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FEDERAL PUBLIC SERVICE FINANCE
GENERAL ADMINISTRATION OF CUSTOMS AND EXCISES
INVESTIGATION SERVICE – ANTWERP
TEAM CITES – EUTR/EUDR – FLEGT

CHALLENGES AND APPROACH ON WOOD INSPECTIONS

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CONTENT

- FRAMEWORK
- EUDR
- CITES
- PARTNERS
- EU-CUSTOMS REFORM
- QUESTIONS

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THE EVER-EXPANDING AND EVOLVING FRAMEWORK

Changing legislation	New ICT systems	Increased workload	Cooperation with partners	Government spending-cuts
• EU-customs Regulations • BE Customs law • EUDR • BE CITES law • …	• IDMS • ICS2 • …	• Larger trade volumes • E-commerce • Complex legislation • Administrative burdens • …	• CA • FJP • PP • Europol • Interpol • Laboratories • Experts	• Staff cuts • Reduced budget • …

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EUDR - CHALLENGES

Strengthening and optimizing cooperation with CA

Organizing risk analysis on 25 million customs declarations/year under the EUDR

Implementing a targeted selection policy

- Automated selections based on technical issues
- Risk based selections in collaboration with the competent authority

Technical Adjustments to IT-systems

- Implementation of risk criteria in the databases
- Implementation of blocking factors to prevent acceptance of technically incorrect declarations
- Managing the link between EUDR-Information System and customs data systems

Practical implementation of EUDR-inspections in first line

- Training of customs officers
- Organization of the inspections
- Streamlining communication with CA
- Efficiënt handling of offences

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EUDR (2023/1115) - GENERAL

Start:

- Large and medium sized companies: 30/12/2026
- Small companies: 30/06/2027

Aim:

- To prevent specific products from being exported out of the EU or being placed ont the EU-market, when these are
  - not deforestation free
  - illegal
- by requiring a DDS or a SD from the importer (EUDR operator)

Scope:

- Products mentioned in annex 1 of the Regulation 2023/1115 (cattle, coffee, cocoa, oilpalm, rubber, soya & wood)
- including wood and derived wood products
- regardless of the quantity and origin
- Trade flow
  - Import with declaration for free circulation
  - Export
  - Intra-Community supplies and acquisitions (not a customs matter)

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EUDR (2023/1115) - GENERAL

The EUDR is **not applicable** to

- re-export of non-Union goods,
- passive inward processing,
- customs warehousing,
- transit movements,
- …

Attention

- The list of HS-codes in annex 1 of the Regulation was amended in September 2026.
- In relation to wood and wood derived products, the changes relate to
  - Exemption for waste, used, and second-hand products
  - Exemption for packaging material
  - Exemption for test products and samples
  - Exclusion of vehicle and aircraft seats (Indirect impact on wood/interiors)

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EUDR (2023/1115) - GENERAL

Implications for existing arrangements

- In EUDR, FLEGT certificate covers legality, not deforestation-free status
- In EUDR, CITES certificate does not cover legality, nor deforestation-free status

In concrete terms

- DD on deforestation free aspects:

  all wood or derived products under the HS-codes in the annex 1 of the Regulation
- DD on legality aspects:

  all wood or derived products under the HS-codes mentioned in het annex of 1 the Regulation,

  except for shipments accompanied by a valid FLEGT certificate

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EUDR IN PRACTICE – EUDR DD-SYSTEM

Prior the declaration for release for free circulation or for export, the EUDR operator must

- ensure that the harvesting or production of the cargo is legal and did not cause deforestation.
- encode a DDS or SD in the EUDR Information System

Option 1: Standard Procedure (DDS)

- **The operator or its representant, has to encode a 'Due Diligence Statement' (DDS)** into the EUDR Information System, that will generate a DDS-number,
  - Consisting out of **14 characters**
  - remaining **valid for one year** from its date of encoding in the EUDR Information system.
  - To be be communicated on the customs declaration in combination with **TARIC certificate code C716**

Option 2: Simplified Procedure (SD) – only for "Micro or Small Primary Operators" (MSPO).

