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NOTE

From: European Commission
To: Delegations

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
- Revised legislative financial statement

Delegations will find attached the revised legislative financial statement for the above proposal.

REVISED LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL/INITIATIVE

1.1. Title of the proposal/initiative

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.

1.2. Policy area(s) concerned

Policy area: Single Market , Innovation and Digital – Heading 1

Activity:

Co-operation in the field of customs (Customs) – subheading 03 05 01

EU Customs Authority (new subheading – 03 10 06)

2028-2034 MFF:

Policy area: Competitiveness, prosperity and security – Heading 2

Activity:

Single Market and Customs programme (proposal):

Budget line: 05.0304 - Customs

Decentralised agencies:

EUCA budget line [...]

1.3. The proposal relates to

a new action

a new action following a pilot project/preparatory action¹

the extension of an existing action

a merger of one or more actions towards another/a new action

1.4. Objective(s)

1.4.1. General objectives

Enable customs authorities to act as one across the EU, to:

- (a) efficiently and effectively protect the Single Market, citizens, and values of the EU by ensuring compliance with an increasing series of non-financial requirements;
- (b) ensure proper, effective and timely collection of customs duties and taxes due, including deterring customs duty evasion and thereby preventing the loss of revenue for both the EU budget and the Member States;
- (c) facilitate legitimate trade, with the right balance between facilitation and ensuring effective controls across all the various types of risks, with as little cost and administrative burden as possible.

¹ As referred to in Article 58(2)(a) or (b) of the Financial Regulation.

1.4.2. *Specific objective(s)*

1. **Strengthen EU customs risk management.**
2. **Reduce the administrative burden** and simplify the procedures for traders, consumers, and customs authorities, without jeopardising effective customs supervision.
3. Ensure a **level playing field between e-commerce and traditional trade** as regards customs, in line with the VAT rules.
4. **Enhance access and use of data** for strategic customs action to better support better risk management, crisis response, measurement of Customs Union performance and simpler rules for trade.
5. **Enable the Customs Union to act as one** by ensuring effective EU-wide protection, irrespective of where goods cross the border, including in crisis scenarios.

From the expenditure perspective, these objectives are delivered through the reform of customs processes underpinned by the following two major outputs: a **new EU Customs Data Hub** and a new **EU Customs Authority (EUCA)**.

1.4.3. *Expected result(s) and impact*

EU Services:

As part of the reform, there would be a significant change in how the European Commission's customs IT is handled. The text provides that the Commission will develop, implement and maintain the new EU Customs Data Hub and may decide to delegate this task to the EU Customs Authority. In practice, it is anticipated for the purpose of this document that the Commission would prepare the initial components of the Hub for the implementation of the e-commerce (i.e. the e-Commerce Data Hub) and hand this over to the EUCA in 2028, and that the EUCA would operate, maintain and further develop this and build, operate and maintain the full EU Customs Data Hub catering for all business models including e-commerce. The Commission's current role in supporting customs-to-customs and cross-authority co-operation, operational support and co-ordination and operational capacity-building would be largely replaced and deepened by the EU Customs Authority. The Commission would retain its policy and legislative roles, for which it would reserve some non-delegated funding.

The EU Customs Authority (decentralised agency) would help to develop and streamline (cross-authority) strategies, including building intelligence, innovating, preparing for crisis, implementing EU analytics and synchronised operations. The EU Customs Authority would use the new Data Hub to bring additional EU-level efforts in key areas including risk management, training, performance monitoring and evaluation, bringing its critical mass, focus and organisational/co-ordination mandate to the key tasks that need to be performed 'as one'. The EU Customs Authority would also facilitate the common implementation of simplifications for traders, including those granted the *Trust and Check* status, and where necessary recommend the suspension of the Trust and Check status to the competent customs authority. It would prepare mini-applications to support trade facilitation services, as well as managing the overall trade interface with the customs union.

The EU Customs Authority would thus play a key and deeper role in achieving a more effective and uniform implementation of the customs rules and processes. It would bring a genuine strategic capability. This would help deliver EU protections and facilitations systematically to the benefit of citizens, businesses and all EU policies and services concerned. The EU would benefit from better prevention of revenue loss, and from the increased collection of customs duties arising from the removal of the EUR 150 threshold.

Member States customs administrations:

Due to the new EU Customs Data Hub paradigm, the customs IT workload in Member States would significantly decrease over the years, as the Member States would not be required to maintain the core Customs IT systems. Only IT systems where national specificities or integration require customisation (outside of core customs processes and procedures) would be maintained nationally, with the possibility for the development of national data projects in the Hub to feed such systems where the Member States prefer to continue to use them.

Member States would benefit from, and interact with, a new EU layer of customs data analytics and risk analysis performed at central level in the EU Customs Authority.

Member States would gain from a reduction in full-time-equivalent staff requirements due to common execution of tasks in the EU Customs Authority, particularly in the areas of risk management, IT and overall customs management functions. This does not oblige a reduction in numbers as such, but national customs administrations would be able to use their resources more efficiently.

Member States would benefit from the better delivery of customs and EU policy value. The shared interests in protection of citizens, consumers, trade and business reflected in common policies on product standards, security, safety, health, etc. would be achieved more effectively, efficiently and systematically across all points of entry, reducing the possibilities for illicit trade to circumvent enforcement in one Member State by finding entry through another external border.

The Member States would also benefit from better prevention of revenue loss (customs duty evasion) and from the increased collection of customs duties arising from the removal of the EUR 150 threshold.

Businesses and Trade:

Economic Operators would benefit significantly from a fundamental change in the customs processes, which would be delivered directly through the EU Customs Data Hub.

All traders would benefit from simplification and rationalisation of the steps in the customs processes. The number of data provision points is reduced and the data is provided to one single EU interface instead of through 27 national interfaces and processes. Data can be provided in advance and re-used, instead of being repeatedly provided. The data requirements are rebalanced to better fit commercial practices: data is in principle required from those who are best placed to give it, and data is accepted in multiple formats. The EU Customs Authority reinforces cooperation among national customs authorities also at the border, on the ground, and supports the uniform implementation of simpler processes.

Some additional information would be provided (notably the manufacturer of the goods). However, the effort required to provide additional information would be more than compensated by the simplification and reduction in customs processes.

Improvements in customs targeting would improve the protection of legitimate businesses against non-compliant supply chains and supply chain security threats, and reduce unfair competition, through better enforcement of regulatory measures. This improves the protection of jobs, innovation, and investment. Moreover, the resilience of supply chains in crisis scenarios, such as disease outbreaks or security incidents, would be strengthened significantly by providing for immediate, specific and uniform targeting of risky flows while minimising the scope and scale of disruption, and by maintaining crisis-readiness on a 24/7/365 basis, underpinned by long-term co-operation with other relevant authorities.

