



Navigating EU customs reform

A guide to de minimis and changes to import rules

Information accurate as of August 26, 2026





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Effective July 1, 2026, the European Union (EU) introduced new customs rules for low-value imports. These changes introduced new customs duties and placed additional requirements on businesses when importing low-value goods into the EU.

What's changed in EU customs?

Prior to July 1, 2026, goods with an intrinsic value not exceeding €150 entered the EU without import duty. This was called 'de minimis' (or low value threshold duties exemption).

Effective July 1, 2026, this exemption ended. For B2C (non-VAT registered recipients in the destination country) imported goods in a shipment with an intrinsic value not exceeding €150, a €3 customs duty is applied per each line of the customs import declaration (which can contain one or more items, depending on the tariff classification).

For shipments coming from countries having a free trade agreement with the EU, the duty relief may be applied at the time of clearance only for shipments sold outside of the IOSS scheme. For those sold under IOSS scheme, no duty relief can be claimed at the time of clearance.

For B2B (VAT registered recipients in the destination country), standard duty rates are applied.

Important note: This new duty is a regulatory requirement, not a FedEx surcharge.



3 silk shirts = €3 duty



1 silk shirt + 1 wool hat + 1 woollen jumper = €9 duty

At FedEx, we continue to assess the impact of regulatory changes on our operations. We are introducing changes to Disbursement Fees and Inbound Processing Fees for EU-bound shipments, to support additional operating requirements.



Additional data requirements—PIDs



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The changes also brought in a requirement to submit Product Identifiers (PIDs) for B2C goods imported into the EU customs territory, regardless of value.

PIDs should be added via our automation tools, FedEx Ship Manager™ at fedex.com or FedEx API. They are now set up to accommodate these additional data requirements and will be mandatory from November 1, 2026. Check out our dedicated guide for the FedEx Ship Manager™ [here](#), and [our Developer Portal page](#) that supports the FedEx API.

If you use our other tools such as GSM, FUSE or FSM Server, PID fields will only be available from March 2027. Until then, you will need to include the required PIDs on your commercial invoice and packing list, and upload these documents with your shipment. We strongly recommend migrating to FedEx Ship Manager™ at fedex.com or FedEx API so PIDs can be captured electronically and to help avoid shipments being held at customs or returned to origin once the new requirement is enforced. (If you use FedEx WebServices, this solution is no longer being developed. We recommend switching to FedEx API. Otherwise, you will need to provide the required PIDs on your commercial invoice and upload it with your shipment). When providing PIDs on your commercial invoice, clearly identify each PID using the required headers.

Shippers must provide:

1

M-PID – Merchant Product Identifier

The merchant's unique code to identify goods, usually the SKU (Stock Keeping Unit), item code or product code.

2

NS-PID – Non-standardised Manufacturer Product Identifier

A manufacturer or product supplier's unique product code.

3

S-PID – Standardised Manufacturer Product Identifier (only if it exists)

A code provided by a governing body to a manufacturer or producer where their unique product(s) meets the industry standards. Often identified with a bar code, ISBN, EAN or GTIN.

You can find [here](#) a dedicated guide on PIDs that we prepared for you.

Unless the Broker Select Option (BSO) is selected at the time of shipping, FedEx acts as the customs broker at the time of import into the EU customs territory. Unless we have the right information, your shipments cannot be cleared, and your customers will not receive their goods.



Shipper email address and contact details must also be provided so we can contact you in case of missing or inaccurate PIDs.

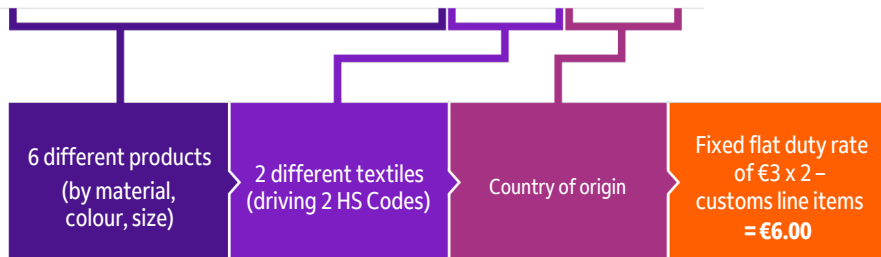


Additional data requirements—PIDs

For all B2C shipments, regardless of value

Example of line items from a Commercial Invoice:

