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NOTE

From:	Presidency
To:	Permanent Representatives Committee
Subject:	Proposal for a Regulation of the European Parliament and of the Council establishing the Union Customs Code and the European Union Customs Authority, and repealing Regulation (EU) No 952/2013 - Preparation for the trilogue

I. STATE OF PLAY

1. On 1 January 2026, the Cyprus Presidency took over leading the negotiations between the co-legislators on the proposal for a Regulation of the European Parliament and of the Council establishing the Union Customs Code and the European Union Customs Authority (UCC).[1]

2. Following the last trilogue meeting on 10 December 2025 (held under the Danish Presidency), technical work on the text of the UCC Regulation has intensified and advanced further. The negotiations are now in their decisive phase. The purpose of this note is to facilitate the preparation for the trilogue that is scheduled for 26 March 2026.

[1] Doc. ST 9596/23 + ADD 1 to 4.

3. The Presidency emphasises that if the UCC timeline is to remain ambitious, then this trilogue must be the conclusive one and all parties to these negotiations should show a sufficient degree of flexibility in a spirit of compromise.

4. The urgency of the EU customs reform is a recognised objective shared by all parties to these negotiations. Furthermore, it is also understood, as explained further in Part III of this note, that several ambitious deadlines have to be maintained on a number of very important aspects of the UCC, such as the starting date of application of the Union handling fee, the starting date of application of the UCC and its gradual roll-out, which will eventually lead to the full functionality of the EU Customs Authority and of the EU Customs Data Hub.

5. The latest available draft of the new UCC, in the 4-column table format, is set out in doc. ST 6557/26.

6. The progress in these negotiations by now is significant, as provisional agreement has been reached on a number of important sections of the new UCC, such as rules on the establishment, governance and functioning of the European Union Customs Authority, EU Customs Data Hub as well as the core of the provisions on customs procedures.

7. The co-legislators now seem to be converging on the text of the new UCC that contains important amendments to the initial legislative proposal by the Commission. Therefore, it would be up to the European Commission to issue an update to the initial legislative financial statement.[2]

8. The Presidency believes that the latest available partial text of the new UCC is likely be acceptable both to a large majority of Member States and to the European Parliament. Nevertheless, there are several important issues, where an agreement between the co-legislators still needs to be either confirmed or found.

[2] See doc. ST 9596/23, from page 235 onwards.

9. In Part II of this note the Presidency outlines a number of issues where good progress has been recently, and these issues can be considered to a great extend provisionally agreed at technical level, in the spirit of overall compromise. This would reduce the agenda of the trilogue of 26 March.

10. Part III of this note contains a number of key issues where a compromise between the Council and the European Parliament remains to be found. These issues are likely to constitute the agenda of the trilogue of 26 March 2026.

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II. ENDORSEMENT OF PROGRESS

A) Union handling fee: agreement on the text (Article 18) and poss. statement by the Commission

11. The co-legislators agree in principle that a Union handling fee of a fixed amount per item shall be collected for the services to be rendered for a request for placing goods under release for free circulation of goods sold in distance sales. It is also agreed that the amount of this fee shall correspond to the approximate costs of such services.

12. The Presidency holds the view that the latest compromise text on the Union handling fee (Article 18), with two modifications proposed by the European Parliament (Annex I to this note) can now be considered to be provisionally agreed between the co-legislators.

13. Furthermore, it is also deemed useful for both co-legislators, that the Commission, by way of a statement (to the minutes of Coreper/Council), could confirm that, in accordance with the wording in force of Council Decision 2020/2053 of 14 December 2020 on the system of own resources of the European Union (in particular - Article 2(1)(a) thereof), the Union handling fee, as it is now being designed in Article 18 of the new UCC, would be one of the constitutive parts of traditional own resources. Such clarification by way of a Commission statement would also permit to exclude from the final compromise (as redundant) the text of Article 18(1c) of the Council general approach.

B) ***Confidentiality of data (Article 18c)***

14. The Presidency considers that the latest compromise text (set out in Annex II to this note), which was offered by the negotiating team of the European Parliament, bridges the gap between the positions of the co-legislators and can be considered agreed.

C***) "Access rights" (Articles 31, 31a, 31b and 240)***

15. The question of access rights to the data in the EU Customs Data Hub was among the most contentious issues in the new UCC, which has undergone numerous rounds of technical discussions. The package concerning the access rights to the EU Customs Data Hub consists of Article 31 ("Purposes of the processing of personal data and other data in the EU Customs Data Hub"), Article 31a ("Right for EPPO to obtain data available in the EU Customs Data Hub"), Article 31b ("Right for Europol and Frontex to obtain data available in the EU Customs Data Hub") and Article 240 ("Customs cooperation with other authorities within the Union").

16. In the latest rounds of technical discussions, the European Parliament indicated that it can support the latest text of these Articles, with limited adjustments to the text, as explained in Annex III. The Presidency believes that this is a balanced compromise on this matter.

D*) Provisions relating to e-commerce*

17. At the trilogue on 15 October 2025, co-legislators reached an agreement in principle on the e-commerce provisions as set down in the Council position. Nevertheless, to ensure smooth functioning of the rules applicable to the importers for distance sales, the negotiating teams of the co-legislators worked on some technical clarifications of relevant recitals which can be seen in Annex IV. On this basis, this issue could be considered to be closed.

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III. KEY OPEN ISSUES

A) Union handling fee: starting date of application (Article 264(3)(b))

18. Besides the issues concerning the general timeline of application of the new UCC (see section D in Part III of this note), the question of the starting date of application of the Union handling fee (Article 18 and technically related provisions) deserves special attention.

19. To be noted, once an agreement on the full text of the new UCC is reached between the co-legislators, there are some further steps needed until the publication of the UCC, that are expected to last some months.

20. The current working hypothesis of the Presidency is that Union handling fee of the new UCC will have to be applicable **from 1 November 2026 at the latest.** This seems to be the date that permits to ensure that:

    a) an orderly process follows, leading to the adoption and official publication of the new UCC;

    b) after the new UCC is published in the Official Journal of the EU, time needs to be foreseen for issuance of the necessary delegated act by the Commission (for the purposes of determining the size of the Union handling fee under Article 18 of the new UCC), followed by a procedure of non-objection to the delegated act by the Council and the EP (then also followed by the publication in the Official Journal of the EU, still before 1 November 2026);

    c) sufficient time for the Commission to be ready with technical preparatory work that is necessary for successful practical deployment of the Union handling fee.

21. However, a large number of Member States would prefer to expedite the date of application of the Union handling fee and prefer that the starting date of application of Article 18 and related provisions is **1 July 2026**. At this stage, it seems unlikely that the European Parliament would object to an earlier date than 1 November 2026.

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22. Therefore, should the date of 1 July 2026 be a desirable compromise, it is important to determine whether the Commission would be ready to finalise the necessary work in time for 1 July 2026, to ensure earlier application of the Union handling fee. This particularly concerns the necessary technical preparation, as well as time needed for issuance of the Commission delegated act, with sufficient time left for approval thereof by the Council and the European Parliament (see items (b) and (c) of paragraph 20 above).

23. Should these practical considerations be achievable, then it will be necessary to consider the legal feasibility of an earlier application of Article 18 and of the related provisions, in the light of the time needed for completion of the legislative process (see paragraph 19 and item (a) of paragraph 20 of this note).

24. With these considerations in mind, in any case, even if the date of 1 November 2026 is kept, an agreement on the entire text of the new UCC is inevitably needed at the forthcoming trilogue on 26 March 2026, otherwise the steps outlined in paragraph 20 of this note cannot be ensured on time.

