi Arabia
- ○ Senegal
- ○ Serbia
- ○ Seychelles
- ○ Sierra Leone
- ○ Singapore
- ○ Sint Maarten
- ○ Slovakia
- ○ Slovenia
- ○ Solomon Islands
- ○ Somalia
- ○ South Africa
- ○ South Georgia and the South Sandwich Islands
- ○ South Korea
- ○ South Sudan
- ○ Spain
- ○ Sri Lanka

○ Benin	○ Gibraltar	○ Morocco	○ Sudan
○ Bermuda	○ Greece	○ Mozambique	○ Suriname
○ Bhutan	○ Greenland	○ Myanmar/Burma	○ Svalbard and Jan Mayen
○ Bolivia	○ Grenada	○ Namibia	○ Sweden
○ Bonaire Saint Eustatius and Saba	○ Guadeloupe	○ Nauru	○ Switzerland
○ Bosnia and Herzegovina	○ Guam	○ Nepal	○ Syria
○ Botswana	○ Guatemala	○ Netherlands	○ Taiwan
○ Bouvet Island	○ Guernsey	○ New Caledonia	○ Tajikistan
○ Brazil	○ Guinea	○ New Zealand	○ Tanzania
○ British Indian Ocean Territory	○ Guinea-Bissau	○ Nicaragua	○ Thailand
○ British Virgin Islands	○ Guyana	○ Niger	○ The Gambia
○ Brunei	○ Haiti	○ Nigeria	○ Timor-Leste
○ Bulgaria	○ Heard Island and McDonald Islands	○ Niue	○ Togo
○ Burkina Faso	○ Honduras	○ Norfolk Island	○ Tokelau
○ Burundi	○ Hong Kong	○ Northern Mariana Islands	○ Tonga
○ Cambodia	○ Hungary	○ North Korea	○ Trinidad and Tobago
○ Cameroon	○ Iceland	○ North Macedonia	○ Tunisia
○ Canada	○ India	○ Norway	○ Turkey
○ Cape Verde	○ Indonesia	○ Oman	○ Turkmenistan
○ Cayman Islands	○ Iran	○ Pakistan	○ Turks and Caicos Islands
○ Central African Republic	○ Iraq	○ Palau	○ Tuvalu
○ Chad	○ Ireland	○ Palestine	○ Uganda
○ Chile	○ Isle of Man	○ Panama	○ Ukraine

◯ China	◯ Israel	◯ Papua New Guinea	◯ United Arab Emirates
◯ Christmas Island	◯ Italy	◯ Paraguay	◯ United Kingdom
◯ Clipperton	◯ Jamaica	◯ Peru	◯ United States
◯ Cocos (Keeling) Islands	◯ Japan	◯ Philippines	◯ United States Minor Outlying Islands
◯ Colombia	◯ Jersey	◯ Pitcairn Islands	◯ Uruguay
◯ Comoros	◯ Jordan	◯ Poland	◯ US Virgin Islands
◯ Congo	◯ Kazakhstan	◯ Portugal	◯ Uzbekistan
◯ Cook Islands	◯ Kenya	◯ Puerto Rico	◯ Vanuatu
◯ Costa Rica	◯ Kiribati	◯ Qatar	◯ Vatican City
◯ Côte d'Ivoire	◯ Kosovo	◯ Réunion	◯ Venezuela
◯ Croatia	◯ Kuwait	◯ Romania	◯ Vietnam
◯ Cuba	◯ Kyrgyzstan	◯ Russia	◯ Wallis and Futuna
◯ Curaçao	◯ Laos	◯ Rwanda	◯ Western Sahara
◯ Cyprus	◯ Latvia	◯ Saint Barthélemy	◯ Yemen
◯ Czechia	◯ Lebanon	◯ Saint Helena Ascension and Tristan da Cunha	◯ Zambia
◯ Democratic Republic of the Congo	◯ Lesotho	◯ Saint Kitts and Nevis	◯ Zimbabwe
◯ Denmark	◯ Liberia	◯ Saint Lucia	

The Commission will publish all contributions to this public consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association, 'consumer association', 'EU citizen') country of origin, organisation name and size, and its transparency register number, are always published. Your e-mail address will never be published.** Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

*Contribution publication privacy settings

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

○ **Anonymous**

Only organisation details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published as received. Your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

● **Public**

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

☑ I agree with the [personal data protection provisions](#)

Information on your interaction with customs

On average, how frequently are you involved in customs operations, procedures and/or declarations?