New requirements: Product Identifiers											
Line Item	Description	HS Code	Country of Origin	Colour	Size	M-PID	NS-PID	S-PID	Quantity	Value (\$ USD)	Total Value (\$ USD)
1	Women's 100% Cotton T-Shirt	621142	US	Navy	Large	123456	SH123456	GTIN 000000006	1	5	5
2	Women's 100% Cotton T-Shirt	621142	US	Navy	Medium	123457	SH123457	GTIN 000000007	10	5	50
3	Women's 100% Cotton T-Shirt	621142	US	White	Large	123458	SH123458	EAN 12000000008	1	5	5
4	Women's 100% Cotton T-Shirt	621142	US	White	Medium	123459	SH123459	EAN 000000009	1	5	5
5	Women's 100% Man Made Fibre T-Shirt	621143	US	Red	Small	123450	SH123450	NO	1	5	5
6	Women's 100% Man Made Fibre T-Shirt	621143	US	Red	Medium	123451	SH123451	NO	1	5	5
TOTAL										75.00 USD	



When adding a Product Identifier code to the Commercial Invoice, each must be identified using the proper header (M-PID; NS-PID; S-PID) followed by the respective code. If an S-PID is non-existent, please add “NO”.

Ideal/suggested way to write the description field:

“Women's clothes 100% Cotton T-Shirt Navy Large 621142 Merchant Product ID 123456 Non-Standardised Manufacturer Product ID SH123456 Standardised Manufacturer Product ID GTIN 000000006”

In case of not having the 3rd PID (Standardised Manufacturer Product ID):

“Women's clothes 100% Man Made Fibre T-Shirt Red Small 621143 Merchant Product ID 123451 Non-standardised Manufacturer Product ID SH123451 Standardised Manufacturer Product ID NO”

Ensure PIDs are included following the suggested order, regardless of whether the invoice is FedEx-generated or customer-provided (PID capture capability on FedEx-generated CIs will only be available as of Nov 1, 2026). This information must always be included in the commercial invoice and other shipping documents like packing list to ensure availability at the time of clearance. FedEx Ship Manager™ at fedex.com and FedEx API are able to support this requirement from July 1, 2026. It will be mandatory on these shipping solutions from November 1, meaning you will not be able to create a label and complete your shipment.



Understanding duties, fees, and payment responsibilities

For eligible B2C shipments with an intrinsic value of €150 or less, a new €3 customs duty will apply for each line on the customs declaration.

The customs declaration for a single shipment may contain multiple declaration lines depending on the products being shipped and their tariff classification. As a result, multiple €3 duty will apply for the same shipment.

In addition to the new customs duty scheme, FedEx is introducing some pricing updates. This is to offset the additional operational and customs clearance activities required as more shipments become subject to EU customs processing.

Here's a breakdown to help you understand the full cost impact:

Union Handling Fee

The EU is also planning to introduce an additional handling fee for low-value imports, expected from November 1, 2026. Some EU countries have introduced national handling fees in the interim.

More details will be provided nearer the time once these are confirmed.

Charged by the EU

Charge	Amount	Effective Date
NEW: Customs Duty	€3 per declaration line	July 1, 2026
AS-IS: VAT	Varies per country	Already in effect
NEW: Union Handling Fee	€2 per declaration line	Expected November 1, 2026

Charged by FedEx

Charge	Amount	Effective Date
UPDATE: Disbursement Fee ¹	€15 or 2.5% of Duty/Tax, whichever is higher	July 20, 2026
NEW: Inbound Processing Fee	= \$2.65 in local currency per shipment (\$1 per shipment for FedEx® International Connect Plus)	August 3, 2026

¹ Applicable change will also impact Pre-Payment (Direct Payment Processing) and Reimbursement On Delivery (ROD) ancillary fees which remain in-line with Disbursement Fee structure.

NOTE: Import duties and other taxes (such as VAT) are imposed by the EU and governmental authorities, while FedEx charges only Disbursement Fee and Inbound Processing Fee. Actual landed costs will vary depending on factors such as destination-country VAT rates, applicable waivers or discounts, shipment characteristics, and other variables, meaning not all charges shown will apply to every shipment.

For more detailed information, you may find a set of scenarios in the [Appendix](#).



What do you need to provide?

Close communication between shippers and recipients will help reduce friction and improve transparency.