Trust and Check traders would benefit from an improved partnership with customs. These traders would meet conditions similar to current AEO requirements and would also provide additional transparency by systematically making data available to customs systems. This data could potentially be re-used by carriers in advance cargo information processes, and the goods flows could be ‘self-released’ on arrival (in principle the goods would keep moving, with the advance cargo processes providing the means for customs to intervene if that were to become necessary). *Trust and Check* traders would benefit from fewer customs controls, would generally receive advance warnings and as far as possible have checks and formalities deferred to convenient locations. In so far as agreed with other authorities, some non-financial checks could also be moved away from the border and performed by the *Trust and Check* trader. Guarantee requirements would be reduced.

For e-commerce, the removal of the customs duty exemption threshold would mean more customs information would have to be provided, bearing in mind data is already provided on all imported goods according to the new VAT e-commerce rules as from July 2021. In the short term, the urgent removal of the *de minimus* threshold would be handled using existing systems. In the medium term, the EU Customs Data Hub would provide a single interface that would facilitate both the provision of information from the e-commerce intermediaries and the processing of that information for customs authorities.

By directly dealing with customs compliance, e-commerce platforms will benefit from the fact that they will offer a final price to their clients and will most likely see a reduction in the complaints and returns motivated by unexpected compliance costs at the border, reducing the friction currently experienced in their supply chains. Overall, the preferred option should result in lower compliance costs for economic operators, particularly at import. It would almost eliminate the need for launching the current “internal transit” procedure and the associated declarations in cases where goods are moved from the Member State of entry to the Member State of release.

Citizens – Consumers:

The removal of the EUR 150 customs duty threshold may create a slight upwards price pressure for consumers of goods worth below that amount; however, simplification and stabilisation of processes will increase supply chain efficiency, and the impact on costs and prices will be determined by competitive factors.

Citizens and consumers will benefit from more transparent and predictable processes for e-commerce purchases from outside the EU and fewer surprise requests for duty payment and for logistics services charges for handling these as well as visits to post-offices compared with the baseline, alleviating the current experience of unexpected charges and delays. Citizens and consumers will benefit significantly from better and more visible protection under EU policies from the consequences of harmful and fraudulent products because of a systematic EU-wide improvement in the detection of harmful supply chains.

1.4.4. Indicators of performance

Indicators are foreseen under the headings below. The reform will also strengthen the basis for Customs Union Performance evaluation as such by enabling the processing of EU-wide operational data for that purpose.

(1) Improve revenue collection via operational risk management at EU level:
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- | |
|---|
| <ul style="list-style-type: none">• Revenue collection on goods valued above EUR 150• Rate of unpaid duties• Number of risk management strategies with other authorities (in charge of e.g. tax and antifraud)• Seizures |
|---|

6. Improve detection of non-compliant imported products via operational risk management at EU level:

- | |
|---|
| <ul style="list-style-type: none">• Number of supervision strategies with other authorities (in charge of e.g. antifraud, market surveillance, food, animal and health protection, product safety)• Seizures |
|---|

7. Make trade flows smoother for trusted operators:
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- | |
|--|
| <ul style="list-style-type: none">• Number of <i>Trust and Check</i> traders• Percentage of trade handled by <i>Trust and Check</i> traders• Number of processes required to trade goods• Number of audits carried out on <i>Trust and Check</i> traders• Number of <i>Trust and Check</i> traders' authorisations suspended |
|--|

8. Collect revenue from e-commerce:
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- | |
|---|
| <ul style="list-style-type: none">• Revenue collection on consignments valued up to EUR 150• Number of consignments valued up to EUR 150 |
|---|

9. Exploit data for strategic customs action:
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- | |
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| <ul style="list-style-type: none">• Volume and type of data available• Number of data errors and interventions• Interoperability with additional data sources (time and scope) |
|--|

10. (Act as one) Enhance uniform implementation and practices ('avoid port shopping'):

- | |
|--|
| <ul style="list-style-type: none">• Number of controls and feedback on controls• Minimum standards for risk management• Number of EU risk profiles and control results• Number of control recommendations |
|--|

11. (Act as one) Empower customs authorities to act in the same way:

- | |
|---|
| <ul style="list-style-type: none">• Number and quality of trainings• Number of joint activities, projects, workshops |
|---|

1.5. Grounds for the proposal/initiative

1.5.1. Requirements to be met in the short or long term including a detailed timeline for roll-out of the implementation of the initiative

The proposal entails the reform of customs processes, and in particular:

- (a) the preparation and deployment of a common data management environment (EU Customs Data Hub) for customs operations at EU level;
- (b) the establishment of an EU Customs Authority with an operational mandate to carry out key tasks at EU level, notably, the ongoing development and management of the Data Hub, common risk management, crisis management and co-operation activities to enable the customs union to deliver its functions and its common policy value uniformly, regardless of where goods cross the external borders of the EU.

The reform roll-out is envisaged to take place as follows:

First phase 2024-2027:

IT/ EU Data Hub

- preparation of initial components of EU Data Hub structure, including preparation for e-commerce data collection and initial interoperability use cases;
- vision, roadmap, costing and procurement strategy for completion of Data Hub capabilities and business applications;
- existing UCC IT systems continuity and planning of transition.

EU Customs Authority

- establishment of the Authority in 2026, with a view to becoming operational in 2027; appointment of Interim Executive Director and small staff to carry out recruitment, arrangements for hosting and accommodation, as well as required administrative procedures needed
- preparation of initial activities for handover by a Commission task force which will prepare risk management networks and processes to be ready to work on EU Data Hub.

Second phase 2028-2034:

IT/ EU Customs Data Hub

- Hand-over from the Commission to the EU Customs Authority of the initial Data Hub components and related to the core e-commerce implementation of 2028 the EU Customs Authority takes forward the development, maintenance and procurement of the Hub, including the e-commerce domain.
- EUCA completes infrastructure and Data Hub capabilities by 2031;
- transition of customs systems (central and national) to Data Hub.

EU Customs Authority

- progressive handover of certain activities from the Commission to the EU Customs Authority; gradual development of new activities referred to in this proposal by the EU Customs Authority;

- delegation of certain implementation tasks related to the EU Customs Data Hub and customs control equipment from the Commission to the EU Customs Authority via contribution agreements.

1.5.2. *Added value of Union involvement.*

Reasons for action at European level (ex-ante):

As analysed in the impact assessment accompanying this legislative proposal, the problems being addressed are difficulties for customs authorities to deliver their mission to protect the EU (both for financial and non-financial risks); the burdensome nature of customs formalities for legitimate trade; the mismatch between the customs model and the new e-commerce business models; the limited availability and use of data for customs processes (including efficient risk management); and the divergence across the Member States in the implementation of customs rules. Consequences of these problems include loss of revenue for the Member States and the Union; the entry of non-compliant and dangerous products to the Single Market and associated harm to EU consumers and businesses and to the environment; and the exploitation of supply chains by criminal activities.

