


# Navigating EU customs reform

## A guide to de minimis and changes to import rules

Information accurate as of October 30, 2026

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# What's changed in EU customs?

**In July 2026, the European Union (EU) introduced new customs rules including new customs duties on low value business to consumer (B2C) goods and additional requirements on businesses when shipping B2C goods into the EU.**

**These changes include:**

- Removal of de minimis exemption for low value goods
- Additional data requirements – PIDs (mandatory from November 1, 2026)

# From July 1, 2026: Removal of de minimis

**Before July 2026, goods imported in a shipment 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 now applied per each line of the customs import declaration (which can contain one or more items, depending on the tariff classification).




## There are a few exceptions:

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

- For shipments coming from countries having a free trade agreement with the EU and not sold under the Import One Stop Shop (IOSS) scheme, duty relief can be applied at the time of clearance. Free trade agreement shipments sold under the IOSS scheme are still subject to the €3 customs duty per line of the declaration.

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




# From November 1, 2026:
## Additional data requirements – PIDs

**The changes also brought in a mandatory requirement to provide Product Identifiers (PIDs) for each item for shipments valued at €150 or less, sold in distance sale to consumers (B2C) and shipped into the EU. This is mandatory from November 1, 2026*.**

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

*EU Member States are expected to support a temporary transition period until early 2027, where shipments may continue to move if PID information is not available.

This must not be considered a postponement to the requirement, and customers should continue providing PID information for all applicable shipments without delay.

Information is accurate and valid as of October 30, 2026

# Additional data requirements – What are PIDs?

**There are three types of PID:**

1

## M-PID

### Merchant Product Identifier

Your own SKU or product code used to identify the product in your catalogue.

MANDATORY

2

## NS-PID

### Non-Standardised Manufacturer Product Identifier

The model, part or style number assigned by the manufacturer.

MANDATORY

3

## S-PID

### Standardised Manufacturer Product Identifier

A globally recognised identifier such as a GTIN, EAN, UPC or ISBN, where available.

MANDATORY IF IT EXISTS

# Additional data requirements – What are PIDs?

**There are three types of PID:**

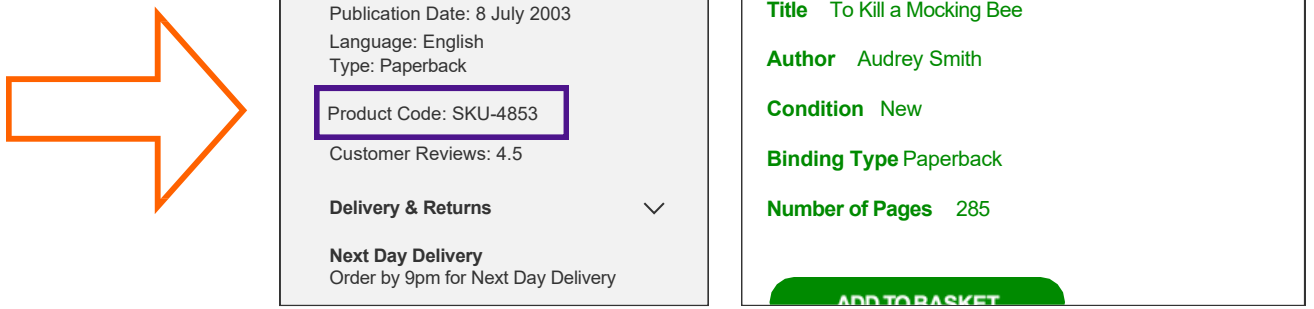
## 1 M-PID
### Merchant Product Identifier

Your own SKU or product code used to identify the product in your catalogue.

MANDATORY

**Where to find it:**

- In the merchant's ERP or inventory system
- E-commerce or marketplace system



# Additional data requirements – What are PIDs?

**There are three types of PID:**

## 2 NS-PID

### Non-Standardised Manufacturer Product Identifier

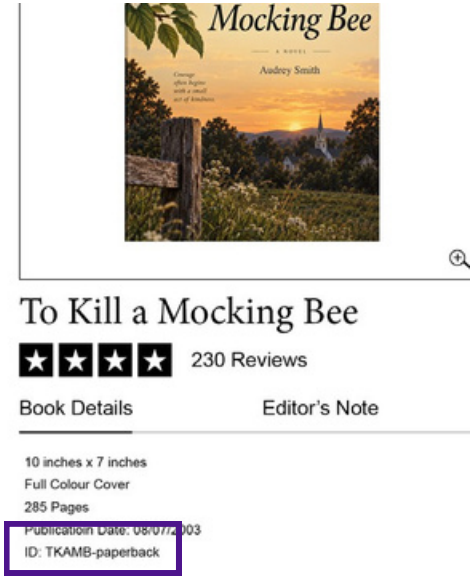
The model, part or style number assigned by the manufacturer.