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B) Granting the status of Trust and Check trader (Article 25)

25. The negotiating team of the European Parliament has indicated that the text of Article 25 of the new UCC would be acceptable if the concerns of the EP found in Annex V are addressed in the text of that Article:

a) Article 25(3), point (fb): it would be obligatory for importers for distance sales (deemed importers), who apply for a Trust and Check trader status, to use a customs warehouse for the distance sales;

b) Article 25(5a): verification of the Trust and Check status would have to be done in co-operation with the competent customs authorities of the Member States concerned, and should the Member State that receives a EUCA recommendation to suspend the Trust and Check status fails to do so, the Commission would have the right to adopt an implementing act revoking or suspending the Trust and Check trader status;

c) Article 25(7): the introductory paragraph would be re-worded;

d) Article 25(7a): the customs authorities would be obliged to make best efforts to align their practice of granting Trust and Check trader authorisations with those of other customs authorities in order to ensure a uniform approach across the Union

26. The Presidency wishes to determine the degree of flexibility that Member States have in accepting these proposals by the European Parliament.

C) Penalties (Title XIV)

27. The starting positions of the co-legislators in the negotiations on Title XIV were rather far apart: the European Parliament largely supported and even expanded the Commission proposal for Title XIV, while the general approach of the Council contained only the UCC provisions on penalties that are currently in force.

28. Following the Coreper meeting on 5 December 2025, the trilogue on 10 December 2025, further informal technical meetings with the EP, as well as discussions in the Working Party on Customs Union, significant progress has been made and the co-legislators seem to be gradually converging on the text of Title XIV.

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29. Following the discussions in the Working Party on Customs Union on 27 February 2026 and the informal technical meetings with the European Parliament, the Presidency has now received the latest compromise proposal by the negotiating team of the EP, which contains further amendments (Annex VI to this note).

30. The text of Title XIV is still subject to further technical work and legal refinement, nevertheless, there is a number of aspects on which further guidance of Coreper is required, which will help to determine the way forward and a possible landing zone for the final compromise regarding provisions on penalties in the UCC.

31. The overall framework of the compromise text of Title XIV is generally agreed as the basis for further work. The key parts of this text seem to adequately address the major concerns that are important to many Member States. In particular:

a) Title XIV contains only minimum requirements, that will have to be transposed into national law of Member States (Article 245(1), Article 252(2));

b) it does not concern provisions of criminal law and Member States can always foresee stricter provisions than the minimum required by Title XIV (Article 245(2));

c) safeguards are included to ensure the smooth functioning of national judicial systems of Member States with regard to their procedural specifics (such as Article 254(4));

d) there are non-exhaustive lists of infringements (Article 252 (1), of mitigating or aggravating circumstances (Article 254(1) and types of penalties (Article 254(2).

32. Nevertheless, while the above aspects could be considered largely agreed as part of a possible overall compromise (still subject to further technical work), some provisions of this Title remain among the key open issues.

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33. The EP raises four points on which the Presidency needs to seek further guidance from Coreper:

a) the EP maintains that Article 254 of the new UCC should contain provisions on levels (amounts) of pecuniary charges. This was not acceptable to many Member States. However, the Presidency holds the view that such a position is difficult to defend, also given examples in a number of EU legislative acts, which foresee amounts of penalties already. On this issue, several options have been explored, and the latest compromise proposal offered by the negotiating team of the European Parliament is to insert Article 254(2a) with accompanying recitals which would foresee amounts of pecuniary charges for deemed importers (the importers for distance sales);

b) as part of a compromise, given a less extensive scope of Title XIV than proposed by the Commission, the EP holds the view that penalties for infringements of customs legislation should be registered in the EU Data Hub. Furthermore, the Commission, on the basis of an evaluation by EUCA, would be empowered to adopt a delegated act that would set out minimum amounts of pecuniary charges (Articles 254(3) and 254(3a);

c) Title XIV should contain a general provision on co-operation of customs authorities in the area of customs infringements, with a coordination role for EUCA (new Article 254a).;

d) Title XIV should also contain a set of basic rules on limitation periods (new Article 254b). So far, this was not acceptable to a large number of Member States and it has not been possible to find a feasible alternative for this Article.

34. As these four points are considered key by the EP, a carefully crafted solution would be required. Therefore, the Presidency seeks further flexibility of Member States on Title XIV, and in particular on the issues set out in paragraph 33 of this note, so that a compromise could be found with the European Parliament in the trilogue on 26 March 2026.

PUBLIC

D) Timeline of the EU customs reform (UCC timeline)

35. Concerning the timeline of the EU customs reform, there are several key issues on which no agreement has been found yet. The Presidency wishes to determine whether Member States could, in the spirit of a compromise, show further flexibility on the issues described further down.

i) General (deferred) starting date of UCC application (Article 264(2))

36. One of the main points to be agreed in Title XV is the general starting date of application of the UCC (Article 264(2)). The Council general approach foresees 18 months from the date of publication of the UCC. The position of the EP is that the UCC has to become applicable much sooner (six months have been flagged by the EP negotiating team, as a possible compromise already with 18 months being not acceptable at all).

37. While the objective to accelerate the EU customs reform is shared by both co-legislators, the Presidency so far has rejected any shorter period than 18 months.

38. A large majority of Member States indicate that the deferred date of application is needed to permit the time necessary to ensure that the EU Customs Data Hub is ready and that the transition to the new rules of the UCC is coordinated, technically achievable and provides sufficient time for economic operators and competent authorities of the Member States to prepare. Furthermore, Member States will have to amend national laws (alignment of national legislation will be needed in several areas). On many occasions, national legislative procedures will involve national parliaments and will follow a specific timeline in line with national constitutional requirements.

39. Nevertheless, a compromise with the EP on this issue will have to be found, in the context of an overall agreement on the new UCC.

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ii) Voluntary use of the EU Customs Data Hub (Article 264(6))

40. The co-legislators have diverging positions concerning the date from which the EU Customs Data Hub could be used on a voluntary basis. Council position provides 1 March 2032 provided that the necessary features of the EU Customs Data Hub are operational by that date and the EP position foresees 1 January 2029.

iii) Mandatory use of the EU Customs Data Hub by importers for distance sales (Article 264(5)) and application of provisions on e-commerce (Article 264(3)(c))

41. On this issue, the Council foresees 1 July 2028 as the date from which the use of the EU Customs Data Hub becomes mandatory for importers for distance sales, provided that the necessary features of the EU Customs Data Hub are operational by that date. The same date is set for entry into force of the provisions of the UCC on e-commerce. The initial stance of the EP is more ambitious: the date was 1 March 2026, which by now has expired.

iv) Mandatory use of the EU Customs Data Hub for all economic operators (Article 264(7))

42. In accordance with the Council general approach, the use of the EU Customs Data Hub becomes mandatory for all economic operators from 1 March 2037 (provided that the necessary features of the EU Customs Data Hub are operational by that date). The European Parliament holds the view that this date should be set at 31 December 2032.

v) The "safeguard clauses" (in case of delays in technical development or in adoption of delegated or implementing acts)

43. Meeting the deadlines on the voluntary or mandatory use of the EU Customs Data Hub depends on its timely technical development and on the adoption of relevant delegated and implementing acts.

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44. To secure smooth roll-out of the EU customs reform, the Council general approach makes the dates for using the EU Customs Data Hub conditional on the necessary features of the EU Customs Data Hub being operational.

45. Furthermore, Article 264(7a) foresees an obligation for the Commission to provide a *transitional solution in coordination with the Member States, should the development of the EU Customs Data Hub be delayed. The position of the EP does not contain these features.*

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III. THE WAY FORWARD

46. The Presidency also intends to continue refining technical aspects of the UCC Regulation, in light of the trilogue of 26 March 2026, with the objective of narrowing down the list of key issues that are to be discussed in the trilogue.