The reform addresses problems which Member States cannot solve on their own. Action at Union level is essential to reform Customs Union processes, data management and governance to address the problems identified. The choice of instrument (Regulation) is essential because the Customs Union must provide legal certainty for trade and public authorities, to ensure the smooth flow of legitimate trade and at the same time provide for effective, risk-based intervention by public authorities to implement major elements of the EU acquis, notably in the areas of the Single Market, security and own resources.

Expected generated Union added value (ex-post):

The proposal addresses the problem drivers: the inadequacy and excessive complexity of the customs processes, including for e-commerce traffic, the fragmented and complex customs digitalisation, and the fragmented customs union governance structure. It provides for a reform of customs processes, including for the handling of e-commerce traffic, in tandem with a common data management environment (EU Customs Data Hub) and the establishment of an EU Customs Authority providing an operational governance layer. These elements are mutually reinforcing, enabling a significant reduction of burden on both public authorities and private sector operators and a significant improvement in the uniform delivery of EU policies through the Customs Union, as analysed in the impact assessment.

1.5.3. *Lessons learned from similar experiences in the past*

The [Customs 2020 evaluation](#) concludes that the programme has contributed significantly to improving the functioning of the Customs Union and to its modernisation. It has fostered cooperation and the exchange of information, ranging from facilitating convergence at the strategic level to approximating approaches, interpretation, administrative procedures, best practices and rules at the operational level. The programme has been especially important in transitioning to a customs paperless environment. Yet, the evaluation also identified areas where improvements are needed, notably (i) the differences in the application of customs controls, (ii) e-commerce fraud, (iii) economic operators not perceiving the benefits of the UCC and voicing concerns over (iv) the complexity of the customs IT environment, the customs legislation and processes. The programme evaluation demonstrated that it could be worthwhile for the Commission and Member States to share more customs data. This would serve to better measure the costs and benefits of the investments made.

Additional evidence in this regard is found in the [interim evaluation of the UCC](#), noting flexibilities in relation to the methods and penalties for addressing non-compliance with the customs legislation and on monitoring economic operators considered trustworthy (Authorised Economic Operators, AEO).

Businesses also confirm the divergent application of the UCC. In a large survey for an external study on AEO (almost 2000 replies), 28% of the 900 trustworthy operators active in more than one Member State consider that some of the benefits can vary significantly from one Member State to another.²

On financial risks, the European Court of Auditors identified structural challenges on the risk management of financial risks, finding that the lack of uniform application of customs controls and of harmonised risk management and analysis hampers EU financial interests and warning that current weaknesses ‘could allow non-compliant operators to target EU points of entry with lower levels of controls’. (See further: [Special Report 04/2021: Customs controls: insufficient harmonisation hampers EU financial interests](#)).

On non-financial risks, the current risk management framework does not adequately address the potential customs contribution to implementation of requirements relating to the increasing number of non-financial issues of concern for EU citizens, including human rights, labour rights, sustainability, environmental protection, health, safety, and security.

Experience with the digitisation of customs processes and information exchanges has been positive – however challenges remain with the collection, analysis and sharing of data. The current customs processes require the data to be submitted to different national and common systems and the related Member States. The *Wise Persons Group* also noted that different IT systems are often not interconnected (see further: [Report by the Wise Persons Group on the Reform of the EU Customs Union](#)). Data are not transferred from one declaration system to another. Information is fragmented across different databases and systems, making it difficult to ensure coherence and data integrity, which is essential in customs risk management, particularly for risk analysis at EU level. This reduces the capacity of customs to address undervaluation, non-compliance, or security risks on a uniform basis. The European Court of Auditors identified several reasons for the increased cost and additional time necessary to build the UCC systems (see further: [Special report no 26/2018: A series of delays in Customs IT systems: what went wrong?](#)). The UCC evaluation draws a mixed picture of the IT implementation, with positive aspects on the centrally developed components.

The EU Customs Data Hub represents a change in paradigm. A core platform, underpinned by secure and sovereign cloud infrastructure, is used to develop and manage data projects which deliver the customs procedures and processes and the value-added services needed to implement the reformed customs legislation, based on data management and event-driven principles. Security is built in by design.

Interoperability with external systems is developed for policy implementation and operations, and for transitional business continuity given the parallel operation of existing national and Union systems over the transitional window, and the necessity of interacting with national environments (notably for example for the communication of information to be used in national domains for the collection of debts)

² Study on the Authorised Economic Operator programme, Oxford Research, Ipsos, Wavestone, CT Strategies and Economisti Associati, 2022.

The initial implementation of the e-commerce Data Hub in 2028 is envisaged as a turn-key solution which encompasses design, development, building and operations, focusing on the core essential services on Day 1 and extending the capabilities progressively.

The progressive phasing in of the EU Customs Data Hub, including the progressive onboarding of groups of users and business models, will be scheduled under the Work Programmes adopted under the Implementing Acts provided for in the legal text.

The progressive phasing out of the existing Union systems will also be provided for in Implementing Acts, in such a way as to ensure a seamless transition. This implies in particular the progressive extension of Hub capabilities to support the full range of customs processes and procedures across all business models, including special procedures, entry formalities, export procedures, transit interaction, the integration of Union reference data systems, the provision of a composite TARIC integrating Union and national measures, the provision of capabilities supporting risk management and the implementation of prohibitions and restrictions, contribution to external trade statistics, guarantee management, and the continuing development of interoperability with Union non-customs authorities.

Core Hub capabilities are complemented with national data projects for implementing additional national needs (including for example national taxes, specific national prohibitions and restrictions, interacting with specific national resources).

Experience gained in attempting to organise customs co-operation on a more permanent basis under the customs programme, have again been valuable in developing policy understanding and making progress on specific themes above, but such voluntary co-operations cannot have the infrastructural capacity or governance character which would be necessary to deliver uniform implementation of the customs union.

Experience in relation to the establishment and operation of other EU Agencies and bodies has also been taken into account.

The proposal follows largely the current model for decentralised agencies, addressing most issues along standard provisions.

From the practical perspective, the need for resourcing within the Commission to prepare the EU Customs Authority before it comes into operation is noted. The necessary actions to set up the EU Customs Authority, such as preparation of administrative procedures, governance structures and organisational structure, as well as initial recruitment, could be performed by a dedicated team of Commission staff prior to the start of the EU Customs Authority's activities. Considering the experience of other agencies set-up recently, about 10 FTEs should be envisaged for this activity.

