

Management Plan 2025

Directorate-General for
Taxation and Customs Union

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PART 1. Introduction and strategic outlook

Mission statement and operating context

The mission of the Directorate-General for Taxation and Customs Union (DG TAXUD) is to promote fair and sustainable policies that generate revenue for the EU and its Member States and ensure that EU citizens and businesses benefit from global trade and a safe and secure Single Market protected at its borders.

In the field of taxation, DG TAXUD covers a wide range of workstreams related to Value Added Tax (VAT), energy, health, and environmental taxation, personal and corporate taxation, the fight against tax fraud, evasion and avoidance, international tax cooperation and the crucial role of tax policy in EU economic governance. Tax systems should collect revenue but equally stimulate investment, encourage entrepreneurship, and promote economic growth. A fair tax system is essential for promoting economic justice and reducing income inequality while a sustainable tax system is crucial for promoting environmental protection and sustainable development.

Legislation in the field of taxation has been closely linked to national sovereignty, due to its role in national revenues, budgets and policy choices. Member States have defended this sovereignty and see the possibility of a national veto, as a means of protecting it. As a result, the Treaties retain the rule that the Council must decide unanimously on proposals in the area of taxation before they can be adopted at EU level (Articles 113 and 115 TFEU). The Commission has launched a debate on a progressive transition to ordinary legislative procedure, with qualified majority voting (QMV), in taxation. It can also make recommendations and issue policy guidance in specific areas.

Albeit not a tax but an environmental tool, the Carbon Border Adjustment Mechanism (CBAM) is critical for promoting external competitiveness. By imposing a carbon levy on imports from countries with less stringent climate policies, CBAM aims to level the playing field for domestic industries that are subject to stricter climate regulations. This can help to prevent carbon leakage. CBAM is subject to the ordinary legislative procedure.

EU customs policy plays a critical role in facilitating trade, protecting the internal market, and ensuring compliance of imported goods with EU regulations. Customs authorities collect customs duties and assess financial risks of fraud. Customs have also a broad responsibility for protecting the Union from unfair and illegal trade and help ensure the safety and security of the Union and its residents, implementing the external aspects of the internal market and providing support to border management policies. Customs supervise the movement of all goods crossing the external borders and process data on those movements for risk management and to fight against fraud, including undervaluation.

Customs policy is a common responsibility between the EU institutions and the Member States. Under its exclusive competence, the EU adopts legislation (particularly Union Customs

Code (UCC)) and guidelines for a common comprehensive legal framework aiming to achieve uniformity and simplification, while tilting the right balance between facilitating trade and properly control goods.

In each of its policy domains, DG TAXUD will continue to use enforcement action to ensure that Member States timely and correctly implement EU legislation. TAXUD will increase efforts and strengthen the approaches and tools already being used to provide adequate support to Member States in the early stages of implementation and transposition, to avoid poor legislative interpretation and spot application issues before they arise. Furthermore, DG TAXUD will continue to use infringement procedures to support harmonisation at the EU level and to follow-up on complaints from taxpayers or economic operators. DG TAXUD will also continue to work on the digitalisation of the different policies.

DG TAXUD also works with third countries and international organisations to make its policy objectives a reality, influence international standards and reinforce the implementation of EU trade policy. DG TAXUD shapes EU customs policy internationally, representing the EU in the World Customs Organisation (WCO) and through agreements covering customs matters, such as Customs Cooperation Agreements and Free Trade Agreements. The work to reform tax rules to respond to the challenges of the modern economy has been a global movement. Despite the turbulent international context, the G20 and OECD will continue to have a crucial role in improving tax transparency and fighting against tax fraud, evasion and avoidance.

DG TAXUD is committed to contributing to the successful implementation of the Multiannual Financial Framework (MFF). We are ready to play our part in ensuring the effective management of EU funds and supporting the EU's strategic priorities. The introduction of new Own Resources presents opportunities where TAXUD can provide expertise and support. Furthermore, our role in assessing and combating fraud in customs and VAT is crucial to protecting the EU's financial interests and ensuring the integrity of the internal market. Through our work, we will continue to identify and address risks, strengthen cooperation with Member States, and develop innovative solutions to stay ahead of emerging threats, ultimately contributing to a more secure and prosperous European Union.

DG TAXUD will continue implementing, in direct management mode, three EU financing programmes – FISCALIS, CUSTOMS and the Customs Control Equipment Instrument (CCEI) – under the current MFF. These are key for developing or upgrading the trans-European digital systems for customs and taxation, essential instruments for sharing of customs and tax data between Member States and, where applicable, the Commission.