47. Following the trialogue, the technical work is expected to conclude swiftly, and would be carried out in consultation with the Working Party on Customs Union, and Coreper, as appropriate. Essentially, the objective of this work would be to transpose the parameters agreed in the trilogues into the legislative text, before the provisional political agreement on the whole text of the UCC can be formally confirmed by the co-legislators, ideally during the first days of April.

48. With a view to the forthcoming trilogue with the European Parliament on 26 March 2026, the Presidency is seeking further guidance from Coreper on the key issues outlined in Part III of this note. Against this background, delegations are invited to:

i) confirm agreement on the items found in Part II ("Endorsement of progress");
ii) indicate, where relevant, whether any of the aspects set out in Part III of the present note would constitute a "red line", blocking them from accepting the overall compromise.
iii) indicate any flexibility, in relation to the key open issues, which the Presidency could resort to in the negotiations with the European Parliament.

ANNEX I

UNION HANDLING FEE: EXPLANATION

First, the European Parliament calls for an amendment in Article 18(1b), where it wishes to foresee that the Union handling fee will include "**at least including** costs of the checking of the data, carrying out risk analysis, the relevant infrastructure and controls, **including services rendered by EUCA**".

Second, the EP wishes to insert **a recital** of a technical nature (yet to be drafted) to clarify how the definition of "item" (Article 5, point 64l) will apply during the transitional and then the definitive period of application of Article 18 on the Union handling fee.

In addition, there are two minor corrections in Article 18(1d) and Article 18(4), to specify the moment of the payment of the handling fee and the scope of the Commission implementing act.

NOTE: Article 5 point 47 (row 237) and Article 5 point 64l (row 262l) (definitions of "distance sales of goods imported from third countries" and of an "item") should be made applicable from [1 NOV 2026.]

UNION HANDLING FEE: COMPROMISE TEXT

Recital 50a:

(50a) To cover the increasing costs of ensuring the release of compliant goods for free circulation by checking the data provided, carrying out risk analysis, performing documentary and physical controls when needed, a Union handling fee, commensurate to the services rendered for releasing for free circulation goods sold in a distance sale should be established. The debtor of the Union handling fee should be the same person as the debtor of the customs debt, which should be the deemed importer. Where provisions on deemed importer do not yet apply, the debtor should be the declarant. In the case of distance sales, the declarant would typically be the person entitled to use the special scheme foreseen in Title XII Chapter 6 of the Directive 2006/112/EC, or an indirect customs representative, and not the consumer. Consequently, in such cases, the consumer should not be a debtor of the Union handling fee.

Article 5, point 64l (row 262l) – definition of an "item" (changes shown to the text in the 4th column):

"(64l) 'item', means one or more good[s] in a consignment sharing the same tariff classification, description **a**nd, if provided in accordance with the data requirements applicable to the relevant customs declaration or to the data to be provided or made available to the customs authorities, origin;"

PUBLIC

Article 18

Charges, costs and Union handling fee

1. Customs authorities shall not impose charges for the performance of customs controls or any other application of the customs legislation during the official opening hours of their competent customs offices.

1a. By way of derogation from paragraph 1, customs authorities shall collect a Union handling fee of a fixed amount per item for the services to be rendered for handling a request for placing goods under release for free circulation of goods sold in distance sales.

1b. The amount of the Union handling fee shall correspond to the approximate costs of the services indicated in paragraph 1a, ~~such as~~ **at least including** costs of the checking of the data, carrying out risk analysis, the relevant infrastructure and controls, **including services rendered by EUCA**.

1ba. The amount referred to in paragraph 1b shall be lower where the subject of release for free circulation are goods sold in distance sales from a customs warehouse for distance sales.

[NOTE: in order to reassure that Article 18(1ba) is to be applied from the date when Article 122a (Customs warehouse for distance sales) becomes applicable, Article 18(1ba) would be referred to in Article 264(3), point (c).]

[1c.] [The revenue from the Union handling fee shall be made available to the Union and to the Member States.] [NOTE: this paragraph is parked, pending further clarification]

1d. The debtor of the customs debt at import shall pay the Union handling fee at least once a month to the customs authorities competent for the release for free circulation of the goods, **at the moment of the payment of the customs debt.** Where there is no customs debt, the person that would have been the debtor in case of a customs debt, shall be the debtor. In matters not regulated, the provisions on customs debt shall apply mutatis mutandis to the Union handling fee.

1e. The Union handling fee shall be non-refundable.

1f. Until the date referred to in Article 264(3)(c), the Commission shall provide an appropriate IT solution at EU level for the purpose of the calculation of the Union handling fee.

1g. The Commission shall draw a report to assess the approximate costs of services indicated in paragraph 1a and 1b. Such report shall be prepared every 2 years.

2. Member States may determine charges or recover costs for specific services, other than those covered in paragraph 1a, in particular the following:

(a) attendance, where requested, by customs staff outside official office hours or at premises other than customs premises;

(b) analyses or expert reports on goods and postal fees for the return of goods to an applicant, particularly in respect of decisions taken pursuant to Article 13 or the provision of information in accordance with Article 39;

(c) the examination or sampling of goods for verification purposes, or the destruction of goods, where costs other than the cost of using customs staff are involved;

(d) exceptional control measures, where these are necessary due to the nature of the goods or to a potential risk.

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3. The Commission is empowered to adopt delegated acts, in accordance with Article 261 to supplement this Article by establishing the amount of Union handling fee referred to in paragraph 1a and 1b.

4. The Commission shall adopt, by means of implementing act, rules setting out the procedure for collecting the Union handling fee per item **from the economic operator.** The implementing act shall be adopted in accordance with the examination procedure referred to in Article 262(4).

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ANNEX II

CONFIDENTIALITY OF DATA

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***EXPLANATION**: The co-legislators provisionally agree on the text of Article 18c ("Confidentiality of data"), except for paragraph 2 thereof. The purpose of Article 18c (2) is to set out the process under which a Member State could restrict access to data that is in the EU Customs Data Hub, in cases where the disclosure of such data would harm the essential security interests of that Member State. In these cases, access to such data would be limited to the competent authorities of the concerned Member State, unless these authorities expressly authorize otherwise.*

The European Parliament is not against the principle that access to such data could be limited for reasons of essential security interests. However, it cannot accept that Member States exercise such a right unchecked on data that is in the EU Customs Data Hub already, as this could possibly lead to major gaps in the data available on the EU Customs Data Hub through excessive restrictions of data accessibility generated at the discretion of a Member State alone.

This compromise text contains two adjustments, compared to the text last seen by Member States:

- *a modification of Article 18c(2) (removal of the reference to Article 346 of the TFEU), and*
- *an inclusion of a new Article 18c(2a), which is designed to further clarify the process outlined in Article 18c(2).*

Article 18c - Confidentiality of data

1. Data acquired by the customs authorities and by the EU Customs Authority which is by its nature confidential or which is provided on a confidential basis shall be kept confidential. Such data may be disclosed where the customs authorities or the EU Customs Authority are obliged or authorised to do so pursuant to Union or national law, in particular for the reasons related to or in connection with legal proceedings.

2. ~~**Without prejudice to Article 346 TFEU,**~~ Member States may in consultation with the Commission designate specific data, the disclosure of which would harm the essential interests of their security, to be technically tagged within the EU Customs Data Hub in such a way that any further processing of such data shall be limited to the competent authorities of the concerned Member State, unless such authorities expressly authorize further processing. The person who transmits the data to the EU Customs Data Hub shall clearly set the processing limitations of such categories of data that can be linked to the specific supply chains or the data categories.