Concerning the preparation of the EU Customs Authority's operational activities, the Commission has significant experience in policy development in relation to the tasks and in piloting common projects on a voluntary basis (see [e-customs annual reports](#)). This has included managing the development of trans-European IT systems, including single EU portals for trader interaction (the reformed import control system – ICS2), organising collaborative risk analysis operations, developing a common approach to the evaluation of customs union performance, developing common customs training, organising co-operation between customs and other sectoral authorities at EU level on specific themes (such as air cargo security), handling customs crisis response, and in working closely and in a structured manner with national customs authorities in all these areas. This experience will assist significantly in preparing the EU Customs Authority's initial structure and operations and in monitoring and evaluating its performance.

1.5.4. *Compatibility with the Multiannual Financial Framework and possible synergies with other appropriate instruments*

A new budget line needs to be created, corresponding to the establishment of the EU Customs Authority, in the current Multiannual Financial Framework. The following Multiannual Framework 2028-2034³ would also need to be programmed so that the required resources are provided for the implementation of this legislation.

As regards **synergies with other instruments**, the reform aims to put in place a strategic capacity for the Union to support better implementation and enforcement of important EU policies applied to and through trade in goods, as well as tackling the exploitation of supply chains by organised crime and terrorism. The reform will directly contribute to:

- better collection of revenue, including Traditional Own Resources both through collection of additional revenue – estimated at € 6.035 billion for the period 2028-2034 in the Impact Assessment accompanying this proposal⁴ and through better prevention of loss of revenue through non-compliance;
- better protection for EU citizens and businesses envisaged by EU policies which depend to an extent on customs enforcement work, including prohibitions and restrictions, the Single Market and security; while this cannot be quantified in financial terms, the Impact Assessment shows how one illustrative use case for better enforcement of ecodesign and product safety requirements could lead to a consumer saving of €7.7 billion over the period 2028-2034.
- a reduction in administrative burden, supporting competitiveness - the Impact Assessment also identifies a potential saving of €11.6 billion for traders, primarily relating to an overall aggregate reduction in the time needed to complete import processes.

In the Impact assessment accompanying this proposal, a representative sample of use cases was used to evaluate how each reform option would perform, focusing on the value added which would come from improved management of risks in the supply chain. These illustrated coherence with other specific policy areas including Single Use Plastic Directive, Environmental policies addressing persistent chemicals and consumer emissions, the EU Serious and Organised Crime Threat Assessment (SOCTA), Drugs precursors⁵, Civil Aviation Security⁶, Tobacco smuggling, Toy Safety, the Market Surveillance Regulation, the Ecodesign Directive and proposed Ecodesign for Sustainable Products Regulation, and the proposed General Product Safety Regulation.

Most of these policy areas are undergoing changes, and customs action is being included by means of the EU Single Window Environment for Customs. However, the Single Window only indirectly tackles the exchange of information on risk, as its main purpose is to facilitate the exchange of the information required to clear the goods. The reform will improve the effectiveness of the Single Window, and will build on it, by enabling customs to retrieve all necessary data by Union non-customs formality at central level and use it for EU-wide risk management.

³ For the next MFF, in line with the Commission's proposal, 2 budget lines should be considered under Heading 2- Competitiveness, prosperity and security: the customs budget line 05.0304 of the proposed SMCP (COM(2025)590 final) and the EUCA specific budget line.

⁴ The assumptions used to prepare these estimates are detailed in the Impact Assessment and its Annexes.

⁵ Council Regulation (EC) No 111/2005 of 22 December 2004 laying down rules for the monitoring of trade between the Community and third countries in drug precursors (OJ L 22, 26.1.2005, p. 1).

⁶ Regulation (EC) No 300/2008 of the European Parliament and of the Council of 11 March 2008 on common rules in the field of civil aviation security and repealing Regulation (EC) No 2320/2002 (OJ L 97, 9.4.2008, p. 72).

More broadly, the reform will deliver a strategic customs union capability to prepare and deliver a co-operation framework with other policies to support their delivery in border operations; to have operational visibility of EU-wide trade flows; to see EU-wide policy performance and have a granular view on how controls and simplifications are being applied; to adapt to future needs and changing business models, notably, the readiness of the customs union information environment to integrate different information sources, and support flexible action against risks; time to market. It will in addition provide the currently lacking “critical mass” needed to handle many priorities in parallel and prepare for crisis.

This strategic capability will position the customs union to support other tasks to which it may be asked to contribute, including for example in the areas of the Carbon Border Adjustment Mechanism, or strategic trade controls and sanctions or other restrictive measures.

As regards synergies more broadly, the proposal will also lead to administrative savings for national customs administrations, by simplifying the processes and providing central common interfaces and tools which will permanently reduce customs compliance and administration costs. In the Impact Assessment accompanying this proposal, these are estimated to be in the region of €7.9 billion for Member States, primarily deriving from savings in IT but also coming from reduction in administrative effort required for certain important tasks, freeing up administrative capacity.

1.5.5 Assessment of the different available financing options, including scope for redeployment

Within the current MFF, these needs can be covered through redeployment within the existing budget line for Cooperation in the field of customs (Customs) – subheading 03 05 01, as well as under the new budget line for the EU Customs Authority – 03 10 06. No additional costs are therefore foreseen within the current MFF.

In the post-2027 MFF, the cost for the Data Hub and Customs Authority is proposed to be financed through the subsequent MFF (on the budget line 05.0304 – customs under the Single Market and Customs Programme, and a separate budget line for EU Customs Authority⁷ (for administrative costs including salaries, other administrative costs including infrastructure, and operational costs including customs cooperation) , without pre-empting the agreement on the MFF and programmes.

⁷ [See MFF fiche No 8 on Decentralised agencies](#)

1.6. Duration and financial impact of the proposal/initiative

limited duration

- Proposal/initiative in effect from [DD/MM]YYYY to [DD/MM]YYYY
- Financial impact from YYYY to YYYY

unlimited duration

- Implementation with a start-up period from 2026-2027,
- followed by full-scale operation.

1.7. Method(s) of budget implementation planned

Direct management by the Commission through

- executive agencies
- by its departments, including by its staff in the Union delegations;

Shared management with the Member States

Indirect management by entrusting budget implementation tasks to:

- international organisations and their agencies (to be specified);
- the EIB and the European Investment Fund;
- bodies referred to in Article 70;
- public law bodies;
- bodies governed by private law with a public service mission to the extent that they are provided with adequate financial guarantees;
- bodies governed by the private law of a Member State that are entrusted with the implementation of a public-private partnership and that are provided with adequate financial guarantees;
- bodies or persons entrusted with the implementation of specific actions in the CFSP pursuant to Title V of the TEU, and identified in the relevant basic act.