Strategic outlook 2025 - 2029



In the coming five years, DG TAXUD will predominantly work under the general objective “**a new plan for Europe’s sustainable prosperity and competitiveness**” to ensure that taxation and customs deliver on the Union’s priorities and shape our continent and our Union for years and decades to come. In support of the Clean Industrial Deal, DG TAXUD’s initiatives should turn decarbonisation into a driver of growth for the European industry. DG TAXUD will also contribute to the general objective “**a new era for European defence and security**” notably by making Customs fit to deal with today’s challenges. Given the present geopolitical landscape, our initiatives in the Customs domain will also work towards strengthening domestic production capabilities and Europe’s strategic autonomy. Other key drivers will be enhancing industrial competitiveness and economic resilience with particular focus on the challenges brought by e-commerce and digitalisation.

DG TAXUD will strive, through the processes of EU Economic Governance, to promote a future-proof tax mix to address long-term structural challenges faced by EU economies, including population ageing. Tax systems should ensure the right incentives to stimulate investment, encourage entrepreneurship, and promote economic growth, in a fair manner. Modernising the mix should involve introducing more externality-based taxes such as environmental and health taxes, as well as broadening tax bases, accommodating remote working and digital nomadism, and closing tax gaps, while ensuring the fairness of tax payments.

The complexity of the corporate income taxation systems in the EU can lead to high compliance costs, hinder investment, and create barriers to cross-border operations and expansion of small and medium-sized enterprises. DG TAXUD will continue its efforts to ensure a more uniform tax framework simplifying the current complexity and reducing unintended tax competition within the internal market. It will work on a thorough review of existing EU legislation with a view to aligning it and simplifying it where relevant. DG TAXUD will work to conclude the negotiations on the corporate tax package proposed in 2023. DG TAXUD will also work together with other services to deliver a set of recommendations in support of Savings and Investment Union, to support investment and competitiveness of the EU and its Member States. In addition, we will work to further strengthen the existing framework for administrative cooperation between Member States' tax authorities and to promote tax transparency with EU international partners. After all, a solid corporate taxation is a condition for the EU's competitiveness at the world stage and to close its innovation gap. It will also identify innovative solutions for a coherent tax framework for the EU's financial sector. After all, a solid corporate taxation is a condition for the EU's competitiveness at the world stage and to close its innovation gap.

DG TAXUD will work on the implementation of the VAT in the Digital Age package. Moreover, we will engage in a rethinking of the VAT system based on opportunities provided by new technologies that could reconstruct the VAT fundamentals, which are based on a fragmented payment system. Moving towards real-time digital reporting, fully integrated in businesses' processes, could allow for real-time and less burdensome VAT collection/payment. Real-time reporting would allow immediate data verification, enhanced transparency, data cross-checking, and validation of invoice authenticity, all essential elements in the fight against VAT fraud. Moreover, DG TAXUD will contribute to the review of the Anti-Fraud Architecture, in particular offering support in the fight against fraud affecting EU own resources.

The Carbon Border Adjustment Mechanism (CBAM), that will be implemented fully as of 2026, will remain a critical tool for promoting external competitiveness in the context of climate change mitigation. CBAM will ensure that the carbon price of imports aligns with the carbon price of domestic production, imposing a carbon levy on imports from countries with less stringent climate policies. As of 2026, EU importers of goods covered by the CBAM regulation will have to register with national authorities where they can also buy CBAM certificates. The CBAM Registry deployment for the definitive period will already occur in 2025. By the end of 2025, DG TAXUD will reflect on a possible extension of the scope to other sectors and

downstream products as well as the emission scope. DG TAXUD will also continue to work on simplification of the CBAM mechanism as well as smoothening its day-to-day implementation.

To level the energy taxation playing field and to incentivise the uptake of clean technologies, DG TAXUD will, as a priority, work to conclude negotiations on the revision of the Energy Taxation Directive and explore how to further green the VAT system. In the context of the green transition, DG TAXUD will work together with other services to deliver a Recommendation on tax incentives in support of the Clean Industrial Deal to promote sustainable investment and ensure energy security.

DG TAXUD activities will foster competitiveness, notably by embracing the opportunities offered by new technologies. A tax datahub, ideally integrated with a customs datahub, compiling all the data provided by businesses could offer authorities a complete 360-degree overview of supply chains and the movement of goods.

With its dual role of facilitating smooth trade and protecting our citizens and businesses, the Customs Union is essential to EU prosperity. Once the negotiations on the EU Customs Reform package are concluded, DG TAXUD will lead on its implementation with the set-up of the EU Customs Authority and EU Customs Data Hub which will ultimately replace national customs declaration systems, reducing complexity and costs for trade and for national administrations. These would provide a platform for implementing the Union's strategic policies, based on a full view of all supply chains crossing the external borders, and enabling much more organic co-operation and interoperability with other policies. It will be developed in the spirit of the future European Data Union Strategy and Apply AI Strategy. In the coming years, Customs' risk management, exploiting the full potential of data analytics and innovative technologies, will remain key to efficient safety and security screening of goods entering our internal market. Improving the sharing of information and digital cooperation between customs and other authorities at the EU border will remain equally important and reinforced, including through the EU Customs Single Window.