● Daily or almost daily

○ One or more times a month

○ Less than once a month

Do you deal regularly with more than one customs office or Member State?

● Yes

○ No

If yes, in your experience, do you find that Member States execute similar operations in different ways? Please provide details.

500 character(s) maximum

> There is no uniformity among Member States (MS) on the implementation of UCC but also on the interpretation of UCC. For example, regarding AEO and simplified / special procedures, the administrative burdens imposed on operators differs very much from one MS to another. Another example is Single Window, where only some MS have implemented the necessary procedures to put in place the system. Finally, the last example is ICS2 & CCI requirements, where only very few MS have implemented the system.

If you import or export for your business, how do you submit customs declarations?

○ You prepare and submit declarations directly into national customs systems

○ You rely on customs representatives or brokers to deal with customs declarations on your behalf

◉ Both

Have your interactions with customs changed due to the UK's withdrawal from the European Union?

◉ Yes

○ No

How has your experience changed in this respect? Please provide details.

500 character(s) maximum

> There are much more interactions with Customs due to BREXIT, but the problems lie more with the UK Customs than with the EU Customs.

In your own experience, how important are the following customs issues in terms of the administrative workload they generate for business?

	Very important	Quite important	Somewhat important	Not very important	Not important at all	Don't know
Classification of goods	◉	○	○	○	○	○
Determining the origin of goods	◉	○	○	○	○	○
Valuation of goods for customs	◉	○	○	○	○	○
Correction of errors in declarations	○	◉	○	○	○	○
Amendments of declarations because of changes in routing, entry point etc.	○	◉	○	○	○	○
Unexpected delays at the border	◉	○	○	○	○	○
Adapting to information technology environment to manage customs processes	◉	○	○	○	○	○
Getting or verifying data from third parties to use in customs processes	◉	○	○	○	○	○

	Very well	Quite well	Fairly well	Not very well	Not well at all	Don't know
Getting or handling documents for import or export (certificates, supporting documents, permissions, etc.)	◉	○	○	○	○	○
Other (please specify)	○	○	○	○	○	◉

Overall views on the Customs Union

In your opinion, how well is customs contributing to the achievement of the below objectives, through its controls of imports and exports?

	Very well	Quite well	Fairly well	Not very well	Not well at all	Don't know
Protecting EU industrial production and employment from competition of unfair trading practices	○	○	○	◉	○	○
Coping with global geopolitical developments (e.g. new trade agreements, commercial disputes, punitive tariffs, etc.)	○	○	○	◉	○	○
Supporting circular economy and the sustainable use of resources	○	○	○	◉	○	○
Keeping up-to-date with new business models and technologies	○	○	○	○	◉	○
Combatting global pollution (e.g. plastic waste)	○	○	○	◉	○	○
Combatting forced labour, child labour and working conditions in international supply chains	○	○	○	◉	○	○
Ensuring supply chain due diligence and promoting EU values internationally (e.g. human rights, environmental protection)	○	○	○	◉	○	○
Combatting smuggling	○	○	○	◉	○	○
Preventing the financing of criminal activities (e.g. terrorism)	○	○	○	◉	○	○
Responding to the Covid-19 pandemic and its socio-economic consequences	○	○	◉	○	○	○
Coping with the consequences of the withdrawal of the UK from the EU (Brexit)	○	○	◉	○	○	○

	1	2	3	4	5	6
Enforcing sanctions and export restrictions for dual use goods (goods used for both civilian and military purposes), e.g. following the Russian invasion of Ukraine	○	○	○	●	○	○
Ensuring compliance with EU standards (animal and plant health, product safety, environment protection, etc)	○	○	●	○	○	○
Ensuring compliance with intellectual/industrial protection rules (IPR, counterfeiting…)	○	○	●	○	○	○
Ensuring the protection of the EU's financial interests (collection of duties and taxes)	○	○	●	○	○	○

Please provide details or specific examples

500 character(s) maximum

What do you consider to be the main achievement(s), improvement(s) or positive impact(s) of the Customs Union to date?

500 character(s) maximum

EU Customs is one of the main assets of the EU. They have had a positive impact and play a fundamental role in the integration process of the EU and the proper functioning of the EU's single market, including free movement of goods, controlling the products that enter the EU to ensure compliance with EU standards as well as managing crises (e.g. Covid and sanctions against Russia). However, achievements have been downsized by delays in implementing UCC and a sweeping focus on risk control.