Comments:

At the time of entry in to force, the Commission will still be managing the development and maintenance of current UCC systems, and will need to take forward the preparation of the initial elements of the Data Hub for the e-commerce implementation of 2028 during the current MFF.

In the next MFF 2028-2034, for a selection of tasks, notably the provision of the Data Hub, the Commission will retain funding and delegate tasks under a contribution agreement to the EU Customs Authority. The retention of direct management of funds for the current UCC systems, and the indirect management of Data Hub funds through contribution agreements with the EU Customs Authority, will help to ensure transitional continuity and the effective policy delivery of the future EU customs data environment (all operational customs related expenditure coming from the proposed Single Market and Customs programme, customs budget line 05.0304).

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

In relation to the overall reform:

The Commission will regularly monitor the implementation of the proposed regulation. For this purpose, the proposal envisages making information and analysis tools available to the Commission through the EU Customs Data Hub, covering all customs processes in the scope of the reform.

With the assistance of the EU Customs Authority, the Commission will also assess and evaluate the performance of the Customs Union as such at least on an annual basis. This will include the measurement of customs activities performed by the customs authorities of the Member States. To this end, the EU Customs Authority will identify key trends, strengths, weaknesses, gaps, and potential risks, and provide recommendations for improvement to the Commission.

The Commission, in cooperation with the EU Customs Authority and the national customs authorities, will also evaluate the implementation of **risk management** in particular, to continuously improve its operational and strategic effectiveness and efficiency. The Commission will also use the information available in the Data Hub for this purpose and may request further information from the EU Customs Authority and from national customs and other authorities. This evaluation work will be used by the Commission in establishing common risk management provisions, notably common risk criteria and common priority control areas.

In relation to the EU Customs Authority specifically:

All Union agencies work under a strict monitoring system involving an internal control coordinator, the Internal Audit Service of the Commission, the Management Board, the Commission, the Court of Auditors and the Budgetary Authority. This system is reflected and laid down in TITLE XII. In accordance with the Common Approach on the EU decentralised agencies, the annual work programme of the EU Customs Authority shall comprise detailed objectives and expected results including performance indicators. The activities of the EU Customs Authority will be then measured against these indicators in the Annual Activity Report. The annual work programme will be coherent with the multi-annual work programme, and both shall be included in an annual single programming document which shall be submitted to European Parliament, the Council and the Commission.

The Management Board of the EU Customs Authority will be responsible for supervision of the efficient administrative, operational and budgetary management of the EU Customs Authority. It will be assisted by an Executive Board responsible for preparing the decisions of the Management Board.

The Commission will ensure that regular evaluations of the EU Customs Authority's performance in relation to its objectives, mandate, tasks and governance and location(s) are carried out. The evaluations will, in particular, address the possible need to modify the mandate of the EU Customs Authority, and the financial implications of any such modification. On the occasion of every second evaluation, the results achieved by the EU Customs Authority will be assessed, having regard to its objectives, mandate, tasks and governance, including an assessment of whether the continuation of the EU Customs Authority is still justified with regard to those objectives, mandate, governance and tasks. The Commission will report to the European Parliament and the Council on the evaluation findings. The findings of the evaluation shall be made public.

2.2. Management and control system(s)

2.2.1. *Justification of the management mode(s), the funding implementation mechanism(s), the payment modalities and the control strategy proposed*

The EU Customs Authority will ensure that appropriate standards are met for internal control.

Regarding ex-post controls, the EU Customs Authority, as a decentralised agency, is subject to: (i) internal audit by the Internal Audit Service of the Commission; (ii) annual reports by the European Court of Auditors, giving a statement of assurance as to the reliability of the annual accounts and the legality and regularity of the underlying transactions; (iii) annual discharge granted by the European Parliament; (iv) possible investigations conducted by OLAF to ensure, in particular, that the resources allocated to agencies are put to proper use.

The activities of the EU Customs Authority will also be subject to the supervision of the Ombudsman in accordance with Article 228 TFEU.

In view of the Union's exclusive competence in the field of customs and given that the proposal includes significant investments for the development, operation, maintenance and use of a Data Hub, it seems appropriate to retain the budgetary responsibility for certain activities at the Commission and to entrust the EU Customs Authority with certain implementation tasks under contribution agreements. These should include provisions allowing the Commission to maintain a high degree of control of the delegated activities, as provided for in this proposal.

Furthermore, it is appropriate that the Commission has an important role in the programming and monitoring activities of the EU Customs Authority's Management Board and Executive Board.

2.2.2. *Information concerning the risks identified and the internal control system(s) set up to mitigate them*

As the EU Customs Authority will be a new body, there is a risk that recruitment and administrative procedures may not be on schedule and will impact the EU Customs Authority's operational capacity at the beginning of its operations. It is therefore crucial that the partner DG prepares the start of operations by assisting the EUCA in establishing administrative procedures, governance structures, initial work programmes and by supporting the rapid initial recruitment of EUCA leadership and key staff, so that the EU Customs Authority can take up its responsibilities (including for the EU Customs Data Hub) in 2028. It is advisable that Member States be involved in such preparatory actions through regular exchanges of views.

Frequent meetings and regular contacts will be required between the partner DG and the EU Customs Authority throughout the first years of the EU Customs Authority's operations, in order to assist in its ramp-up. Secondment of experienced Commission staff could be envisaged.

The EU Customs Authority will be required to implement an Internal Control Framework in line with the European Commission's Internal Control Framework. Information on the EU Customs Authority's internal controls will be included in the EU Customs Authority's annual reports.

An Internal Audit capability will be established to take account of risks specific to the operation of the EU Customs Authority and bring a systematic and disciplined approach to

evaluate the effectiveness of risk management, control, and governance processes, and by issuing recommendations for their improvement.

As regards TAXUD Funds: Fraud prevention and detection is one of the objectives of internal control as stipulated in the Financial Regulation and a key governance issue, which the Commission has to address throughout the whole expenditure life cycle. In addition, TAXUD's anti-fraud strategy (AFS) mainly aims at prevention, detection and reparation of fraud, ensuring inter alia that its internal anti-fraud related controls are fully aligned with the Commission's anti-fraud strategy (CAFS) and that its fraud risk management approach is geared to identifying fraud risk areas and adequate responses.

2.2.3. Estimation and justification of the cost-effectiveness of the controls

The partner DG's costs of overall supervision of the EU Customs Authority can be estimated to be at 0.5% of the annual budget entrusted to the EU Customs Authority, including delegated funds. Such costs include, for example but not exclusively, the costs related to the assessment of the annual programming and budget, the participation of Commission representatives to the Management Board and Executive Board and related preparatory work.