Traditionally, customs authorities collect customs duties and, if applicable, import taxes at the borders. These represent currently about 0.5% of GDP, or close to EUR 80 billion. The changing geopolitical landscape brings this traditional role back to the forefront. Customs will continue to implement trade policy (tariffs, quotas, anti-dumping/anti-subsidy measures, sanctions), ensuring a level playing field for domestic industries and protecting them from unfair competition, safeguard national interests, and promote strategic economic sectors. Modernisation of the rules of origin, to ensure their continued relevance and effectiveness in the evolving trade policy landscape, and the autonomous tariff suspensions and quotas scheme will be essential to maintain Europe's prosperity and reinforce our strategic autonomy.

Customs are the guardians of the external dimension of the internal market and the first line of defence to ensure that products entering or leaving the EU are compliant with the EU rules while creating a level playing field for EU producers. The non-fiscal role is commonly referred

to as the contribution by customs to the enforcement of prohibitions and restrictions (P&R). More than 350 EU P&R laws have been identified in connection with controls to carry out at the EU external borders. To meet this extended obligation, increased by the growing complexity and the expanding volume related to e-commerce, a high degree of cooperation with market surveillance, law enforcement and police authorities, and other sectoral authorities is fundamental, including the need to overcome obstacles to information sharing. As such, EU Customs, actively contributes to both the EU Economic Security and the EU Security Union and plays a key role in the fight against serious and international organised crime.

Preparing for enlargement will be an important task for DG TAXUD in the coming years. TAXUD needs to anticipate and support the integration of possible future new Member States into the EU customs and tax framework, emphasising the importance of ensuring that candidate countries comply with the EU's customs and tax legislation, digital tools, and administrative capacity. The EU wants to be strategic when it comes to customs and tax policy in a global geo-economic setting. DG TAXUD works closely with the international organisations to develop global solutions that ensure a level-playing field and contribute to achieving EU priorities.

DG TAXUD will work closely together with Member States and other stakeholders throughout the process. The focus will be on simplifying, consolidating, improving and modernising the existing legislation. DG TAXUD will prepare legislative proposals that make it easier to do business in the Internal Market, continue monitoring the implementation of legislation by Member States and push for the pending proposals to be adopted. DG TAXUD will intensively monitor the correct and timely implementation of EU law. It will actively support Member States' efforts in transposing and implementing EU legislation. When required, it will make use of enforcement action, including infringement proceedings.

Until the end of 2027, the Fiscalis and Customs programmes will continue to support the development and operation of the central digital systems for taxation and customs in the Union, as well as cooperation between tax and customs authorities. Equally, the Customs Control Equipment Instrument will continue to contribute to adequate and equivalent results of customs controls by providing dedicated funding to the EU Customs Authorities. To improve customs controls and ensure security at the border, the Customs Control Equipment Instrument also contributes to the EU Economic Security Policy specifically by ensuring the security of the detection equipment used by customs. It will remain instrumental to helping the customs authorities act as one to protect the interests of the Union and ensure a solid border management and internal security. DG TAXUD is working on the follow up of these funding programmes drawing on the lessons learned from the mid-term evaluations.

Cross-cutting efforts – implementation and simplification agenda

DG TAXUD's Implementation and Enforcement Strategy will rely on four pillars: **anticipate** the implementation challenges already at the stage of devising legislation, **prevent** breaches **and support** Member States' implementation and compliance efforts at earlier stages in the national implementation process, use enforcement action (infringements procedures) to correct the most important breaches of EU legislation, **monitor** and communicate about the results of implementation throughout the policy cycle to ensure a common sense of responsibility for Member States and EU institutions.

In the coming years, DG TAXUD will support national transposition and implementation efforts, including digitalisation, communication to stakeholders, preparation of explanatory notes, and guidelines as needed. The DG will also work with the political level to take swift action against Member States that are not adhering to their transposal obligations.

DG TAXUD strives for a simpler tax and customs environment with less administrative burden in which businesses can operate faster and devote more energy to innovation and growth. It has already introduced important simplifications through recent legislative proposals like the VAT in the digital age package, which among others will make electronic invoicing and a single VAT registration the standard practice, and the Customs Reform that will bring several simplifications to the customs processes and provide through the EU Customs Data Hub a single EU customs experience for traders no matter where their goods cross the borders.