2a. For the purposes of paragraph 2, the Member State concerned shall inform the Commission about the specific essential interests of security that are at stake and explain why it considers that those interests could not be sufficiently protected under the general framework of provisions on data processing in the EU Customs Data Hub.

2b. Any disclosure, extraction or communication of data under this Regulation shall ensure an adequate level of data protection.

3. Without prejudice to Directive (EU) 2016/943, and after the date specified in Article 265(4), customs authorities of the Member States or the EU Customs Authority shall make available, upon request, aggregate non-confidential, non-personal and non-commercially sensitive customs data.

The Commission shall lay down, by means of an implementing act, the procedures for these data requests, and the form and categories of data that can be made available.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 262(4).

ANNEX III

"DATA ACCESS"

EXPLANATION: The attached text shows the changes proposed by European Parliament.

This compromise text contains the following adjustments, compared to the text last seen by Member States:

a) Article 31(4), point (ha): the European Parliament would like to replace "where so provided for in relevant Union legal acts" with "where relevant", as well as to replace the reference to "other relevant Union legislation" with "other legislation applied by customs authorities" (using the term defined in Article 5(3));

b) Article 31b(1): change "as long as those tasks concern customs matters" to "as long as those tasks relate to customs matters" for the reasons of clarity;

c) Article 31b(6): similarly to point a) above, the EP wishes to change the reference to "as long as those tasks relate to customs matter" to "as long as those tasks relate to other legislation applied by customs authorities", to make the text more specific;

d) Article 240(2b): the European Parliament required to remove the word "duly" so that the reference is made to "justified requests";

e) Article 240(3a): the European Parliament considers that the modification is required in order to ensure that in case of suspicion of non-compliant, goods with other legislation applied by customs, customs authorities will immediately share that information with relevant competent authorities using the technical means and within the time frames provided in the applicable legislation.

PUBLIC

Article 31

Purposes of the processing of personal data and other data in the EU Customs Data Hub

1. Persons may process data, including personal and commercially sensitive data, available in the EU Customs Data Hub, that was transmitted by or on behalf of that person, or that has been addressed to or intended for that person. Such processing shall take place exclusively to:

   (a) fulfil that person's rights and obligations under customs legislation or other legislation applied by customs authorities, including determining the liability of any person for duty, fees and taxes that may be due in the Union; and

   (b) demonstrate that person's compliance with customs legislation and other legislation applied by customs authorities.

2. A customs authority may process data, including personal and commercially sensitive data, available in the EU Customs Data Hub, exclusively and to the extent necessary for the following purposes and according to the rules laid down in an implementing act adopted pursuant to paragraph 14 of this Article:
   (a) to carry out its tasks in relation to the implementation of customs legislation or other legislation applied by the customs authorities, including determining the liability of any person for duty, fees and taxes that may be due in the Union and verifying compliance with that legislation;
   (b) to carry out its tasks in relation to controls and risk management as provided for in Title IV;
   (c) to carry out the tasks necessary for the cooperation under the conditions provided for in Title XIII.

To ensure the effectiveness of customs controls, all customs authorities may receive and process the data resulting from a customs control where non-compliant goods have been detected.

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3. The EU Customs Authority may process data, including personal and commercially sensitive data available in the EU Customs Data Hub exclusively and to the extent necessary for the following purposes:

(-a) to carry out its tasks as provided for in Article 31a and 31b;

(a) to carry out its tasks on customs risk management as provided for in Title IV, Chapter 3;

(b) to carry out its tasks as provided for in Title XII, Chapter 2 and in Title XI;

(c) to carry out the tasks relevant for the cooperation as provided for in Title XIII.

4. The Commission may process data, including personal and commercially sensitive data available in the EU Customs Data Hub exclusively and to the extent necessary for the following purposes:

(a) to carry out its tasks in relation to risk management as provided for in Title IV, Chapter 3;

(b) to carry out its tasks in relation to the tariff classification of goods, their origin and value and their customs surveillance in accordance with Titles I and IX;

(c) to carry out its tasks in relation to restrictive measures and crisis management in accordance with Title XI;

(d) to carry out its tasks in relation to the EU Customs Authority in accordance with Title XII;

(e) to carry out the tasks necessary for the cooperation under the conditions provided for in Title XIII;

(f) to assess and evaluate the performance of the customs union in accordance with Title XV, Chapter 1;

(g) to monitor the implementation and ensure the uniform application of customs legislation or other legislation applied by the customs authorities, including verifying the liability of any person for duty, fees and taxes that may be due in the Union;

(h) to develop, produce and disseminate European official statistics and other analyses as provided for in Union legislation for which the data in the EU Customs Data Hub is necessary;

(ha) where ~~so provided for in~~ relevant ~~Union legal acts~~, to contribute to the implementation of other ~~relevant Union~~ legislation **applied by customs authorities**.

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5. The European Anti-Fraud Office ('OLAF') may process data, including personal and commercially sensitive data available in the EU Customs Data Hub, exclusively and to the extent necessary for carrying out its activities concerning customs matters pursuant to Article 1 of Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council, and Council Regulation (EC) No 515/97, under the conditions relating to data protection laid down in the aforementioned Regulations.

7. The tax authorities of the Member States may process data, including personal and commercially sensitive data, available in the EU Customs Data Hub, exclusively and to the extent necessary to determine the liability of any person for excise duty, fees and taxes that may be due in the Union in connection with the relevant goods and according to the rules laid down in an implementing act adopted pursuant to paragraph 14 of this Article.

7a. The national statistical authorities of the Member States may process data in the EU Customs Data Hub, including personal data and commercially sensitive data, exclusively and to the extent necessary for the development, production and dissemination of European and national official statistics according to the rules laid down in an implementing act adopted pursuant to paragraph 14 of this Article.

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8. The competent authorities as defined in Article 3, point (3), of Regulation (EU) 2017/625[3] may process data, including personal and commercially sensitive data, available in the EU Customs Data Hub exclusively and to the extent necessary for enforcing Union legislation governing the placing on the market or the safety of food, feed and plants and for cooperating with customs authorities to minimise the risks that non-compliant products enter the Union and according to the rules laid down in an implementing act adopted pursuant to paragraph 14 of this Article.

9. The market surveillance authorities designated by Member States in accordance with Article 10 of Regulation (EU) 2019/1020 may process data, including personal and commercially sensitive data available in the EU Customs Data Hub, exclusively and to the extent necessary for enforcing Union legislation governing the placing on the market or the safety of products and for cooperating with customs authorities to minimise the risks that non-compliant goods enter the Union and according to the rules laid down in an implementing act adopted pursuant to paragraph 14 of this Article.

12. Until the date set out in Article 265(3), the Commission, OLAF and the EU Customs Authority once it is established shall, exclusively for the purposes stated in paragraphs 3, 4 and 5, be able to process data, including personal data, from the existing electronic systems for the exchange of information developed by the Commission and Member States pursuant to Regulation (EU) No 952/2013.

13. The Commission is empowered to adopt delegated acts in accordance with Article 261 to amend paragraphs 2 to 4 to clarify and complement the purposes laid down therein in light of the evolving need in implementing customs legislation or other legislation applied by the customs authorities.