If you are shipping into the EU:

If you are selling products to a company and they are VAT registered in the destination country, ensure this information is clear on the commercial invoice, together with the VAT registration number of the importer.

If you are selling products to a consumer, ensure this information is clear on the commercial invoice. Review if the use of IOSS has a beneficial impact on your business. Get our [IOSS guide](#).

- Agree upfront who pays duties and taxes, to avoid unexpected costs or delays
- Make sure the Incoterms® match the FedEx shipping terms
- **Set clear expectations on returns—duties/taxes may not be refundable**

- Update checkout transparency—review terms and make duties/taxes responsibilities explicit
- Plan for the new €3 customs duty per line of the declaration
- Provide Product Identifier codes for customs clearance—the codes must be provided to FedEx at the time of shipping on your commercial invoice, our automation tools FedEx Ship Manager™ and FedEx API, otherwise there will be clearance delays
- Monitor FedEx updates on the new EU-wide handling fee and national handling fees
- **Shipper email address and contact details must also be provided so we can contact you in case of missing or inaccurate PIDs.**



If you are receiving from outside the EU:

- Inform the shipper whether you are VAT registered in the destination country or not and provide your number if applicable
- Agree upfront who pays duties and taxes, to avoid unexpected costs or delays
- Check if your shipper has updated shipping, tax and duty terms
- **Be aware that duties/taxes may not be refundable on returns**

Want more information?

Visit [fedex.com](https://www.fedex.com) to learn more about how EU customs changes will affect your shipments.



Your data checklist

Providing complete and accurate shipment data helps us correctly identify whether your EU-bound shipments are B2B or B2C, apply the appropriate customs treatment, avoid clearance delays, and ensure charges are billed to the intended party. Please include the following information in our automation tools, your commercial invoice, and supporting shipping documents (e.g. packing list).



1. Recipient VAT number

Required to verify whether the recipient is VAT-registered in the EU destination country and determine if the €3 customs duty per line item applies.



2. IOSS number, holder name and address

Required for shipments moving under the Import One Stop Shop (IOSS) scheme to enable customs authorities to identify the owner of the declared IOSS importer and apply the appropriate VAT treatment.



3. Recipient e-mail address and contact details

Allows us to contact B2C recipients for duty and tax payment when shipping under DAP terms and using our Bill-to-Recipient billing option. If we are unable to reach the recipient, charges may be billed to the shipper.



4. Product Identifiers (NEW)

Mandatory for all B2C shipments regardless of value, from November 1. Missing or inaccurate Product Identifiers may result in customs delays or shipment returns. **Shipper email address and contact details must also be provided so we can contact you in case of missing or inaccurate PIDs.**



5. Air Waybill (AWB) number as payment reference

Helps us allocate your payments accurately and avoid payment processing delays.

At the time of sale, agree who pays duties and taxes (seller or buyer), and at the time of shipping, make sure the agreed Incoterms® and FedEx shipping terms (“Bill to Shipper” or “Bill to Recipient”) are aligned. By default, FedEx bills the recipient, **so always include the recipient’s email address**. Without it, we cannot reach them to collect payment, and charges will fall back to the shipper. Unresolved payments can cause delays, handling issues, or returns.

Your questions answered



Why were the changes introduced?

The changes will help create a level playing field between non-EU sellers and EU businesses, who pay VAT and duty on all goods. In doing so, it is intended to reduce the inflow of low-cost goods that previously benefited from duty free treatment and align with the EU Customs Reform.

How are duties collected?

As per FedEx's standard process, at the time of import, FedEx will disburse the amount to the authorities and recover the amount from the customer. More details will be shared as the legislative process develops.

How does the EU Commission define B2C goods?

EU de minimis defines B2C goods as those where the recipient is not VAT registered in the country of destination. This is technically known as a distance sale.

Who is responsible for paying the import duty and handling fees?

According to the new rules, these amounts have to be disbursed at the time of submitting the import declaration by the declarant.

In practice, to facilitate and accelerate customs clearance, FedEx disburses the applicable duties and taxes to EU customs authorities and then invoices the importer/receiver or shipper/sender as explained below.

Responsibility for import duty and handling fees depends on the agreed Incoterm® and who the carrier bills for duties/taxes.