In the period 2025-2029, DG TAXUD will notably stress test the EU acquis within its remit and propose to eliminate any overlaps and contradictions. We will do so in close dialogue with our stakeholders in Member States and business. More concretely, DG TAXUD will identify key areas for simplifying the existing legal framework and reducing the compliance burden through extensive consultations of Member States and private stakeholders. The exercise started with direct taxation and will be extended to indirect taxation. The ongoing evaluation of Anti-Tax Avoidance Directive (ATAD) and the finalised evaluations of the Directive on Administrative Cooperation (DAC) and VAT administrative cooperation will also feed into this exercise.

DG TAXUD envisages to propose simplified rules and procedures for the movements of excise goods. One potential measure aims to streamline the procedures for distance selling of excise goods by facilitating the declaration and payment of excise duties. This initiative could have a great impact for smaller operators who consider the current rules and procedures as highly obstructive barriers. Other simplifications could include a union-wide authorisation and reporting requirement for excise operators, a One-Stop-Shop for excise duties or the facilitation of procedures for low-value consignments. All these measures could substantially reduce compliance costs for operators of cross-border excise activities.

DG TAXUD will organise two Implementation Dialogues in 2025 and prepare its annual progress report on enforcement and implementation.

PART 2. Delivering on the Commission's priorities in 2025

General objective: A new plan for Europe's sustainable prosperity and competitiveness

Specific objective 1: Evolving towards a Tax Mix that Fosters Sustainable Prosperity and Competitiveness

A. Corporate and personal taxation (including international aspects)

Tax policy serves as a pivotal instrument that wields significant influence over economic decisions and outcomes. Its role extends beyond mere revenue generation, profoundly shaping the allocation of resources, investment decisions, and economic behaviour.

In 2025, DG TAXUD will continue work on key pending files, such as the proposals for BEFIT and UNSHELL, with the aim to make progress in Council. Together with other services, it will propose in the second semester a recommendation on tax incentives supporting the Clean Industrial Deal for decarbonisation to be a source of competitiveness, growth and prosperity. This recommendation will look at accelerated depreciation and tax credits in support of investment in the development and update of clean solutions by businesses. We will work with Member States to monitor the implementation of such tax incentives.

On Pillar 2, DG TAXUD will be involved in several activities amongst others the upcoming administrative guidance at OECD level notably on permanent safe harbours. On Pillar 1, DG TAXUD will continue to support the efforts being made at international level to develop a global solution to the tax challenges arising for the digitalisation of the economy. In the absence of a global solution, DG TAXUD will work with the Member States to explore possible alternative solutions.

DG TAXUD will continue to work on improving the Savings and Investment Union notably by issuing in autumn recommendations on best practices for accompanying tax measures to improve the uptake of savings and investment accounts for retail investors and by further exploring possibilities to remove tax barriers to cross-border investment.

DG TAXUD will support other DGs on various initiatives that have tax aspects, such as, for example, 28th Regime, EU Startup and Scaleup Strategy, EU Innovation Act, and initiatives related to affordable energy, greening of the corporate fleet and automotive sector plan.

DG TAXUD will continue its ongoing work on the simplification in this domain.

DG TAXUD will continue to work closely with other services under the European Semester notably providing quantitative and qualitative analysis on taxation that supports the drafting of country reports and the definition of country specific recommendations. It will continue to support the work under the Recovery and Resilience Facility, assessing progress regarding the various tax-related milestones. DG TAXUD will continue with analysis on taxation and tax systems through a variety of tools like the taxation trends and the Annual Report on Taxation.

B. Value added tax

In 2025, a comprehensive study will be conducted to support the reflection on the future of the VAT system. The study will explore ways to improve the EU VAT system by examining its current weaknesses and inefficiencies. It will focus on three key areas: Simplification, Digitalisation, and the Environmental dimension and will combine a review of the current situation with a forward-looking assessment of potential changes and their impact. The final report, expected by the end of 2025 or early 2026, will serve as a basis for further reform.

The Commission will continue negotiating in Council the VAT proposal included in the Customs reform to incentivise and extend the use of the Import One Stop Shop (IOSS), making platforms and suppliers liable for VAT on all B2C imports of goods. To streamline the processes for both businesses and tax authorities, further simplification to the OSS/IOSS schemes are envisaged.

DG TAXUD will also support DEFIS this year concerning their initiative covering the establishment of an exemption from VAT as part of a financial instrument for the purchase of defence products supplied under contracts resulting from procurements strengthening the European Defence Industry Instrument under the Security Action for Europe (SAFE). This initiative supports the general objective “A new era for European defence and security”, facilitating procurement of arms and other equipment for defence purposes by Member States and increase of the Union's defence industry production capacity.

The assessment work on a possible package containing green VAT reforms will continue. This work targets a possible restriction of the right to deduct VAT on polluting cars, aligning the VAT treatment of destruction and donation of goods with circular economy principles, including by promoting recycling, and particularly the industrial use of second-hand goods. This work is part of the above-mentioned study on the future VAT system.