MANDATORY

**Where to find it:**

- On product label or packaging
- In supplier catalogues or product datasheets
- Provided by distributor or wholesaler if applicable



# Additional data requirements – What are PIDs?

**There are three types of PID:**

3

## S-PID

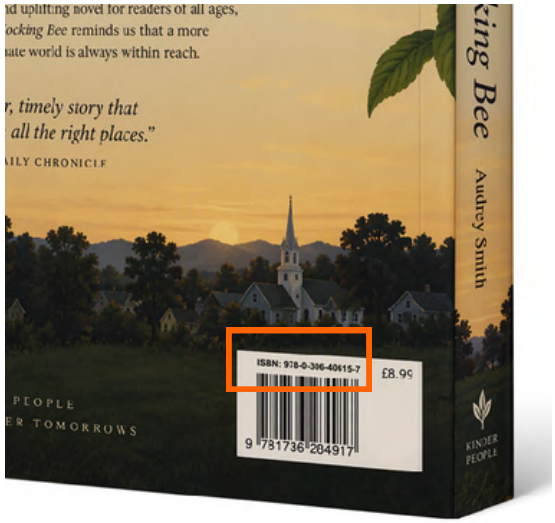
### Standardised Manufacturer Product Identifier

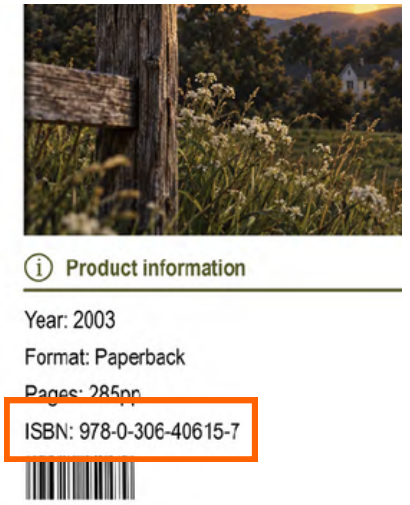
A globally recognised identifier such as a GTIN, EAN, UPC or ISBN, where available.

MANDATORY IF IT EXISTS

**Where to find it:**

- On or under the barcode
- In a GS1 registry / barcode database
- In retailer listing information on marketplaces




**If the S-PID is non-existent write "NO". Never leave this field blank when using FedEx automated tools or on your Commercial Invoice.**




# Additional data requirements – PIDs

**PIDs only apply to distance sale B2C shipments and are not required for B2B VAT registered recipients in the destination country. This will be determined by the recipient's VAT number.**

**There are a small number of compliance solutions for specific product categories, including:**

- Agricultural, artisanal and cultural goods
- Healthcare, medical and pharmaceutical goods
- Second-hand, refurbished and custom goods

For more details, view the European Commission's guidance document.

| | | |
|---|---|---|
| **B2C shipment – no recipient VAT number** | ✓ | **PIDs required** |
| **B2B shipment – recipient VAT number** | ✗ | **No PIDs required** |

# How to provide PIDs

| How do you ship with FedEx? | What you need to do | Do you need to include PIDs on the Commercial Invoice? | Do you need to provide PIDs on an additional document? |
|---|---|---|---|
| **FedEx Ship Manager™ at fedex.com** | Provide PIDs directly in the FSM shipping screens | No | No |
| **FAPI (Ship API and/or Regulatory API) schema** | Submit PIDs via the API | No | No |
| **FAPI (OpenShip and/or Consolidated API) / Offline customers (e.g. GSM, WebServices) using a FedEx-generated Commercial Invoice** | Provide a separate document, listing the PIDs for each item | Not applicable | Yes |
| **FAPI (OpenShip and/or Consolidated API) / Offline customers (e.g. GSM, WebServices) using your own Commercial Invoice** | Include the PIDs for each item directly on your own Commercial Invoice | Yes | No (if the PIDs are already on your own Commercial Invoice) |

**FedEx acts as the customs broker at the time of import into the EU customs territory.**
**Following guidance from the European Union authorities, we strongly recommend adding PIDs now, to help ensure smooth clearance for shipments arriving in the EU, in preparation for November 1 enforcement.**
**We've prepared a dedicated guide on PIDs, available here.**