2.3. Measures to prevent fraud and irregularities

Specify existing or envisaged prevention and protection measures, e.g. from the Anti-Fraud Strategy.

Anti-fraud measures are provided for in the provisions concerning the EU Customs Authority. In line with the Common Approach on decentralised agencies, an Anti-fraud strategy will be adopted by the EU Customs Authority.

It will also adopt rules for the prevention and management of conflicts of the members of the Management Board and Executive Board.

Furthermore, the EU Customs Authority will adopt security rules that shall be based on the principles and rules laid down in the Commission's security rules for protecting European Union classified information (EUCI) and sensitive non-classified information.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL/INITIATIVE

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing budget lines

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number 1	Diff./Non-diff. ⁸	from EFTA countries ⁹	from candidate countries and potential	From other third countries	other assigned revenue

⁸ Diff. = Differentiated appropriations / Non-diff. = Non-differentiated appropriations.

⁹ EFTA: European Free Trade Association.

				candidates ¹⁰		
01	Single Market Co-operation in the field of customs (Customs) – subheading 03 05 01	Diff.	NO	NO	NO	NO

It may be anticipated that contributions from some third countries would be provided in connection with the development and operation of the EU Customs Data Hub; such contributions are currently made in respect of participation in the new Import Control System (ICS2). However, no provision is made for them in this Statement as such agreements are not part of the legal proposal.

- New budget lines requested

In order of multiannual financial framework headings and budget lines.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
	Number 1	Diff./non-diff.	from EFTA countries	from candidate countries and potential candidates	from other third countries	other assigned revenue
	03 10 06 EU Customs Authority	Diff.	NO	NO	NO	NO

¹⁰ Candidate countries and, where applicable, potential candidates from the Western Balkans.

3.2. Estimated impact on expenditure

3.2.1. Summary of estimated impact on expenditure

General caveats: following adoption of the legislation, in the annual budget procedure, the budget may adjust depending on actual salary adjustment coefficient. Figures below are indexed from 2025 values at 2%. In case the funding available in the 2028-2034 period would be less, the tasks will be reduced to fit within the available funding under the post-2027 MFF and post-2027 customs programme. If less tasks than foreseen are delegated to the EU Customs Authority, then staff levels will be reduced accordingly.

EUR million (to three decimal places)

Heading of multiannual financial framework	Number	[Heading 2. Competitiveness, prosperity and security - Decentralised agencies..... 05 XX XX EU Customs Authority (EUCA).....]
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Estimation for the period 2026-2034:

EU Customs Authority		2026	2027	2028	2029	2030	2031	2032	2033	2034	TOTAL
Title 1: (administrative costs including salaries)	Commitments		2.400	9.205	19.267	27.769	36.222	43.772	49.282	54.798	243.318
	Payments	(1)	0.603	2.400	9.205	19.267	27.769	43.772	49.282	54.798	243.318
Title 2: (other administrative costs including infrastructure)	Commitments		0.434	0.662	4.416	3.469	4.365	4.681	5.396	5.516	32.174
	Payments	(2a)	0.434	0.662	4.416	3.469	4.365	4.681	5.396	5.516	32.174
Title 3: (operational costs including customs co-operation)	Commitments		0	0	9.742	11.262	12.636	14.060	15.536	18.285	92.562
	Payments	(3b)	0	0	9.742	11.041	11.262	14.060	15.536	18.285	92.562
TOTAL appropriations for EU Customs Authority	Commitments	=1+1a +3a	1.037	3.062	23.363	42.500	53.223	62.513	70.214	78.599	368.054
	Payments	=2+2a +3b	1.037	3.062	23.363	42.500	53.223	62.513	70.214	78.599	368.054

Period of 2026-2027 – redeployment:

03 10 06										2026	2027	TOTAL
EU Customs Authority	Commitments	(1)								1.027	3.132	4.159
	Payments	(2)								1.027	3.132	4.159
TOTAL appropriations for 03 10 06	Commitments	=1+1a +3a								1.027	3.132	4.159
	Payments	=2+2a +3b								1.027	3.132	4.159

Heading of multiannual financial framework	Number	Heading 2 – Competitiveness, prosperity and security
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05 03 04 ¹		2026	2027	2028	2029	2030	2031	2032	2033	2034	TOTAL
Customs (Data Hub - Commission)	(1)	5	57.5	37.399	41.454	36.947	40.037	40.890	41.237	41.549	342.013
	(2)	2.5	19.75	39.969	42.635	39.290	38.775	39.675	40.823	41.261	304.679
	(1a)			173.282	192.071	171.186	185.506	189.457	191.066	192.511	1.295.080
Customs (Data Hub -contribution arrangement to EU Customs Authority)	(2a)			51.984	144.262	182.047	179.659	183.827	189.149	191.178	1.122.106
TOTAL appropriations for 05 035 04	= 1+1a +3a	5	57.5	210.681	233.525	208.133	225.543	230.347	232.303	234.060	1.637.092
	=2+2a +3b	2.5	19.75	91.953	186.897	221.337	218.434	223.502	229.972	232.439	1.426.785

In the case of expenditure on the Data Hub, the attribution between commitments and payments is based on expected patterns from experience with the development of large-scale IT projects in the Commission.

Period of 2026-2027 – redeployment:

¹ This customs budget line of the proposed SMCP 2028-2034 covers also other expenditure outside the EU Customs Data Hub.

- The Commission would allocate Data Hub tasks to the EUCA through contribution arrangements. The relevant costs are therefore included in the succession for the Customs Programme in the post-2027 MFF – the proposed Single Market and Customs programme² (which will cover also other expenditure than the EU Customs Data Hub).
- The EUCA’s operational expenditure, which is primarily on delivering customs co-operation, is further described in the Annex. The EUCA is presumed to enter its start-up phase in 2026, with 7 staff (5 Contract Agents and 2 Temporary Agents), increasing to 16 in 2027, and 80 in 2028 to allow earlier delivery of the Data Hub.
- Title I includes an estimated staffing for the EUCA of 285 in 2034, of which approximately 128 would be directly associated with IT and Data management functions. These IT and Data management posts would address both the development of the Data Hub platform and applications as assigned under a contribution agreement, and technical management of the Data Hub for data projects, analytics and management of the customs data model.

Heading of multiannual financial framework		7		‘Administrative expenditure’	
		EUR million (to three decimal places)			
		2026	2027	TOTAL	
DG: TAXUD					
○ Officials		0.582	1.358		1.940
○ Contract Staff		0.210	0.315		0.525
TOTAL DG TAXUD	Appropriations	0.792	1.673		2.465

As regards **administrative expenditure**: In the current MFF, TAXUD would need an additional 5 FTE in 2026 and a further additional 5 FTE in 2027 to prepare the Authority.