C. Enhancing the fight against tax evasion, avoidance and fraud

DG TAXUD will finalise the evaluation of the Directive on Administrative Cooperation (DAC), which will, together with other reports and the outcome of the simplification work, be the basis for a further amendment of the DAC Directive. DG TAXUD will also provide guidance on the interpretation and application of the DAC, for the benefit of all stakeholders. To ensure a

harmonised application of the automatic exchange of information on crypto-assets (DAC8), DG TAXUD will work on tools such as the central directory for the exchange of information on crypto-asset transactions.

Following the finalisation of the negotiations with the five non-EU jurisdictions (Andorra, Liechtenstein, Monaco, San Marino and Switzerland) to revise the existing agreements on the automatic exchange of financial account information to improve international tax compliance, DG TAXUD will take the necessary steps to sign and conclude the agreements. Moreover, DG TAXUD will ask for a Council mandate to start negotiations with Norway to conclude an agreement on administrative cooperation in the area of direct taxation.

To eliminate harmful tax competition and ensure tax good governance, both in the EU and worldwide, TAXUD will suggest a revision of the guidance on rollback and grandfathering as recommended by the European Court of Auditors and continue to assist the Code of Conduct Group (COCG) with the update of the EU list of non-cooperative jurisdictions for tax purposes.

DG TAXUD will publish evaluation of the VAT administrative cooperation legislative framework mid-2025. Following the preliminary conclusions, DG TAXUD will review the EU legal framework on VAT administrative cooperation to improve the multidisciplinary cooperation at EU level between the various administrative, law enforcement and prosecution authorities. DG TAXUD will also monitor the implementation of the current VAT administrative cooperation tools, notably the Central Electronic System Of Payment Information (CESOP) and its use by anti-fraud officials in Member States (EUROFISC network).

DG TAXUD will continue to cooperate with third countries in fighting VAT fraud monitoring, in particular, the implementation of the Windsor Framework and the amendments of the EU Norway Agreement on VAT administrative cooperation. In 2025, DG TAXUD will launch a call for offers for the provision of grants for the EU Tax Observatory to conduct and gather research on tax avoidance, evasion and fraud. The work should cover direct and indirect taxation.

D. Energy, environmental taxation, and other taxes

The main challenge in 2025 will be to help the Council reach unanimous agreement on the 2021 Commission proposal to review of the Energy Taxation directive. The main remaining point of disagreement lies in the taxation of fuels for the aviation and maritime sectors. Other issues are the level of minima and their indexation as well as the treatment of certain fossil fuels that can still play a role in the transition to a low carbon economy.

The Commission is committed to the goal of Europe's Beating Cancer Plan to reduce smoking prevalence to less than 5% of the population by 2040. Taxation plays an instrumental role in reducing the consumption of tobacco and tobacco-related products. In this context, DG TAXUD is working on revising the Tobacco Taxation Directive. DG TAXUD also started a reflection process on the taxation of sugar-sweetened beverages by analysing existing national tax schemes from the point of view of their design and their impact, and discussing

with Member States potential coordination or harmonisation at EU level, the degree of which is to be decided based on identified needs.

Specific objective 2: Implementing Carbon Pricing to drive the transition to net zero

In 2025, the transitional period of the CBAM will come to an end with the definitive regime with financial obligations for importers starting and the CBAM Registry services for the definitive system becoming operational on 1 January 2026. DG TAXUD is currently assessing the present mechanism and will report to Council and the European Parliament by the end of this year. This will include an analysis of a possible scope extension to other sectors such as chemicals and possible inclusion of indirect emissions for other sectors than those currently under scope. The assessment focuses on sectors that are at high risk of carbon leakage and characterized by high emissions and how to ensure technical feasibility, accuracy, and simplicity in attributing emissions and establishing robust default values. It will also assess the impact of CBAM on developing countries, notably least developed countries.

DG TAXUD will also continue working on the implementation of CBAM, notably the final methodology for reporting actual emissions, the method for reporting indirect emissions and rules on the accreditation of verifiers and verification principles, as well as the deduction of a carbon price already effectively paid in the country of origin and the authorisation of CBAM declarants.

In mid-2025, the Commission will issue a communication providing analysis and options on how to address the problem of carbon leakage for CBAM goods exported from the EU to third countries and, by the end of the year, the Commission will also conduct a comprehensive review of CBAM, accompanied by an anti-circumvention strategy and by a legislative proposal to extend the scope of CBAM to certain downstream products and to include additional anti-circumvention measures.