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[3] Regulation (EU) 2017/625 of the European Parliament and of the Council of 15 March 2017 on official controls and other official activities performed to ensure the application of food and feed law, rules on animal health and welfare, plant health and plant protection products, amending Regulations (EC) No 999/2001, (EC) No 396/2005, (EC) No 1069/2009, (EC) No 1107/2009, (EU) No 1151/2012, (EU) No 652/2014, (EU) 2016/429 and (EU) 2016/2031 of the European Parliament and of the Council, Council Regulations (EC) No 1/2005 and (EC) No 1099/2009 and Council Directives 98/58/EC, 1999/74/EC, 2007/43/EC, 2008/119/EC and 2008/120/EC, and repealing Regulations (EC) No 854/2004 and (EC) No 882/2004 of the European Parliament and of the Council, Council Directives 89/608/EEC, 89/662/EEC, 90/425/EEC, 91/496/EEC, 96/23/EC, 96/93/EC and 97/78/EC and Council Decision 92/438/EEC (Official Controls Regulation)(OJ L 95, 7.4.2017, p. 1).

14. The Commission shall lay down, by means of implementing acts, rules and modalities for processing data in the EU Customs Data Hub by the authorities referred to in paragraphs 2, 6 to 9. In determining those rules and modalities, the Commission shall, for each authority or category of authorities:

(a) assess the existing safeguards applied by the authority concerned to ensure that the data is processed in accordance to the purpose;
(b) ensure the proportionality and the necessity of the processing in relation to the relevant purpose;
(c) determine the specific categories of data, which the authority may process;
(d) require for the authorities referred to in paragraphs 6-9, where necessary, to provide a specific contact point, or additional safeguards;
(e) assess the need to restrict the subsequent sharing of the data.

Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 262(4).

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Article 31a

Right for EPPO to obtain data available in the EU Customs Data Hub

1. The European Public Prosecutor's Office ('EPPO') shall upon request obtain data available in the EU Customs Data Hub, ~~exclusively and~~ to the extent necessary for carrying out its tasks pursuant to Article 4 of Council Regulation (EU) 2017/19391[4] according to the modalities determined in an implementing act adopted pursuant to paragraph 4 of this Article.
2. The requests to obtain data referred in paragraphs 1 of this Article shall be sent to the EU Customs Authority. Customs authorities shall be automatically notified of the requests from the EPPO at the same time as the EU Customs Authority. Where a request is made in accordance with paragraph 1, the EU Customs Authority shall provide the relevant data to the EPPO expeditiously. The EUCA shall inform the customs authorities concerned whether the data was provided to the EPPO.
3. The EU Customs Data Hub shall provide a digital interface via which the EPPO can request and obtain data in an easy and swift way without undue delay.
4. The Commission shall specify, by means of an implementing act:
   (a) the modalities for EPPO to request and obtain data, including personal and commercially sensitive data available in the EU Customs Data Hub. In particular, the Commission shall:
      (i) determine the modalities for requests from EPPO for data, including personal or commercially sensitive data available in the EU Customs Data Hub;
      (ii) establish the procedure to verify the compliance of those requests with paragraph 1 of this Article, without prejudice to the confidentiality of the investigations;
      (iii) consider the need for EUCA to designate a specific contact point, person or persons;
      (iv) consider the need to provide additional safeguards.

[4] Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO') (OJ L 283, 31.10.2017, p. 1).

Article 31b

Rights for Europol and Frontex to obtain data available in the EU Customs Data Hub

1. The European Union Agency for Law Enforcement Cooperation (Europol) may upon request obtain data, including personal data and commercially sensitive data, available in the EU Customs Data Hub, to the extent necessary to perform its tasks in accordance with Article 4 of Regulation (EU) 2016/794 as long as those tasks ~~concern customs matters~~ **relate to other legislation applied by customs authorities** and according to the rules laid down in an implementing act adopted pursuant to paragraph 5 of this Article.

2. The European Border and Coast Guard Agency (Frontex) may upon request obtain non-personal data or aggregated data available in the EU Customs Data Hub, to the extent necessary for risk analysis and operational coordination related to border management activities falling within its mandate in Regulation (EU) 2019/1896.

3. Any request for data referred to in paragraph 1 or 2 shall be submitted to the EU Customs Authority. The requesting body shall provide the reasons for the request and ensure that it falls within the scope of the legal framework under which the body operates.

3a. The EU Customs Authority shall process the request and verify whether it is made in accordance with this Article. The EU Customs Authority shall also verify, in co-operation with the relevant national central unit or, if designated by a Member State, a liaison officer whether the Member State concerned with the data has not objected to the transmission on the grounds and in accordance with the procedure established in the implementing act referred to in paragraph 5.

4. The data exchanged under this Article shall be only those necessary for the purposes stated in the request and shall be made available by EUCA via the EU Customs Data Hub expeditiously.

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5. The Commission shall, by means of implementing acts adopted in accordance with the examination procedure referred to in Article 262(4):

(a) determine the modalities for the EU bodies covered by this Article to request and obtain data;

(b) establish the procedure for the verification referred to in paragraph 3a of this Article. In particular, by:

(i) specifying how to identify the customs authorities concerned with the data

(ii) specifying how to handle situations where multiple customs authorities are concerned with the data;

(iii) specifying the grounds for the customs authorities concerned with the data to possibly object to the transmission of the data, including taking into the consideration the sensitivity of the data requested.

(c) specify restrictions and liabilities on the onward transfer of the data by the requesting authority.

(d) consider the need for the authority requesting the data to designate specific contact point, person or persons or to provide additional safeguards.

6. The Commission is empowered to amend this Regulation, by means of delegated acts, to allow other Union bodies to request and obtain data available in the EU Customs Data Hub in accordance with the rules laid down in paragraphs 3, 3a, 4 and 5 of this Article, and within the limits of what is necessary to perform their tasks under Union law and as long as those tasks relate to ~~customs matters~~ **other legislation applied by customs authorities**.

7. Each Union body covered by this Article shall ensure that the data requested are necessary, appropriate and proportionate. They shall also ensure that the use of the data is in accordance with the safeguards laid down in the applicable Union legislation.

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Article 240

Customs cooperation with other authorities within the Union

1. Without prejudice to Regulation (EC) No 515/97 and to Articles 31, 31a and 31b of this Regulation, the EU Customs Authority and the customs authorities shall cooperate with other competent authorities or bodies at Union and national level, including market surveillance authorities, sanitary and phytosanitary authorities, law enforcement authorities or bodies, statistical authorities, and tax authorities, within the applicable legal frameworks.

2. The cooperation referred to in paragraph 1 shall take place regularly and in a structured way. It shall pursue, in particular, the following objectives:
   (a) contributing to and following legislative developments in policy areas of relevance for customs;
   (b) the exchange of data, in particular data relevant for risk management in accordance with Title IV, Chapter 3;
   (c) the development of coherent and coordinated supervision strategies for risk management of goods under the areas of responsibilities of both customs authorities and other authorities, in accordance with Title IV, Chapter 3;
   (d) the operational implementation, including performance of joint controls in accordance with Article 241;
   (da) where appropriate, the exchange of skills and best practices through joint trainings on how to detect non-compliant products;
   (e) contribution to innovation and research activities, development of new technologies and joint procurement in areas relevant for customs.

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2a. The EU Customs Authority shall, without prejudice to the powers of the Commission and subject to its prior approval, in cooperation with the customs authorities, develop and regularly update a framework supporting the cooperation referred to in this Article by proposing objectives and key areas of cooperation and providing orientations for its practical implementation. The EU Customs Authority may conclude working arrangements to develop and update such framework. The EU Customs Authority shall involve other relevant parties when it develops the framework or working arrangements referred to in this paragraph.

2b. Where, under the cooperation under paragraph 1 customs authorities receive a request for the extraction and communication of data from the EU Customs Data Hub by other national authorities, such data shall be provided only upon ~~duly~~ justified requests with the approval by the relevant customs authorities concerned with the data.
The extraction and communication shall be limited to data that the receiving authority is entitled to obtain in accordance with the legal framework under which it operates and that are strictly necessary for the purpose stated in the request. Member States shall adopt measures to ensure that Union rules on confidentiality and data protection are complied with.