What do you consider to be the main challenge(s) or disappointment(s) with the Customs Union to date?

500 character(s) maximum

The adoption of UCC was a good step in modernising customs. However, most innovative solutions were not implemented with the adoption of the accompanying measures (delegated/implementing acts). There is a far-reaching focus on risk controls, which adds significant bureaucratic hurdles, instead of targeted measures to stop specific abuse. Not much attention is paid to measures to facilitate trade, achieving innovative and future oriented solutions (AEO, self-assessment, CC, single window, etc.).

As of today, what are your (or your organisation's) most important needs and priorities regarding a possible reform of the Customs Union?

	Very important	Quite important	Somewhat important	Not very important	Not important at all	Don't know
Customs authorities in EU27 acting as one (uniform application of rules and of customs controls, no divergences, no weak border points)	●	○	○	○	○	○
Simpler rules for simpler customs processes, less formalities (including for goods sold online)	●	○	○	○	○	○
More effective protection against financial risks (collection of customs duties, VAT and other charges to the benefit of EU and national budgets)	○	●	○	○	○	○
More effective protection against non-financial risks (better enforcement of EU safety, health, environmental and IPR rules on imported goods)	○	●	○	○	○	○
More effective tools to tackle smuggling, illicit or fraudulent trade	○	●	○	○	○	○
More effective sharing of information and data between national customs administrations and other authorities enforcing product requirements on imported goods	○	●	○	○	○	○
Better adaptation of customs to new global, commercial or political developments and crisis	●	○	○	○	○	○
Better performance measurement framework, with easier access to comparable quality data	●	○	○	○	○	○
Others (please specify)	○	○	○	○	○	●

Issues at stake

Administrative burden and potential for simplification

Do you see the need to simplify how information is provided to customs and to reduce administrative burden and formalities?

- ◉ Yes
- ○ No
- ○ No opinion

How would you suggest that information is provided to customs? Which type of information? Who should provide the information? When should the information be provided and how frequently? Through which channels should information be provided?

500 character(s) maximum

> Introducing a process-oriented approach centred around a reformed AEO, instead of a transaction-based approach, combined with a new approach to data based on the concept of a "pull and push" system. Companies (especially AEO or AEO+ granted self-assessment) will not send data to authorities after every transaction. They would store data within their systems and only send it to authorities if asked. Safety and security data will have to be provided in a short time-frame.

Customs' role in enforcing prohibitions and restrictions and compliance with EU standards

Do you face competition from imported goods that do not respect EU standards?

- ◉ Yes
- ○ No

Please explain

500 character(s) maximum

> EU customs authorities play a key role in protecting intellectual property and fighting counterfeiting. But Greater disparities exist between MS. Customs are faced with major challenges in this area, as counterfeited goods are increasingly delivered in small consignments due to individual orders placed on specialised counterfeiting websites or internet sales platforms. Counterfeiters target weak points in the EU, import goods via that MS and redistribute them to other MS (triangular shipping).

Do you have evaluations, estimations, or any other evidence on the above-mentioned challenges, in particular with regard to imported products not aligned with EU standards (prohibitions and restrictions)?

500 character(s) maximum

In your experience, can non-compliant and/or counterfeit goods easily be purchased online?

○ Yes

○ No

Do you see the need for a better, clearer and more efficient framework for cooperation between customs and other authorities responsible for Market Surveillance, law enforcement (including border guards and police), taxation, etc. for sharing data on the products entering or exiting the EU?

○ Yes

● No

Please explain

500 character(s) maximum

> Companies have concerns about risk control requirements, which generate costs and hurdles, as a result of this cooperation. Usually, these controls are applied across the board instead of through targeted measures. E.g. is the mandatory HS code in transit. This requirement, which was requested by market surveillance to control fraud, has led to requesting increasing amounts of data from economic operators. Another e.g. is the mandatory field of the place of manufacturer for export clearance.

Should additional information requirements on specific products or EU standards be included in customs processes?

○ Yes

● No

Please explain

500 character(s) maximum

Contribution to the EU's climate change policies and green agenda

As the fight against climate change is an important overarching objective of the European Union, like any legislative proposal, the intended reform of the Customs Union should take into account links and opportunities to promote the EU's green agenda.

Greening customs: in what areas and through which measures do you see potential for customs authorities/customs controls to reduce their emissions and carbon footprint?