The Commission already proposed on 26 February 2025 to introduce simplifications for occasional importers of small CBAM quantities, who are disproportionately burdened (in comparison to the environmental benefit) by the current CBAM obligations. The package also includes measures simplifying compliance with the CBAM for larger importers, including in the areas of authorisation of declarants, emissions calculations, reporting requirements and financial liability.

Besides all this, the Commission will issue a communication providing analysis and options on how to address the problem of carbon leakage for CBAM goods exported from the EU to third countries and, by the end of the year, the Commission will also conduct a comprehensive review of CBAM, accompanied by an anti-circumvention strategy and by a legislative proposal to extend the scope of CBAM to certain downstream products and to include additional anti-circumvention measures.

In January 2025 DG TAXUD deployed the portal for Third Countries Operators to register their installations and emissions.

In March 2025 DG TAXUD deployed the CBAM authorization management services, enabling CBAM declarants to request and obtain CBAM authorizations and integrating the with Customs Import Systems by the Single Window mechanism.

TAXUD is extending its analytics of CBAM data for risk management and circumvention monitoring purposes in close collaboration with Customs Authorities.

Specific objective 3: Make the Customs Union work day to day

A. Ensuring the traditional customs function

In 2025, DG TAXUD will continue ensuring the correct and uniform interpretation and application of the **Common Customs Tariff (CCT)** by all Member States, with an objective to **provide legal certainty for economic operators** when calculating the charges related to import or export transactions, applying other measures prescribed by Union provisions governing specific fields relating to trade in goods and protecting the financial interests of the Union by securing the correct collection of duty rates.

DG TAXUD supports legal certainty on the tariff classification of goods with the **European Binding Tariff Information (EBTI) system** where Member States classify on average 40 000 - 45 000 Binding Tariff Information (BTI) decisions per year. DG TAXUD also **adopts legal measures** concerning the validity of certain binding tariff information delivered by Member States to **resolve cases of divergent classification in the CCT**. In the context of simplification, an exercise to clean up and update all these legal measures will start in 2025.

DG TAXUD will publish the **Combined Nomenclature (CN)** for 2026, a vital tool for business and Member States' customs administrations to determine the rate of customs duty and the classification of goods. Work will also continue to deliver a new Combined Nomenclature system (CN2) to facilitate the publication of the CN Regulation in the future.

DG TAXUD will continue to regularly update the **Integrated Tariff database (TARIC)**, which allows EU customs as well as businesses and traders to have a reliable and comprehensible overview of all tariffs and other measures. TARIC will continue to play an important role in the enforcement of EU sanctions against Russia and Belarus and in the enforcement of prohibitions and restrictions, in connection with the EU Customs Single Window. Together with the **Customs Surveillance System**, TARIC allows DG TAXUD to monitor flows of goods, to

identify unusual patterns and verify how the implementation of customs and certain non-customs policies is carried out.

DG TAXUD will continue to **manage tariff quotas through the QUOTA2 system**, and notably the safeguard quotas in the steel sector and the temporary trade-liberalisation measures granted for certain agricultural products imported from Ukraine.

DG TAXUD will also continue to coordinate and support the customs laboratories via the **Customs Laboratories European Network (CLEN)**. The fight against drugs will continue to be the main activity of the CLEN. The European Customs Inventory of Chemical Substances (ECICS) will be further enriched with the ultimate goal to support economic operators to declare easily and correctly chemicals at customs and customs officers to control these declarations.

This year is also the final year of the **digital transition of the Union Customs Code** which will enhance the harmonisation of customs controls and clearance processes, ensure the digital interoperability framework and bring along further simplifications to the trade community. Member States should join Centralised Clearance for Import (CCI) operations in the second quarter of 2025 and the Automated Export System (AES) in the fourth quarter of 2025.

DG TAXUD will continue to update the **Union's Customs transit procedures**, at legal, operational and IT level based on the EU customs data model and establishing links with the EU's risk analysis tools stopping to use paper for the transit accompanying document. At the same time, DG TAXUD will carry out a study of the special procedures other than transit.

B. Modernising the traditional customs role

The evaluation of the **Autonomous Tariff Suspensions and Quotas Scheme** will assess if the scheme, in place since 1971, is still fit for purpose by the end of 2025. Meanwhile, DG TAXUD continues preparing biannual proposals to update the autonomous tariff suspensions and quotas regulations allowing a temporary removal of tariffs and granting quotas of certain strategic raw materials, semi-finished goods or components not produced or insufficiently produced in the Union.

As part of the Customs reform, in 2025 **the duty relief regulation will be revised** abolishing the current threshold whereby goods valued at less than €150 are exempt from customs duty. At the same time, the amendment of the Combined Nomenclature, will simplify customs duty calculation for the most common low-value goods bought from outside the EU, reducing thousands of customs duty categories to only four.

