

# Commission Proposes Comprehensive Reform of Customs Union

Thomas Wahl

On 17 May 2023, the European Commission presented [proposals for an ambitious and comprehensive reform of the EU Customs Union](#). The aim is that simplify customs processes and make them smarter and safer, including by means of an increased use of Artificial Intelligence, a new EU database and a new EU Customs Authority.

[According to the proposal](#), companies wishing to import goods into the EU will be able to submit all information about their products and supply chains once and feed it into a single online environment: the new EU Customs Data Hub. This will give authorities in all Member States a complete overview of supply chains and the movement of goods in real time. In certain cases, where business processes and supply chains are fully transparent, the most trusted traders ("Trust & Check" traders) will be able to place their goods on the EU market without active intervention by customs authorities and clear all their imports with the customs authorities of the Member State in which they are established. Artificial intelligence will also be used to analyse and monitor data and identify problems.

In order to coordinate Member State controls and investigations, information and expertise will be pooled and assessed at EU level within the new EU Customs Authority. It will act on the data provided through the EU Customs Data Hub. The new regime aims to substantially improve cooperation between customs, market surveillance and law enforcement authorities at EU and national level.

At the same time, the reform will modernise EU customs obligations for e-commerce. Responsibilities will shift from individual consumers and carriers to online platforms. In future, online platforms will have to ensure that customs duties and VAT are paid at purchase, so consumers in the EU can be reassured that all financial duties and EU safety standards for the products are fulfilled.

Furthermore, the reform will abolish the current threshold that allows exemption from customs duties for goods with a value of less than €150. This threshold has been heavily exploited by fraudsters who under-value the goods to avoid customs duties on import. It is also planned to simplify customs duty calculation for the most common low-value goods bought from outside the EU, reducing the thousands of possible customs duty categories down to only four. This will also reduce the potential for fraud. It is expected that the new tailor-made e-commerce regime will generate additional customs revenue of €1 billion annually.

The Commission proposal is the most comprehensive reform of the EU Customs Union since its establishment in 1968. It delivers on Commission President [Ursula von der Leyen's promise](#) "to bring EU Customs to the next level". It particularly builds on input by the [Wise Person's Group on the Future of Customs](#).

## AUTHOR

**Thomas Wahl**

Senior Researcher  
Max Planck Institute for the  
Study of Crime, Security and  
Law

---

Published in  
2023, Vol. 18(2) *eucrium* pp 158  
– 159

ISSN: 1862-6947  
<https://eucrium.eu>

---



The legislative proposals will now be debated in the Council of the European Union and the European Parliament for agreement. The European Economic and Social Committee is consulted.

---

## About eucrim

eucrim is the leading journal which regularly informs about current developments in European criminal and “criministrative” law.

All news items are freely accessible at: <https://eucrim.eu/news/>

Stay informed by emailing to [eucrim-subscribe@csl.mpg.de](mailto:eucrim-subscribe@csl.mpg.de) to receive alerts for new releases of issues.

The project is co-financed by the Union Anti-Fraud Programme (UAFB), managed by the European Anti-Fraud Office (OLAF).



**Co-funded by  
the European Union**