Customs authorities shall designate a central unit to receive the requests referred to in this paragraph and ensure their processing.

2c. ~~The EU Customs Authority shall, in cooperation with the customs authorities, develop and regularly update a framework supporting the cooperation referred to in this Article by proposing objectives and key areas of cooperation and providing orientations for its practical implementation.~~

Customs authorities and the EU Customs Authority shall use electronic means for complying with obligations listed in paragraph 1.

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3a. Where a customs authority suspects that goods are not compliant with other legislation applied by customs authorities, it shall **immediately** share that information ~~[through the EU Customs Data Hub]~~ with relevant competent authorities ~~[in accordance with the relevant legal framework]~~ **using the technical means and within the time frames provided in the applicable legislation**.

4. Where a customs authority cooperates with another authority in a different Member State, it shall notify the customs authority of that Member State about the fact that the cooperation is taking place. Where the cooperation involves more than two Member States, the involved customs authorities shall notify the EU Customs Authority, who upon request may provide operational and coordination support in accordance with Article 208.

5. Where the Member States apply the framework for cooperation as referred to in paragraph 2c of this Article, they shall periodically and at least every two years report to the EU Customs Authority on its application. The EU Customs Authority shall take into account the findings of such reporting in its monitoring activities referred to in Article 208(3), point (a), and its performance measurement tasks referred to in Article 208(3), point (b).

6. Until the date indicated in Article 238(1), the Commission may carry out the tasks of the EU Customs Authority.

7. The EU Customs Authority may cooperate with other authorities at national level, and with the Commission and other Union institutions, offices, agencies, networks and bodies, in order to contribute to the objectives referred to in paragraph 2.

8. The EU Customs Authority shall closely cooperate with OLAF and EPPO where fraud or suspicion of fraud occurs in any of its cooperation activities.

9. The EU Customs Authority may participate in and contribute to strategic analyses and threat assessments, innovation programmes, training activities, networks and other activities which are relevant for the implementation of its tasks and are organised by Union relevant bodies, offices and agencies.

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ANNEX IV

"E- COMMERCE"

NOTE: The European Parliament's negotiating team has responded that it can accept the latest Presidency compromise text (which includes a modification of recitals 40b and 40c, as well as a new recital 40e), with a small amendment of recital 40b, in order to better reflect the specifics related to the distance sales.

1. **ROW 191 (4-column table):**

In the definition, the words "deemed importer" would be replaced by "importer for distance sales", and consequently – also throughout the text of the new UCC (at this stage, for efficiency reasons, it would be sufficient to indicate, in ROW 191, a corresponding note to the DQL/DLA);

2. ROW 49b: Recital 40b will read as follows:

"(40b) In case of distance sales it is considered that the supplier or the facilitator is the person that determines that goods from a third country are to be brought into the customs territory of the Union because they are those determining the chain of supply and holding the risk for loss, damage or delay up to the delivery of the goods to the consumer. Therefore, for distance sales, in order for goods to be released for free circulation, **depending on the arrangements made,** either the person supplying or the person facilitating distance sales of goods is the importer and should be indicated as such."

3. ROW 49c: Recital 40c will read as follows:

"(40c) The person supplying or facilitating distance sales of goods to be imported from third countries into the customs territory of the Union who is the importer, is responsible to provide the required information on distance sales before the release of the goods to the customs authorities. The person so identified should be responsible for the obligations of an importer."

4. A new recital (40e) will be inserted, along the following lines:

"(40e) The provisions of this Regulation, including those relating to the deemed importer, do not amount, either de jure or de facto, to a general monitoring obligation for providers of intermediary services.

5. The contents of the Council general approach regarding the other provisions on e-commerce would be preserved.

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ANNEX V

Article 25

Granting the status of Trust and Check trader

(Comparison to the text as set in the 4-column table of ST 6409/26)

Article 25(1)
1. An importer or exporter, who is established in the customs territory of the Union, meets the criteria set out in paragraph 3 and has conducted regular customs operations in the course of that person's business for at least 2 years, may apply for the status of Trust and Check trader to the customs authority of the Member State of establishment.
Article 25(1)
deleted
Article 25(2)
2. The customs authorities shall grant the status of Trust and Check trader following consultation with other authorities, if necessary, and after having had access to the relevant data of the applicant for the last 3 years in order to assess compliance with the criteria in paragraph 3.
Article 25(3)
3. The customs authorities shall grant the status of Trust and Check trader to a person who meets all the following criteria:
Article 25(3), point (a)
a) no record of serious criminal offences and the absence of any serious infringement or repeated infringements ~~related to~~**of**: i) customs legislation and taxation rules; ii) other legislation applied by the customs authorities, ~~of which~~**where** the customs authority competent to grant the ~~Trust and Check trader~~**AEO** authorisation is aware~~,the~~ **of such** infringements ~~and~~**or** offences**.** **The offences and infringements** to be considered are those relating to economic or business activities.

Article 25(3), point (aa)
deleted
Article 25(3), point (b)
(b) the demonstration by the applicant of a high level of control of his or her operations and of the flow of goods, by means of a system of managing commercial and, where appropriate, transport records, which allows appropriate customs controls, satisfactory procedures in place for the handling of licences, authorisations and requirements related to other legislation applied by the customs authorities, including product safety, and evidence that non-compliance has been effectively remedied; the applicant shall ensure that relevant employees are instructed to inform the customs authorities in a secured way whenever compliance difficulties, suspicious movements or unauthorised handling of goods are discovered and establish procedures for informing the customs authorities of such cases;
Article 25(3), point (c)
(c) financial solvency, which shall be deemed to be proven where the applicant has good financial standing, which enables him or her to fulfil his or her commitments, with due regard to the characteristics of the type of business activity concerned. In particular, during the last 3 years, preceding the submission of the application, the applicant shall have fulfilled his financial obligations regarding payments of customs duties and all other duties, taxes or charges which are collected on or in connection with the import or export of goods, including on VAT and excise duties due in relation to intra-Union operations;
Article 25(3), point (d)
(d) practical standards of competence or professional qualifications directly related to the type and size of activity carried out, including on how to interact through the EU Customs Data Hub;
Article 25(3), point (e)
(e) appropriate security, safety and compliance standards, including product safety standards, adapted to the type and size of the activity carried out. The standards shall be considered as fulfilled where the applicant demonstrates that he or she maintains appropriate measures to ensure the security and safety of the international supply chain, including in the areas of physical integrity and access controls, logistical processes and handling of specific types of goods, personnel and identification of his or her business partners;

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Article 25(3), point (f)
(f) having an electronic system providing or making available to the customs authorities as close to real time as technically possible data on the movement of the goods and the compliance of the person referred to in paragraph 1 with all requirements applicable on those goods, including those relating to safety and security and where relevant making available via the EU Customs Data Hub to customs authorities:
Article 25(3), point (f)(i)
(i) customs records, including those needed to check the correctness of the establishment of the customs debt;
Article 25(3), point (f)(ii)
(ii) accounting system;
Article 25(3), point (f)(iii)
(iii) commercial and transport records;
Article 25(3), point (f)(iv)
(iv) tracking and logistics systems, which identify goods as Union or non-Union goods and indicate, where appropriate, their location;
Article 25(3), point (f)(v)
(v) licences and authorisations granted in accordance with other legislation applied by the customs authorities;
Article 25(3), point (f)(vi)
deleted
Article 25(3), point (fa)
deleted