EUR million (to three decimal places)

² COM(2025)590 final

TOTAL appropriations under HEADING 7 of the multiannual financial framework	Net total 2026-2027 (Total commitments = Total payments)	0.695	1.470

The estimated totals under all Headings for period 2026-2034 are summarised below:

		EUR million (to three decimal places)											
		2026	2027	2028	2029	2030	2031	2032	2033	2034	TOTAL		
TOTAL appropriations under HEADINGS 1 to 7 of the multiannual financial framework	Subheading 03 05 01 - Data Hub Commitments BL 05.0304	5.000	57.500	210.681	233.525	208.133	225.543	230.347	232.303	234.060	1 637.099		
	Subheading 03 05 01 - Data Hub Payments BL 05.0304	2.500	19.750	91.953	186.897	221.337	218.434	223.502	229.972	232.439	1 426.785		
	EU Customs Authority - Commitments	1.037	3.062	23.363	33.543	42.500	53.223	62.513	70.214	78.599	368.054		
	EU Customs Authority - Payments	1.037	3.062	23.363	33.543	42.500	53.223	62.513	70.214	78.599	368.054		
	Heading 7 - Commitments	0.792	1.673								2.465		
	Heading 7 - Payments	0.792	1.673								2.465		

	Total Commitment	6.037	62.235	234.044	267.068	250.633	278.766	292.860	302.517	312.659	2 007.618
	Total Payments	3.537	24.485	115.316	220.440	263.837	271.657	286.015	300.186	311.038	1 797.304

The amount of appropriations to be allocated to the agency in the next MFF is indicative and subject to the agreement on the MFF. It should be integrated into the Agency's subsidy due to the permanent nature of the tasks allocated by this proposal and will be compensated, if relevant, by an equivalent reduction of a relevant programme envelope under the same MFF heading. If a compensatory reduction is needed, the resources allocated to the Agency may also need to be revised through the annual budgetary procedure and the steering mechanism.

3.2.2. Estimated impact on appropriations

- The proposal/initiative does not require the use of operational appropriations
- The proposal/initiative requires the use of operational appropriations, as explained below:

The proposal is not limited to establishment of an Agency. It comprehensively reforms the Customs Union. It provides a new strategic capability (in terms of Governance, a new EU Customs Authority, and in terms of capacities, a new EU Customs Data Hub), in tandem with a revision and simplification of operation processes for national authorities and trade operators. As it improves the co-operation in delivering the Customs Union “*as one*” and produces effects which are delivered by national authorities (rather than only by the Authority), it would not be appropriate to attempt to map the outputs to activity indicators of the Authority. It is more appropriate to map the two major outputs (and expenditure categories) which work together to deliver the reform objective – the EU Customs Data Hub and the EU Customs Authority - as per the tables below.

The figures for the **current MFF** below relate to the Commission’s operational costs only. These concern the Data Hub.

Amounts in EUR million (to three decimal places)

Indicate objectives and outputs ↓	Type ³	Average cost	OUTPUTS										TOTAL		
			No	Cost	No	Cost	No	Cost	No	Cost	No	Cost			
GENERAL OBJECTIVE															
- EU Customs Data Hub													57.500		62.500
Subtotal													57.500		62.500
TOTAL COST													57.500		62.500

³ Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.).

3.2.3. Estimated impact on the EU Customs Authority's human resources

3.2.3.1. Summary

- The proposal/initiative does not require the use of appropriations of an administrative nature
- The proposal/initiative requires the use of appropriations of an administrative nature, as explained below:

The figures below are based on the EU Customs Authority reaching cruising speed at 2034 and human resource levels being stable from that point.

Staff requirements (FTE):

	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Temporary agents (AD Grades)	2	7	36	56	75	94	106	115	124	124
Temporary agents (AST grades)		3	18	28	37	46	52	57	62	62
Contract staff	5	5	21	33	44	56	63	68	81	81
Seconded National Experts		1	5	8	11	14	16	17	18	18
TOTAL	7	16	80	125	167	210	237	257	285	285

3.2.3.2. Estimated requirements of human resources for the parent DG

- The proposal/initiative does not require the use of human resources.
- The proposal/initiative requires the use of human resources, as explained below:

Estimate to be expressed in full amounts (or at most to one decimal place)

	2026	2027
• Establishment plan posts (officials and temporary staff)		
20 01 02 01 and 20 01 02 02 (Headquarters and Commission's Representation Offices)	+3	+7
20 01 02 03 (Delegations)		
01 01 01 01 (Indirect research)		
10 01 05 01 (Direct research)		
○ External staff (in Full Time Equivalent unit: FTE)¹		
20 02 01 (AC, END, INT from the 'global envelope')	+2	+3
20 02 03 (AC, AL, END, INT and JPD in the Delegations)		
Budget line(s) (specify) ²	- at Headquarters ³	
	- in Delegations	
01 01 01 02 (AC, END, INT – Indirect research)		
10 01 05 02 (AC, END, INT – Direct research)		
Other budget lines (specify)		
TOTAL	+5	+10

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

¹ AC = Contract Staff; AL = Local Staff; END = Seconded National Expert; INT = agency staff; JPD = Junior Professionals in Delegations.

² Sub-ceiling for external staff covered by operational appropriations (former 'BA' lines).

³ Mainly for the EU Cohesion Policy Funds, the European Agricultural Fund for Rural Development (EAFRD) and the European Maritime Fisheries and Aquaculture Fund (EMFAF).

Description of tasks to be carried out:

<p>Officials and temporary staff</p>	<p>The EU Customs Authority would be set-up in 2026, with the Commission in charge of the first period devoted to the activities necessary for starting up the new body. Therefore, sufficient administrative resources need to be envisaged for this process. The additional FTE indicated in 2026 and 2027 in the table above; thereafter the net effect on Commission staff is a reduction.</p> <p>In order for the EU Customs Authority to be ready for the start of its operations, the additional FTE would carry out the following preparatory activities:</p> <ol style="list-style-type: none"> 1. Preparation of first budget, including readiness of implementation tools (accounting/budget management systems) and procedures. 2. Selection procedure for the Executive Director (starting with an interim executive director from the Commission for initial set-up phase). 3. Nomination of Management Board and Executive Board members. 4. Preparation of first meetings and decisions. 5. Preparation of headquarters building in coordination with the hosting state; negotiation of a hosting agreement; purchase of equipment; IT; security; maintenance. 6. Recruiting for the EU Customs Authority, in anticipation of very steep initial needs to allow timely deliver on the EU Customs Data Hub. Priority in the beginning on functions required for basic functioning (capacity to pay salary, organise time management, training etc.) and recruitment of Data Hub staff (IT, data, procurement). 7. Definition of organisational structure, internal organisation and procedures 8. Identify possibility of Commission Staff temporary transfer to the EU Customs Authority. 9. Creation of a basic web page and visual identity. 10. Preparation of a first Annual Work Programme and/or Single Programming Document. 11. Preparation of contribution agreement(s). 12. Provision of Customs Programme support to the first expert-level meetings of the EUCA in 2026/2027 <p>Experience from other agencies recently set up shows that a team of approximately 10 staff members in the partner DG is needed to perform these start-up tasks.</p> <p>The above-mentioned tasks are mainly administrative and process-related. With the exception of item 12, they do not concern the substance of the EU Customs Authority's future work.</p>
<p>External staff</p>	<p>Work in connection with tasks above, notably 1, 4, 5, 9, 12.</p>