The **evaluation of Rules of Origin** will assess the relevance, effectiveness, coherence, efficiency and appropriateness of EU rules of origin, in particular the non-preferential ones, vis-à-vis current and new policies in which they are used (e.g. trade defence, sanctions, CBAM, Net Zero Initiative). This should be followed by a legal initiative.

DG TAXUD is developing with Member States, guidelines on tackling the **undervaluation of customs value** at import. When completed, customs will have an additional tool to protect own resources and combat fraud.

Specific objective 4: Promote the EU's customs agenda internationally

DG TAXUD will continue in 2025 to promote EU customs policy and standards at the WCO. DG TAXUD will pro-actively drive the implementation of the ongoing WCO Reform, specifically through ambitious concept developments introducing reforms to optimise the WCO regional concept and to render the organization's financing more sustainable. DG TAXUD will also pro-actively steer discussions related to the WCO initiatives concerning the comprehensive **strategic review of the Harmonized System (HS)**.

In 2025, DG TAXUD will support candidate countries in their efforts to come closer to accession to the EU, in particular Ukraine, the Republic of Moldova and the Western Balkans. DG TAXUD will work very closely with these countries on the customs and taxation chapters, to ensure closer alignment to the acquis. As part of this work, DG TAXUD will also continue to promote the accession of those still missing to the Common Transit Convention. With Türkiye, the work will continue to improve the implementation of the EU-Türkiye customs union, and to progress on mutual recognition of Authorised Economic Operators.

DG TAXUD will contribute to the negotiation of new agreements with third countries, particularly concerning the Customs and Trade Facilitation and Rules of Origin chapters of free trade agreements being negotiated with India, Indonesia, Thailand, the Philippines, Malaysia, Eastern and Southern Africa and the UAE, and potential Strategic Partnership Agreements with the Gulf countries.

DG TAXUD will seek to maintain and develop the EU customs dialogue with its major trading partners, the United States and China. With China, we will in particular strengthen our work on IPR enforcement, cooperation on cross-border e-commerce and supply chain security.

With Canada, DG TAXUD will see to the completion of work on the data exchange, for mutual recognition to become operational. DG TAXUD will also complete work on the mutual recognition of Authorised Economic Operators (AEOs) between the EU and Singapore.

With regard to relations with the United Kingdom, DG TAXUD will continue ensuring proper implementation of the EU-UK Trade and Cooperation Agreement, in particular in relation to the application of the rules of origin, providing guidance to support operators and customs in aspects linked to the green economy such as the rules for electric batteries and vehicles. In 2025, improved e-forms, already in use among Member States, will be implemented for VAT administrative cooperation and fight against fraud between the EU and the UK. TAXUD will explore the best way to continue the dialogue on harmful tax regimes with the UK. The Northern Ireland Liaison Team will continue to ensure a correct implementation of the

Windsor framework. Finally, DG TAXUD will continue to participate in the negotiations on the future EU-UK agreement in respect of Gibraltar in relation to customs and taxation issues.

DG TAXUD will continue to ensure the smooth implementation of rules of the revised Pan-Euro-Mediterranean Convention (PEM) in the run-up to their definitive entering into force for all contracting parties as of January 2026, as well as of the rules of origin contained in other preferential arrangements through cooperation with the partner countries and guidance for customs authorities and economic operators.

The work done on the monitoring of the EU's preferential rules of origin for 10 years, further to the European Court of Auditors' Special Report will be highlighted through a Staff Working Document.

Specific objective 5: Implementing and enforcing EU Customs and tax policy

DG TAXUD developed an Implementation and Enforcement Strategy that sets forth a clear roadmap for the DG's work during the mandate and proposes clear priorities. In 2025, DG TAXUD will strengthen its work with Member States to ensure the swift, complete, and adequate implementation of adopted directives in its area of competence. On the indirect tax side, DG TAXUD will focus on the implementation of the ViDA package putting forward an implementation strategy. On the direct tax side, it will focus on implementing the FASTER, DAC 8 and DAC 9 Directives, all of which have implications for national IT systems related to the exchange of information among authorities as well as national mechanisms for tax reporting and relief.

In indirect taxation, enforcement action will furthermore target gaps in the implementation of VAT directives on the VAT scheme alleviating the compliance obligations for small enterprises, and of the directive allowing for a wider use by Member States of reduced VAT rates; as well as discriminatory car taxes. DG TAXUD will also continue to monitor the full implementation of the directives on the structures of the excise duty on alcohol and on the general excise rules; as well as the Pillar 2 Directive on the direct tax side, where Member States' national implementing legislation may require amendments to take account of developments at the international OECD/G20 level.