500 character(s) maximum

As the fight against climate change is an important overarching objective of the EU, the intended reform of the Customs Union, like any legislative proposal, should take into account links and opportunities to promote the EU's green agenda. In doing this, a balance should be made between putting in place these measures and the possible resulting burden in terms of additional reporting requirements and customs checks and controls at the border.

In what areas and through which measures could customs contribute to reaching the EU Green Deal's objectives? (E.g. promotion of environmental goods, circular economy, reduction of transport emissions, avoidance of carbon leakage, CO2 footprint of goods)

500 character(s) maximum

Circular economy: there is currently no real valuation legislation for circular economy goods (not clear what are valuable goods and what is waste). Improvements could also be made in the area of classification of goods as well as dealing with reusable packaging at import and export.
CBAM: this measure will play an important role in avoiding carbon leakage and it will be key to get its implementation right. Customs will play a fundamental role on this.

Policy options

Which policy changes or mechanisms should in your opinion be included in a reform of the Customs Union?

	Strongly agree	Tend to agree	Neither agree or disagree	Tend to disagree	Strongly disagree	Don't know
A new partnerships with trusted traders and other competent authorities for better risk management, including reinforced advance cargo information	●	○	○	○	○	○
Simplifying customs formalities for reliable and trusted traders established in the EU by making more use of commercial information rather than of burdensome administrative requirements	●	○	○	○	○	○
Enhance co-operation between customs and non-customs authorities (notably Market Surveillance Authorities, Law Enforcement Authorities, Tax Agencies). This could cover, for example:	○	○	●	○	○	○
- joint policy elaboration;	○	○	●	○	○	○
- operational coordination;	○	○	●	○	○	○
- information exchange;	○	●	○	○	○	○
- improved enforcement of prohibitions and restrictions.	○	○	●	○	○	○
Reforming the EU customs governance to provide for an EU layer that could, for example, deal with:	○	○	●	○	○	○
- identification of risk priorities at policy and political level;	○	○	○	●	○	○
- EU-wide risk management;	○	○	○	●	○	○
- information technology management;	○	●	○	○	○	○
- training of customs officers;	●	○	○	○	○	○
- financing of customs equipment,;	●	○	○	○	○	○
- EU crisis response.	●	○	○	○	○	○

Providing for a fully-fledged EU customs information environment, with emphasis on, for example:	◉	○	○	○	○	○
- data management capabilities;	◉	○	○	○	○	○
- simplified provision of data (enabling re-use of data, avoiding duplications, etc.);	◉	○	○	○	○	○
- streamlined handling of non-customs formalities (building on the concept of "single window").	◉	○	○	○	○	○
Adapting customs legislation to e-commerce transactions, for example by strengthening supervision of business-to-consumer flows and liability of involved actors for all fiscal and non-fiscal rules	◉	○	○	○	○	○
Integrating the green agenda in the customs agenda and traders behaviours	◉	○	○	○	○	○

Do you have any other suggestions for policy measures to be included in a reform of the Customs Union?

500 character(s) maximum

> The introduction of a process-based approach centred around a reformed Authorised Economic Operator. A new approach to data based on the concept of a "pull and push" system, which would also be compatible with the reporting of trade statistics.
> The full implementation of the IT and electronic systems provided for in the Union Customs Code. The Implementation of Single Window.
> The implementation of centralised customs clearance.

If new policy measures were introduced, can you please provide an estimation of the magnitude of the impact that each option would entail for you or your organisation?

	High **positive** impact	Limited **positive** impact	High **negative** impact	Limited **negative** impact	No impact
Better cooperation of customs and non-customs authorities for better risk management, including reinforced advance cargo information and operational coordination	○	○	○	○	◉
Partnership with reliable and trusted traders that can use commercial information instead of burdensome administrative requirements to comply with customs obligations	◉	○	○	○	○
Reforming the EU customs governance to provide for an EU layer	○	○	○	○	◉
Providing for a single EU customs information environment, with emphasis on, for example data and the concept of single window	◉	○	○	○	○
Adapting customs legislation to e-commerce transactions, for example by strengthening supervision of business-to-consumer flows and liability of involved actors for all fiscal and non-fiscal rules	○	◉	○	○	○
Integrating the green agenda in the customs agenda and traders behaviours	◉	○	○	○	○

Please Explain

500 character(s) maximum

Contact

Contact Form