- The operator or its representant, has to encode a **"Simplified Declaration" (SD)** into the EUDR Information system, that will generate a SD-number
  - Consisting out of **14 characters**
  - **Remaining valid for an unlimited validity period** from its date of encoding in the EUDR Information system.
  - To be communicated on the customs declaration in combination with **TARIC certificate code C717**

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EUDR IN PRACTICE – EUDR DD-SYSTEM

Bundling:

A single DDS or SD can cover various customs declarations for export or free circulation, provided

- DDS or SD was entered in the EUDR Information System **before** lodging the CD.
- DDS was entered in the EUDR Information System **less than one year** before lodging the CD.
- Total quantity released for free circulation/export **can not exceed** quantity in the DDS or SD.

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EUDR IN PRACTICE – CUSTOMS DOCUMENTS

EUDR is applicable -> for DDS, code C716 / for SD, code C717

EUDR is not applicable -> exemption-code

1. Does not contain or was not manufactured from an EUDR commodity – Code Y129
   - only possible for CN codes preceded by "ex" (extract) in Annex 1 of the EUDR.
2. Core commodity produced before the reference date – Code Y132 (! EUTR for wood and wood derived products)
3. Used goods, second-hand goods, or waste – Code Y133 *
4. Micro or Small Enterprises - Code Y141
   - **only possible until 29/06/2027**.
   - **not possible** for wood products listed in the annex to the EUTR Regulation 995/2010.
5. Non-commercial activities = only C2C – Code Y142
6. Samples and products for testing – Code Y187*
   - samples, or products for examinations, analysis, or testing to determine composition, quality, or other technical characteristics.
7. Packagings – Code Y190*
   - packagings and packaging materials of a single or repeated-use type
   - used exclusively to support, protect, or carry another product declared for free circulaton or exported, and presented with that product.
8. Medical use and marketing – Code Y191*
9. Export carried out by a 'downstream operator'; being a micro/small/medium enterprise (SME) - Code Y188
10. Export carried out by a 'downstream operator' not being a SME – Code Y196

*only possible for commodity codes listed in Annex I of the EUDR that explicitly mention these exceptions.

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EUDR IN PRACTICE – CUSTOMS DOCUMENTS

No code or wrong code

Is a breach of article 15§2 of the Union Customs Code (UCC),

penalized by article 261 of the General Law on Customs and Excise of 18 July 1977,

resulting in a fine of 125, 00 upto 1.250,00 EURO

and possible forfeiture of the goods

To avoid waste of time, waste money, waste of energy

Use the right codes

In case of doubt contact CA before the declaration for export / free circulation

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EUDR IN PRACTICE – CUSTOMS SELECTIONS

Automated selection
on the basis of technical criteria

- Customs DD-code (TARIC code) related to the HS-code *
- Structure of the DDS-number*
- Customs Exemption-codes
- ***Will become blocking criteria when submitting a declaration via IDMS and AES,**
- **Interconnection latest by 01/12/2029** between data in EUDR Information system and data entered in customs systems

Risk based selection first line
on request and in in collaboration with CA

Risk based selection investigation services
in collaboration in collaboration with CA / independent

- Escape HS-code (to avoid the EUDR DD)
- Risk-shipment in the context of illegal logging or products contributing to deforestation based on complex risk analysis
- On any request of national authority entitled to this information for duty, incl CA
- In the context of international mutual assistance
- In the context of national and international criminal investigations (EUDR / Customs fraude)
- FOCUS on criminal activities and criminal organizations as well as international cases

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EUDR IN PRACTICE – CUSTOMS INSPECTIONS – FIRST LINE

Ad hoc, when the cargo is declared for export or free circulation

Customs Inspections first line = basic inspection

- (correct) EUDR DD-code or exemption-code is used?
- DD in the EUDR DD-system corresponds to the declared shipment?
- Exemption-code is justified = verification by CA