# Using your own commercial invoice?

**Here is an example of how line items should be entered on your Commercial Invoices and supporting documentation, such as packing lists.**

PIDs should always be added at the end of the description.
Each PID should be preceded by the abbreviation for that specific identifier, without any spaces or commas, as follows:

1. **Merchant Product Identifier example:**
   M-PID123456

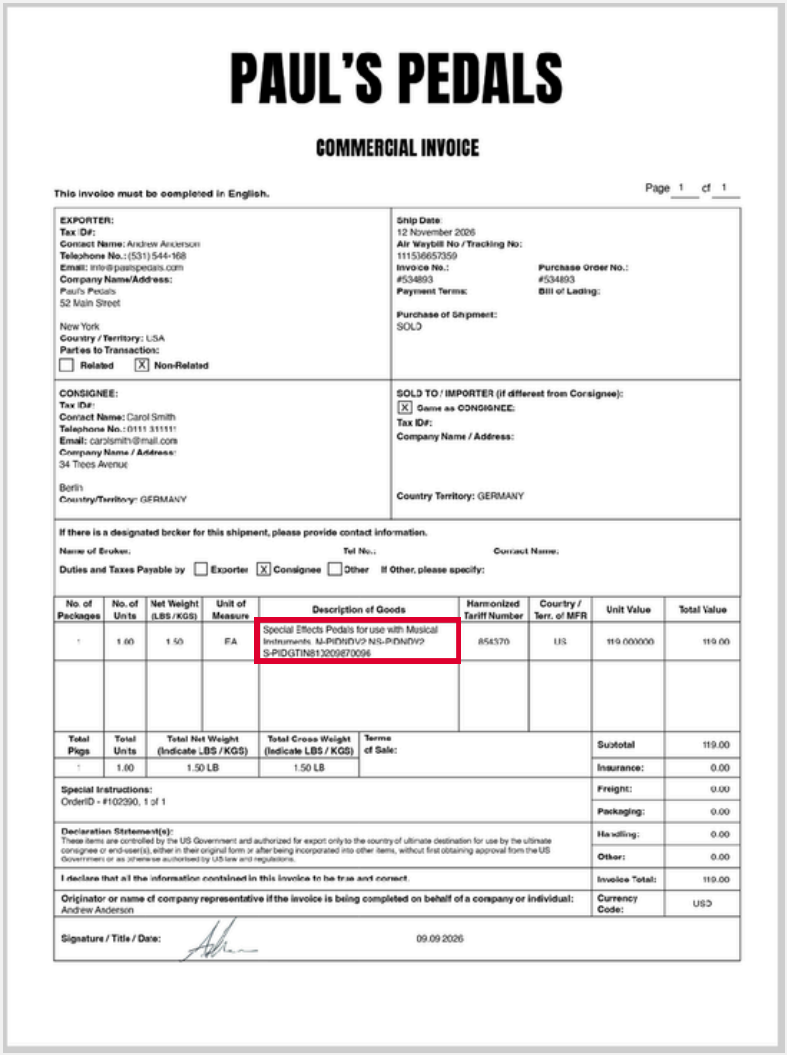
2. **Non-Standardised Manufacturer Product Identifier example:**
   NS-PID12AD3456

3. **Standardised Manufacturer Product Identifier example:**
   S-PID123456 or S-PIDNO if the S-PID is not available
   Each of these three PID entries should be separated by a single space, as shown in the example (right).

**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".**

Ensure PIDs are included following the suggested order. 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.



**PAUL'S PEDALS**

**COMMERCIAL INVOICE**

This invoice must be completed in English. Page 1 of 1

**EXPORTER:**
**Tax ID#:**
**Contact Name:** Andrew Anderson
**Telephone No.:** (531) 544-168
**Email:** info@paulspedals.com
**Company Name/Address:**
Paul's Pedals
52 Main Street

New York
**Country / Territory:** USA
**Parties to Transaction:**
☐ Related ☒ Non-Related

**Ship Date**
12 November 2026
**Air Waybill No / Tracking No:**
111536657359
**Invoice No.:** #534893
**Purchase Order No.:** #534893
**Payment Terms:**
**Bill of Lading:**
**Purchase of Shipment:**
SOLD

**CONSIGNEE:**
**Tax ID#:**
**Contact Name:** Carol Smith
**Telephone No.:** 0111 111111
**Email:** carlsmith@mail.com
**Company Name / Address:**
34 Trees Avenue