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Article 25(3), point (fb)
(fb) for applicants that are deemed importers, being registered and making appropriate use of the special scheme laid down in Title XII, Chapter 6, Section 4 of Directive 2006/112/EC for at least 2 years **and making use of customs warehouse for the distance sales**.
Article 25(4), first subparagraph
4. The persons referred to in paragraph 1 shall comply with the obligations set out in Article 7(2) and (3). The customs authorities shall monitor the operator's continuous compliance with the criteria and conditions in accordance with Article 7(4).
Article 25(4), second subparagraph
The customs authorities at least every 2 years shall perform in-depth monitoring, including an on-site visit, of the Trust and Check trader's activities and internal records, with a view to verify in particular the practical application of the procedures in place to comply with the criteria referred to in paragraph 3. The Trust and Check trader shall inform the customs authorities of any changes in its corporate structure, ownership, solvency situation, trading models or any other significant changes in its situation and activities. The customs authorities shall re-assess the status of the Trust and Check trader if any of these changes have a significant impact on the Trust and Check status. The customs authorities may suspend this authorisation until a decision on the reassessment is taken.
Article 25(5), first subparagraph
5. Where a Trust and Check trader changes its Member State of establishment, the Trust and Check trader shall inform the customs authorities of the receiving Member State of any changes in its corporate structure, ownership, solvency situation, trading models or any other significant changes in its situation and activities if any of these changes have an impact on the Trust and Check.
Article 25(5), second subparagraph
The customs authorities of the receiving Member State shall reassess the Trust and Check authorisation, in consultation with the Member State that initially granted **or latter reassessed** the status. During the reassessment, the customs authority of the receiving Member State may suspend the authorisation. **Such suspension shall be notified in the customs Data Hub.**

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Article 25(5), second subparagraph a
Where justified on the basis of indications of non-compliance by the Trust and Check trader, the EU Customs Authority, in co-operation with the competent customs authorities involved, may verify the compliance with the Trust and Check status by a specific economic operator. **The outcome of such verification shall be communicated to the Commission and to the competent customs authorities involved. Based on the outcome of the verification , the EUCA may recommend to the competent customs authority the suspension or revocation of the trust and Check status.** **The competent customs authority shall, without undue delay, inform the EU Customs Authority and the Commission about the actions taken on the basis of the recommendation.** **Where the competent authority fails to provide the information or the action taken on the basis of the recommendation is not sufficient, the Commission may, by means of implementing acts, adopt individual decisions regarding the suspension or revocation of the Trust and Check status.** **Those implementing acts shall be adopted in accordance with the examination procedure referred to Article 262(4)** **Such a suspension or revocation shall be recorded in the EU Customs Data Hub.** ~~A customs authority may request the customs authority of another Member State, which granted Trust and Check status to an economic operator, to provide evidence whether the criteria referred to in paragraph 3 are met by this economic operator, which could be the results of the latest in-depth monitoring.~~ ~~Upon request of a national customs authority or on its own initiative, the EU Customs Authority may verify whether the status of Trust and Check was correctly granted to a person as referred in paragraph 1, specifically whether the criteria referred to in paragraph 3 are met and whether the monitoring referred to in paragraph 4 by the relevant customs authority is being conducted properly. The outcome of the verification shall be communicated to the Commission and customs authorities. Based on the outcome of the verification, the Commission may revoke or suspend the authorisation of Trust and Check of the relevant person. Such a suspension or revocation shall be notified in the customs data hub.~~

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Article 25(6), first subparagraph
6. Where a Trust and Check trader is involved in fraudulent activity in relation to its economic or business activity or customs authorities are aware of infringement of relevant other legislation applied by a Trust and Check Trader pursuant to Article 20(1) point (c) of this Regulation, its status shall be suspended by the customs authorities. That suspension shall be recorded on the Customs Data Hub.
Article 25(6), second subparagraph
deleted
Article 25(7)
7. Customs authorities shall authorise Trust and Check traders to **any or all of the following simplifications, according to their economic activity:**
Article 25(7), point (a)
(a) provide part of the data on their goods after the release of those goods, in accordance with Article 59(3a);
Article 25(7), point (b)
(b) perform certain controls and release the goods upon receipt of those goods at the place of business of the importer, owner or consignee and/or upon delivery from the place of business of the exporter, owner or consignor, in accordance with Article 61 (1) and (2);
Article 25(7), point (ba)
deleted

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Article 25(7), point (c)
(c) consider that it provides the necessary assurance of the proper conduct of the operations for the purposes of obtaining authorisations for special procedures in accordance with Articles 102, 103, 109 and 123;
Article 25(7), point (d)
(d) periodically determine the customs debt corresponding to the total amount of import or export duty relating to all the goods released by that trader, in accordance with Article 181(4);
Article 25(7), point (e)
(e) defer the payment of the customs debt in accordance with Article 188(2);
Article 25(7), point (ea)
deleted
Article 25(7), point (eb)
(f) by way of derogation from Article 110, move goods entering or exiting the customs territory of the Union without the obligation to place them in transit, if the goods are under a duty suspensive regime and are under customs supervision until their final destination within the Union.
Article 25(7), point (ec)
deleted
Article 25(7a)
7a. Customs authorities shall make best efforts to align their practice of granting authorisations referred to in paragraph 7 with those of other customs authorities in order to ensure a uniform approach across the Union. ~~*deleted*~~
Article 25(8)
8. [The Trust and Check traders shall enjoy more facilitations than other economic operators in respect of customs controls, including fewer physical and document-based controls.] The status

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of Trust and Check trader shall be taken into account favourably for customs risk management purposes.
Article 25(9)
deleted
Article 25(9a)
9a. As part of the protocols and procedures for crisis management laid down in Article 203, the EU Customs Authority shall prepare a business continuity mechanism to respond to disruptions in trade flows due to increases in security alert levels, border closures, natural disasters, hazardous emergencies or other major incidents providing that the customs authorities may facilitate and expedite to the extent possible priority cargos related to Trust and Check traders.
Article 25(10)
deleted
Article 25(10), point (a)
deleted
Article 25(10), point (b)
deleted
Article 25(10), point (c)
deleted
Article 25(10), point (d)
deleted

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Article 25(11), first subparagraph
11. The Commission shall adopt, by means of implementing acts:
Article 25(11), first subparagraph, point (a)
(a) the rules to consult other authorities for the determination of the status of Trust and Check trader referred to in paragraph 2, including the deadlines for replying;
Article 25(11), first subparagraph, point (b)
(b) the modalities for the application of the criteria referred to in paragraph 3;
Article 25(11), first subparagraph, point (c)
(c) the rules to consult the customs authorities as referred to in paragraph 5.
Article 25(11), first subparagraph, point (ca)
(ca) the type of the monitoring activities referred to in paragraph 4;
Article 25(11), first subparagraph, point (cb)
(cb) the rules about reassessment of the Trust and Check status as referred to in paragraph 5.
Article 25(11), first subparagraph, point (cc)
deleted
Article 25(11), second subparagraph
Those implementing acts shall be adopted in accordance with the examination procedure referred to Article 262(4).
Article 25(11a)
~~11a. The Commission and Member States shall set up a capacity building and best practice sharing support system for use by traders who are micro, small and medium-sized enterprises and who have obtained or applied for the Trust and Check status.~~

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ANNEX VI

RECITALS ON PENALTIES:

(61) A common framework establishing a minimum ~~core~~**list** of infringements of customs legislation and of **rules for non criminal** penalties should be laid down **into the Union customs code**, for Member States to implement. **The Commission should monitor the correct implementation of these provisions and initiate the infringement procedures where necessary.** Penalties for infringements of customs legislation should be effective, proportionate and dissuasive.

(61a) Where a Member State does not apply administrative penalties, it should be made possible that the rules on penalties can also be applied in such a manner that the penalty is initiated by a competent authority and imposed by a judicial authority, while ensuring that the penalty is effective, proportionate and dissuasive, and have an effect equivalent to the penalties imposed by competent authorities.