Doubt or infringement

- Shipment is blocked
- Competent authority is informed

Competent authority = profound investigation

- Confirmation or denial of the infringement
- Confirmation or denial of detention of the shipment

In case of infringement

- Report to Public Prosecutor by customs or Comptent Authority
- Public Prosecutor decides on criminal prosecution
- Yes = judge decides / No = competent authority decides

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EUDR IN PRACTICE – CUSTOMS INSPECTIONS - INVESTIGATION SERVICE

Ad hoc, when the cargo is declared for export or free circulations & A posteriori

Customs inspections investigation service = Profound inspection or pass through information

- In customs investigations of any kind (origin, value, …)
- In criminal investigations of any kind within the remit of the customs authorities
- In international investigations of any kind within the remit of the customs authorities
- At the request of national authorities entitled to the information, incl the CA
- At the request of international authorities entitled to the information

Profound

- Documents
- Geo-locations
- Supply chain and the parties involved
- Lab investigation on species level
- …

Next steps depending on the circumstances of the specific case

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IMPORTANT NOTICE

Regarding to the EUDR
the customs services
do not have any legal authority
to take a decision regarding
the offence or the destination of the cargo

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CITES – CHALLENGES

More commercial species protected under CITES -> more volume to verify

- Handroanthus spp / Tabebuia spp, B since 2023
- Dipteryx spp = Cumaru, B since 2023
- Shorea spp, Robrushorea spp, Antoshorea spp = Meranti, D since 2026
- Entandrophragma spp = Tiama, Sapelli, Sipo, D since 2026

More CITES-listed trees with lots of species within the genus -> more complex to verify

- Inspection on species level
- More laboratory checks

CITES certificate / notification does not cover the legality under EUDR -> CITES irregularity -> EUDR investigation

- Inspections on species level
- Complex inspection of documents

Wide range of other products that need to be covered, apart from timber

Specialist knowledge is required

Small team

Limited budget

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CITES – CUSTOMS SELECTIONS

Automated selections based on technical criteria

- CITES-codes related to the HS-code declared

Risk based selection first line on request and in collaboration with CA

Risk based selection Investigation service in collaboration with CA / independent

- Escape HS-code (to avoid CITES-obligations)
- Risk-shipment in the context of CITES fraude based on complex risk analysis
- On any request of national authority entitled to this information for duty, incl CA
- In the context of international mutual assistance
- In the context of national and international criminal investigations (CITES / Customs fraude)
- FOCUS on criminal activities and criminal organizations as well as international cases

Priority to CITES A & B, however inclusion in Annex D often precedes inclusion in Annex B, so D cannot be ignored

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CITES – CUSTOMS INSPECTIONS – FIRST LINE

Ad hoc inspections, when the cargo enters, passes through or leaves the EU

First line inspection = Basic inspection

- CITES-product?
- Certificate on document / present?
- Certificate valid? Form, dates, stamps, security seals, …
- Does the shipment match with the CITES-certificate? Product, Quantity, Origin, …

Doubt or infringement

- Shipment is blocked
- Competent authority is informed

Competent authority = profound investigation

- Confirmation or denial of the infringement
- Confirmation or denial of detention of the shipment

In case of infringement

- Report to Public Prosecutor by customs or Comptent Authority
- Public Prosecutor decides on criminal prosecution
- Yes = judge decides / No = competent authority decides

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CITES – CUSTOMS INSPECTIONS – INVESTIGATION SERVICES

Ad hoc inspections, when the cargo enters, passes through or leaves the EU & A posteriori

Customs inspections investigation service = Profound inspection or pass through information

- In CITES-investigations or customs investigations (value, origin)
- In criminal investigations of any kind within the remit of the customs authorities
- In international investigations of any kind within the remit of the customs authorities
- At the request of national authorities entitled to the information, incl the CA
- At the request of international authorities entitled to the information

Profound

- Documents
- Supply chain and the parties involved
- Lab investigation on species level
- Request for mutual assistance to clear things out
- …