- Under Delivered Duty Paid (DDP) the seller (shipper) pays import duties/taxes and handling
- Under Delivery at Point (DAP), the recipient is responsible and will pay those charges
- If freight is billed to the shipper but duties/taxes are billed to the consignee, the consignee pays
- Make sure the Incoterms® and FedEx shipping terms ("Bill to Shipper" or "Bill to Recipient") are aligned

Do I need to include VAT details for the recipient?

Yes. If the recipient is VAT registered in the destination country, their details (including the VAT number) should be included on the commercial invoice and during shipment creation, to streamline customs clearance processes.

Your questions answered



Does the ‘de minimis’ removal impact documents, gifts (C2C below €45)? What about returns?

Yes, for C2C, the PIDs are needed without distinction of C2C value threshold.

For C2C below €45, no duties and taxes are to be paid (subject to customs decision).

Standard customs processes continue to apply for documents, gifts—the €3 flat fee does not apply.

Regarding returns:

If your shipment was imported into the EU and the €3 duty was paid on entry, that duty cannot be recovered if the goods are subsequently returned to the supplier. Under the applicable rules, it is not possible to invalidate the customs clearance document to request a refund in this case.

the customs clearance of B2C returned goods into EU.

Please note that the process for these returns is still being defined.

Will this impact transit times?

Possibly. Higher inspection volumes and new administrative steps may cause delays, particularly in the early months of implementation.

Can I still use FedEx Direct Distribution services for low-value B2C shipments (<€150)?

No. From July 1, 2026, FedEx Direct Distribution services can no longer be used for consolidated distance-sale B2C child-level shipments with an intrinsic value of €150 or less per buyer.

To continue using Direct Distribution, B2C child-level shipments must be above €150, or shipments must be addressed to VAT registered businesses in the destination country. Note that shippers are responsible for identifying and separating these shipments before consolidation. If FedEx detects a B2C child-level shipment below €150 within an IPD consolidation, the full consolidation will be returned to origin.

Why should customers provide Product Identifiers starting July 1, 2026 if the mandate isn’t until November?

The EU Commission has allowed for Product Identifiers to be provided starting on July 1, 2026 to help prepare for the change. Sharing this data early is good business practice. It helps us prepare for the transition together. Using the period between July 1st and November 1st to test system readiness ensures a seamless transition when the regulation goes into effect. Complying early is the best way to safeguard your supply chain and prevent shipments from being held by customs or returned to origin come November.



Glossary

B2C shipments: Where the customer is not VAT registered in the destination country.

EU De minimis: An exemption from import duties for low-value goods—removed from July 1, 2026.

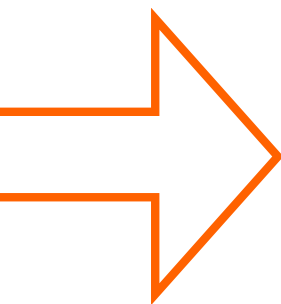
Distance sale: A distance sale occurs when goods are shipped from outside the EU directly to a customer in an EU member state which is not VAT registered in the destination country, with the seller or platform arranging or facilitating the transport. The key criteria are simple: The transaction (payment) and the delivery are both handled through the selling platform (e.g. an online marketplace or e-commerce store).

Free trade agreement: International treaties between two or more countries/unions, designed to reduce or eliminate barriers to trade.

Incoterms®: A series of 11 internationally recognized, three-letter rules published by the International Chamber of Commerce (ICC) that define the responsibilities of buyers and sellers.

IOSS: Import One-Stop Shop—an EU electronic portal to simplify VAT collection on B2C sales of imported goods not exceeding €150.

PIDs: Product Identifiers—codes used to identify individual products, provided by either the merchant or manufacturer.



Appendix

Updates to FedEx fees for EU-bound shipments

We expect more shipments entering the EU will require more complex customs clearance and associated processing of import duties. To support these additional operational requirements, we are introducing the following pricing updates:

	Inbound Processing Fee	Disbursement Fee ¹
Effective date	August 3, 2026	July 20, 2026
Value	=\$2.65 in local currency per shipment (all international services) \$1 per shipment (FedEx® International Connect Plus)	€15 or 2.5% of D&T, whichever is higher
Applicable to	All shipments destined to EU 25 Member States	All shipments where Duties & Taxes are disbursed by FedEx
Billed on	Transportation Invoice	Duty & Tax Invoice

¹ Applicable change will also impact Pre-Payment (Direct Payment Processing) and Reimbursement On Delivery (ROD) ancillary fees which remain in-line with Disbursement Fee structure.