Berlin
**Country/Territory:** GERMANY

**SOLD TO / IMPORTER (if different from Consignee):**
☒ Same as CONSIGNEE:
**Tax ID#:**
**Company Name / Address:**

**Country Territory:** GERMANY

If there is a designated broker for this shipment, please provide contact information.
**Name of Broker:** **Tel No.:** **Contact Name:**
**Duties and Taxes Payable by** ☐ Exporter ☒ Consignee ☐ Other **If Other, please specify:**

| No. of Packages | No. of Units | Net Weight (LBS / KGS) | Unit of Measure | Description of Goods | Harmonized Tariff Number | Country / Terr. of MFR | Unit Value | Total Value |
|---|---|---|---|---|---|---|---|---|
| 1 | 1.00 | 1.50 | EA | Special Effects Pedals for use with Musical Instruments. M-PIDNDV2 NS-PIDNDV2 S-PIDGTIN810209870096 | 854370 | US | 119.000000 | 119.00 |

| Total Pkgs | Total Units | Total Net Weight (Indicate LBS / KGS) | Total Gross Weight (Indicate LBS / KGS) | Terms of Sale: | | |
|---|---|---|---|---|---|---|
| 1 | 1.00 | 1.50 LB | 1.50 LB | | Subtotal | 119.00 |
| | | | | | Insurance: | 0.00 |
| **Special Instructions:** OrderID - #102390, 1 of 1 | | | | | Freight: | 0.00 |
| | | | | | Packaging: | 0.00 |
| **Declaration Statement(s):** These items are controlled by the US Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the US Government or as otherwise authorized by US law and regulations. | | | | | Handling: | 0.00 |
| | | | | | Other: | 0.00 |
| I declare that all the information contained in this invoice to be true and correct. | | | | | Invoice Total: | 119.00 |
| **Originator or name of company representative if the invoice is being completed on behalf of a company or individual:** Andrew Anderson | | | | | Currency Code: | USD |
| **Signature / Title / Date:** 09.09.2026 | | | | | | |

Special Effects Pedals for use with Musical Instruments. M-PIDNDV2 NS-PIDNDV2 S-PIDGTIN810209870096

# Understanding duties, fees, and payment responsibilities

**The new customs duty charge applies per declaration line on distance-sale B2C shipments with an intrinsic value not exceeding €150.**
**The Union Handling Fee is charged regardless of shipment value.**

FedEx is introducing some pricing updates 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:

### 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.**

## Union Handling Fee

The EU is also introducing an additional €2 Union Handling Fee (UHF) for distance-sale B2C shipments, from November 1, 2026.
Some EU countries have introduced national handling fees in the interim.

The UHF applies regardless of value and will be subject to VAT. As with PIDs, B2B shipments where the recipient is VAT-registered in the destination country generally fall outside of the UHF requirement.

# What do you need to provide?

## If you are shipping into the EU:

If you are selling products to a company VAT registered in the destination country, make sure this information is clear on our automation tools or the Commercial Invoice, together with the importer's VAT registration number.
If you are selling products to a consumer, make sure this information is clear on the Commercial Invoice and use our IOSS guide to check if the use of IOSS is beneficial.

- 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 PIDs for customs clearance – the codes must be provided to FedEx at the time of shipping otherwise there will be clearance delays
- Monitor further FedEx updates, including on the new EU-wide handling fee and national handling fees
- Provide shipper and recipient email address and contact details so we can contact you in case of missing or inaccurate PIDs (mandatory for FedEx Ship Manager from November 21, 2026).

## If you are receiving from outside the EU:

- Inform the shipper if you are VAT registered in the destination country 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** to learn more about how EU customs changes will affect your shipments.

# Your data checklist

**Providing complete and accurate shipment data helps us to 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) where applicable.**

### 1. Recipient VAT number
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 email address and contact details
To allow 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. Recipient email will also be mandatory on FedEx Ship Manager at fedex.com and FedEx API from November 1.

### 4. Product Identifiers – PIDs
Mandatory for shipments valued at €150 or less, sold in distance sale to consumers (B2C) and shipped into the EU from November 1. Shipper and recipient 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.

# 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

...continued

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

For C2C, the PIDs are not needed.
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.
Additionally, Product Identifiers (PIDs) remain required for 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.






# 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)<br><br>$1 per shipment (FedEx® International Connect Plus) | €15 or 2.5% of D&T, whichever is higher |
| **Applicable to** | All shipments destined to EU25 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.