During the investigation the cargo will remain blocked

- Cargo is not allowed to enter, leave or pass through EU territory

Next steps depending on the circumstances of the specific case

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IMPORTANT NOTICE

Regarding to the CITES
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CUSTOMS INSPECTIONS CITES & EUDR – PARTNERS INVESTIGATION SERVICE

National

- **Competent authorities**
- Federal judicial police
- Public Prosecutor
- Experts and laboratories

International

- OLAF
- Europol
- Interpol via Federal Judicial Police
- UNODC
- Customs all over the world
- CA all over the world via national CA
- Experts and laboratories all over the world

Challenge: Optimise cooperation

- Sharing knowledge
- Combing powers
- Best possible use of resources

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EU CUSTOMS-REFORM - CHALLENGES

Implementation of

- EU Customs Authority (EUCA)
- the single EU Customs Data Hub

Transition to

- A European approach in stead of a national approach
- A European IT-system in stead of a national IT-systems
- A centralized European risk management system
- Standardized risk scores across all 27 Member States
- Standardized control directives across all 27 Member States

-> New way of working

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EU CUSTOMS REFORM - TIMELINE

- **July 1, 2026 :**
  Abolition of €150 customs duty exemption for low-value goods
  Introduction of flat-rate duty system (B2C 3,00 EURO/categorie)

- **November 1, 2026 :**
  EU-wide handling fee for small packages and
  Mandatory use of a Product Identifier (PID) for B2C shipments.

During 2027 :
Start-up EU Customs Authority (EUCA) based in Lille, France.

July 1, 2028 :
EU Customs Data Hub mandatory for all e-commerce and distance sales.
EU-wide centralized risk analysis for e-commerce platforms and digital customs flows under EUCA authority.

March 1, 2031 :
EU Customs Data Hub available on a voluntary basis for traditional importers and exporters.

March 1, 2034 :
Use of EU Customs Data Hub mandatory for all supply chains
General centralized EU-wide risk mangagement

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EU CUSTOMS REFORM – CONSEQUENCES FOR NATIONAL CUSTOMS AUTHORITIES

Focus-shift

- From paper-based, declaration-by-declaration checks to large-scale data analysis.

Centralized Management:

- National customs services operationg under unified direction of the EU Customs Authority (EUCA).

One Single European System:

- National customs IT applications will be replaced by the single **EU Customs Data Hub**.

Data-Driven Centralized Risk Management and uniform risk criteria

- **Data-Driven Risk Management and EU-Wide Data Profiling::**
  Highly efficient, centralized EU-wide risk analysis on EU-Customs data hub
  to detect systemic, cross-border fraud patterns and to block non-compliant goods faster.
- **Preventing "Forum Shopping":**
  Standardized risk scores and control directives across all 27 Member States
- **Targeted Enforcement:**
  Efficient deployment of national customs resources implementing harmonized *Priority Control Areas*

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EU CUSTOMS REFORM – CONSEQUENCES FOR COMMERCIAL PARTIES

Strict liability:

- **Full compliance liability for the importer** *at the moment of customs clearance*

EU Establishment:

- Foreign operators need an EU-established entity designated as the importer.

Data Hub Interface:

- Starting in 2031 (mandatory by 2034), single data **submitting** through a single European portal

'Trust & Check' Status:

- Sharing supply chain data in real time leads to minimal customs intervention

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EU CUSTOMS REFORM – CONSEQUENCES FOR E-COMMERCE / ONLINE PLATFORMS

Deemed Importer Status:

- Full responsability for customs formalities, EU compliance, paying duties.

End of Duty Avoidance:

- No more splitting of large shipments into small parcels to avoid duties

Heavy Penalties:

- Failure to comply results in heavy fines, up to **6% of annual EU-turnover**

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QUESTIONS

Questions now?

Feel free to ask

Further questions later on?

Feel free to e-mail

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CUSTOMS AND EXCISES