3.2.4. *Compatibility with the current multiannual financial framework*

X The proposal/initiative is compatible the current multiannual financial framework. The €62,5 million required in 2026 and 2027 for the Data Hub will be allocated within the existing provision under the Customs programme, budget line: *Co-operation in the field of customs (Customs) – subheading 03 05 01*, The € 4.098 million for EUCA in 2026 and 2027 will be covered under EUCA’s budget line *subheading 03 10 06*

– The proposal/initiative will entail reprogramming of the relevant heading in the multiannual financial framework.

– The proposal/initiative requires application of the flexibility instrument or revision of the multiannual financial framework⁴.

–

3.2.5. *Third-party contributions*

X The proposal/initiative does not provide for co-financing by third parties.

– The proposal/initiative provides for the co-financing estimated below:

EUR million (to three decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Enter as many years as necessary to show the duration of the impact (see point 1.6)			Total
Specify the co-financing body								
TOTAL appropriations co-financed								

⁴ See Articles 12 and 13 of Council Regulation (EU, Euratom) No 2093/2020 of 17 December 2020 laying down the multiannual financial framework for the years 2021 to 2027

3.3. Estimated impact on revenue

- The proposal/initiative has no financial impact on revenue.
- The proposal/initiative has the following financial impact:
 - on own resources
 - on other revenue
 - please indicate, if the revenue is assigned to expenditure lines

EUR million (to three decimal places)

Budget revenue line:	Appropriations available for the current financial year	Impact of the proposal/initiative ⁵							Total
		2028	2029	2030	2031	2032	2033	2034	
Article		2 412	2 460	2 509	2 560	2 611	2 663	2 716	17 931

For miscellaneous ‘assigned’ revenue, specify the budget expenditure line(s) affected.

Specify the method for calculating the impact on revenue.

In the period 2028-2034, the reform brings in extra income from e-commerce duties with the removal of the de minimis threshold. Assuming the current rate of 25% retained as national collection costs (net TOR), this extra income is estimated at €2.412 billion per annum, indexed at 2%, which yields approximately €17.931 billion in this period. This revenue does not include the revenue stemming from the Union handling fee, nor the impact from a proposed lowering of the TOR retention rate from 25% to 10% as proposed in the Commission ORD proposal (July 2025).

EUR million (to three decimal places)

⁵As regards traditional own resources (customs duties, sugar levies), the amounts indicated must be net amounts, i.e. gross amounts after deduction of 25 % for collection costs. Please note that these estimates do not reflect the 10% collection costs as per the Commission proposal for a Council Decision COM(2025)574.

ANNEX – ASSUMPTIONS:

Staffing evolution in the Authority:

The overall FTE evolution is anticipated as follows.

	2026	2027	2028	2029	2030	2031	2032	2033	2034
EU Customs Authority	7	16	80	125	167	210	237	257	285

While the precise allocation of staff figures by profile cannot be definitively identified at this point in time, the following table gives a general overview of what may be anticipated:

	2026	2027	2028	2029	2030	2031	2032	2033	2034
Total	7	16	80	125	167	210	237	257	285
Administrative	6	9	27	27	27	27	27	27	27
Data and IT	1	5	30	50	70	90	100	110	128
Coordination/Capacity building		2	23	48	70	93	110	120	130

Administrative profiles would deal with issues such as human resources, finance, accounting, legal affairs, communications, quality control and audit, administrative support to senior management, the EUCA's own IT, and logistics.

Data and IT profiles would deal with the EU Customs Data Data Hub including management of IT development, operations and infrastructure, data projects and their management and data governance).

Co-ordination and Capacity building profiles would deal with the operational co-ordination of work involving the Member States customs and co-operation with other external experts, in areas including risk management, crisis management, co-operation with other non-customs authorities, training and guidance on common working methods and processes, and co-ordination of operational work as well as performance measurement, monitoring, research and innovation, joint controls and control equipment support.

While it is not in the scope of this Statement, it is useful to note that the Impact Assessment accompanying this proposal provides an estimate for freeing up of administrative effort at national level arising from the simplification and rebalancing of customs processes. By 2034, compared with the baseline the Member States would need to expend lower efforts on the given tasks concerned, estimated in the region of 2000 FTE.⁶ This does not imply or require that Member States would decide to reduce customs numbers accordingly.

From 2028 onwards, there would also be a progressive freeing up of staff in the parent DG as certain activities previously carried out under the customs programme and under TAXUD management would be superseded by activities of the Authority.

⁶ The assumptions used to prepare these estimates are detailed in the Impact Assessment and its Annexes.

Title III:

Title III	2028	2029	2030	2031	2032	2033	2034	Totals
Customs co-operation	9.000.000	10.000.000	10.000.000	11.000.000	12.000.000	13.000.000	15.000.000	80.000.000
Indexed at 2%	9.741.889	11.040.808	11.261.624	12.635.542	14.059.913	15.536.203	18.284.916	92.560.896

The operational expenditure of the EU Customs Authority concerns operational customs co-operation.

The EU Customs Authority will also manage costs under a contribution arrangement, for the EU Customs Data Hub.

The **Custom Co-operation** line above covers the costs of convening working groups of Member States customs experts to collaborate intensively on themes in the scope of the proposal, including on risk management, implementation and evaluation of common risk criteria and standards and common priority control areas, training, development of working methods and guidance in relation to technical issues, *Trust and Check* implementation, development of common business processes and interoperability related to the EU Customs Data Space and its connection with other systems, etc. It also includes convening multi-disciplinary groups of experts at different levels (sectoral, national, international) on themes in the scope of the proposal, including crisis preparation and response, implementation of common policy priorities, development and implementation of co-operation frameworks and their elements (including supervision strategies). The groups organised by EU Customs Authority will be essential to effective uniform delivery of the customs union, as most of the operational work continues to be performed “boots on the ground” by national authorities.