(61a) In the context of distance sales, sellers and platforms that facilitate distance sales of goods imported from third countries, are legally treated as the importer for customs and tax purposes ("deemed importers"). This includes liability for financial (VAT) obligations and for other legislation applied by customs authorities. Given their central role in organising large volumes of low value imports, in particular via online platforms, and the cross-border nature of their activities as well as the current lack of harmonised customs regulation at Member State level specifically addressing their operations, they should be subject to a coherent and dissuasive framework of penalties when they fail to comply with those obligations. The scale, cross-border reach, and systemic impact of their activities justify that the minimum and maximum amounts for the pecuniary penalties should be set in this Regulation.

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(61b) To enable effective monitoring and transparency, all penalties imposed by Member States' customs authorities shall be recorded in the EU Customs Data Hub. This recording shall include the nature of the infringement, the amount of the pecuniary charge imposed, or any other penalty applied. This centralised system will provide the necessary data for assessing enforcement practices and identifying potential market distortions or 'border-shopping' practices by economic operators.

(61c) In order to ensure uniform conditions for the implementation of this Regulation and to prevent internal market fragmentation or jurisdictional avoidance by economic operators, the Commission should be empowered to adopt delegated acts to harmonise the minimum level of pecuniary charges for infringements of customs legislation. Such harmonisation should occur following an assessment of the data on penalties recorded in the EU Customs Data Hub, particularly where disparities or distortions in the internal market are identified. This approach will ensure a level playing field and address any regulatory gaps or inconsistencies in the application of penalties.

Article 165(3)

3. For the purposes of penalties, as applicable, for infringements of customs legislation, the customs debt shall nevertheless be deemed to have been incurred where, under this Regulation or under the law of a Member State, import or export duty or the existence of a customs debt provide the basis for determining penalties.

Article 200

Application of penalties

Where the customs debt is extinguished on the basis of Article 199(1), point (h), Member States shall not be precluded from the application of penalties for infringements of customs legislation.

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Title XIV

INFRINGEMENTS OF CUSTOMS LEGISLATION AND NON-CRIMINAL PENALTIES

[The text of the Commission proposal text deleted until Article 245]

Article 245

Subject matter and general provisions

1. This Title provides for a minimum list of infringement of customs legislation and administrative penalties for those infringements. Member States shall lay down in their national law infringements of customs legislation and non-criminal penalties applicable to these infringements, in accordance with this Title.

2. This Title does not prevent Member States from providing for additional infringements of customs legislation or from taking more stringent measures or penalties. for such infringements.

2a. Penalties for infringements of customs legislation shall be effective, proportionate and dissuasive.

3. Member States shall notify to the Commission the provisions of their national law which they adopt pursuant to this Title by within 180 days from the date of application of this Article and, without delay, any subsequent amendment affecting such provisions.

[All further text of the Commission proposal deleted until Article 252]

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Article 252

Infringements of customs legislation

1. Without prejudice to Article 200, 245 and 254, Member States shall ensure that at least the following constitute an infringement of customs legislation:

(a) failure of the holder of a customs decision to comply with the obligations resulting from that decision;

(b) failure to comply with the obligation to provide or make available complete, accurate data to customs authorities **in accordance with customs legislation**;

(c) failure to comply with the obligation to keep records required by customs legislation;

(e) failure to comply with the rules on removal of goods from customs supervision;

(f) failure to comply with the obligations on customs procedures;

(g) failure to comply with the obligations of an importer, ~~in accordance with Article 20(1) points (a), (c), (d) and (e);~~

~~(h) failure to comply with the obligations of~~ **deemed importer or** an exporter~~, in accordance with Article 22(1) points (a), (c), (d) and (e)~~ **under this Regulation**.

2. Paragraph 1 is without prejudice to the right of Member States to provide for further conduct, acts or omissions that constitute infringements of customs legislation.

[Article 253 of the Commission proposal is deleted; and proposed Article 254 is replaced by the following]

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Article 254

Penalties

1. Member States shall ensure that when deciding whether to impose a penalty and deciding on the type or severity thereof due regard shall be given to the following:

a) whether customs infringements are committed intentionally or negligently;

b) the nature, gravity, repetition and duration of the customs infringement;

d) the impact on the financial and other security and safety interests of the Union and of the Member States;

e) the degree of cooperation with the customs authority in order to remedy the infringement and mitigate the possible adverse effects of the infringement;

g) any other mitigating or aggravating circumstances of the case, in accordance with national law.

2. Without prejudice to paragraph 2a, penalties shall take at least one of the following forms:

a) a pecuniary charge by the customs authorities, including, where appropriate, a settlement applied in place of and in lieu of a criminal penalty;

b) revocation, suspension or amendment of an authorisation held by the person concerned.

c) confiscation of the goods involved in the infringement of customs legislation;

d) a warning;

e) other penalties.

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2a. ~~Penalties imposed on~~ **When the infringement is committed by** the deemed importer **the penalties imposed** shall take one of the following forms:

(a) pecuniary charges of at least EUR 150 or 25% of the amount of customs duties and other charges eluded, whichever is higher. Where determining the customs duties and other charges eluded is not possible, the pecuniary charge shall be at least EUR 150 or 3% of the amount of the customs value of the goods involved in the infringements, whichever is higher;

b) in case of the repeated infringement pecuniary charges of up to ~~4%~~ **[6%]** of the total annual **worldwide** turnover of the deemed importer in the ~~Union~~**preceding financial year** taking into account the value of the goods concerned~~;~~**.**

(c) the suspension or withdrawal of any trusted trader status, AEO or equivalent facilitation granted under this Regulation to the deemed importer concerned~~;~~**.**

(d) the classification of the deemed importer as a high-risk operator in the EU Customs Data Hub, leading to increased guarantees and enhanced customs controls for its consignments;

(e) any other penalty referred to in paragraph 2, points b) to e).

3. All penalties imposed by Member States customs authorities shall be recorded in the EU Data Hub, by indicating the nature of infringement, the amount of the pecuniary charge imposed or any other penalty imposed for that infringement.

3a. (~~x~~ **6** years) after the entry into force of this Regulation the EU Customs Authority shall evaluate the application of this Article and assess whether the pecuniary charges are imposed efficiently across the Member States and do not lead to any distortions of the internal market. Based on the outcome of this evaluation, the Commission shall adopt a delegated act, in accordance with Article 261, to amend paragraph 2, point a), by setting out minimum amounts of pecuniary charges.

4. Where a Member State does not apply administrative penalties, this Article may be applied in such a manner that the penalty is initiated by a competent authority and imposed by a judicial authority, while ensuring that the penalty is effective, proportionate and dissuasive, and has an effect equivalent to the penalties imposed by competent authorities.

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Article 254a

Cooperation between Member States

1. ~~The~~ **Where customs infringements are committed in more than one Member States, the** competent authority~~ies~~ of ~~a~~**the** Member State**,** shall cooperate, in accordance with applicable legislation, with the competent authorities of the Member States ~~concerned~~**involved in the same customs infringement**.

2. The EU Customs Authority shall ~~facilitate~~**coordinate** the cooperation between the competent authorities of **the** Member States ~~in accordance with Article 208(3)(g) of this Regulation~~.

Article 254b

General rules for limitation periods

1. Member States shall determine the limitation period for initiating proceedings for failures to comply with this regulation referred to in Article 252 between a minimum of 5 and a maximum of 10 years from the date on which the act or its omission was committed.

2. Member States shall ensure that the limitation period for the enforcement of a decision imposing a non-criminal penalty is maximum three years, starting with the day on which that decision becomes final.

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