DG TAXUD's enforcement strategy will be important to ensure that the digital transition of the Union Customs Code is finalised in all Member States. DG TAXUD will continue to support Member States in developing and adjusting their IT systems to the new requirements. At the same time, the Commission will take resolution action in starting infringement procedures for any unjustified delays in the implementation of the IT systems or issues of divergent application which hamper the uniform application of customs legislation in the EU and cannot be resolved despite informal, preventive and/or accompanying actions undertaken by the Commission.

In addition, TAXUD will continue to pursue enforcement action that is based on the Treaty freedoms, and stemming from citizen and business complaints. Addressing barriers to and measures or legislative provisions that undermine the well-functioning of the internal market will remain a priority. Improving on the speed of action and decision-making in this respect will remain a priority.

Specific objective 6: Implement the EU Programmes supporting tax and customs policy

In 2025, the **Customs programme** continues supporting the customs union and customs authorities working together and acting as one to protect the financial and economic interests of the Union and its Member States, to ensure security and safety within the Union and to protect the Union from unfair and illegal trade, while facilitating legitimate business activity.

Likewise, the **Fiscalis programme** continues supporting tax authorities and tax officials to enhance the functioning of the Single Market, foster fair competition in the Union, improve tax collection and protect the financial and economic interests of the Union and its Member States, including from tax fraud, tax evasion and aggressive tax planning.

All Customs and Fiscalis programme activities ⁽¹⁾ directly contribute to the increased effectiveness and efficiency of national administrations, amongst other by supporting the digitalisation of the customs and tax policies, and to the coherent and consistent application of EU law across Member States. 2025 marks the kick-off of the EUCABET ⁽²⁾ expert team ⁽³⁾ enhancing operational cooperation for all customs border types involving all EU Member States.

The **Customs Control Equipment Instrument** (CCEI) continues supporting customs authorities by funding customs control equipment to be used at the Border Crossing Points and in the customs laboratories. In 2025, the third work programme is due to be adopted, followed by the opening of a call dedicated to e-commerce priority ⁽⁴⁾, thereby continuing to reflect the CCEI's goal of enabling the EU customs to function as one.

The three programmes are subject to interim evaluation assessing their performance, with results expected by the end of 2025.

⁽¹⁾ Focusing on the modernisation and digitalisation of EU customs and taxation, in line with the EU's wider priorities, over 95% of the Customs programme's budget and over 85% of the Fiscalis programme are dedicated to establishing and operating the common components of the European electronic systems for customs and taxation. In addition to the digital agenda, these programmes boost collaboration and support a large portfolio of EU-level training activities.

⁽²⁾ EU Customs Alliance for Borders Expert Team (EUCABET)

⁽³⁾ in the form of a grant funded by the EU Customs programme

⁽⁴⁾ In line with the approach established in the Communication 'A comprehensive EU toolbox for safe and sustainable e-commerce', COM(2025) 37 final.

General objective: A new era for European defence and security

Specific objective 1: Making customs fit to deal with today's challenges

A. Phasing in the implementation of the Customs Reform

Awaiting the Council general approach and the start of trilogues, in 2025 DG TAXUD will intensify the internal preparation processes to set up the EU Customs Authority (EUCA), and begin preparatory work on the Data Hub, to ensure a swift set-up when the legislation is adopted. The implementation plan would include:

- a project plan for the EUCA including its set-up from an organisational, administrative and budgetary perspective.
- the launch of prototyping work on the EU Customs Data Hub, preparing for operation of the customs reform in e-commerce;
- mapping the risk management features of the Data hub and developing risk management capabilities (see below);
- a staged roadmap for updating the legal framework starting from revising the delegated and implementing rules related to the e-commerce process and data requirements.

B. Maturing customs risk management and customs data analytics to protect the Union

In 2025, DG TAXUD will set up a concrete work programme to strengthen integrated data analysis and risk management using the data available at EU level. This will allow to identify trade patterns posing high risks of circumvention particularly relating to trade in Common High Priority and Economically Critical Goods.

More concretely, DG TAXUD will put in place a priority control action on e-commerce to address weaknesses and gaps of the controls of non-compliant and dangerous goods imported via online platforms. This should help building options on how different authorities can cooperate better to ensure these goods do not enter the market, including legislative and operational developments.

DG TAXUD will also focus on initiatives strengthening internal security:

- a rapid alert mechanism disseminating the necessary information to stakeholders in case of imminent threats to supply chains and to the transport sector.
- the development of security protocols and processes, similar to what exist in aviation security, to enhance the security of maritime trade flows and critical infrastructure such as ports.
- focusing on the responsibilities of the Authorised Economic Operators (AEO), ensuring better identification of suspicious activities in the course of their operational business, ensuring increased transport security and supporting fight against organized crime.

In 2025, the Commission will also establish new Common risk criteria for export and exit to ensure uniform implementation of risk analysis and controls at the export and exit phase of the supply chain.

The 'Guidance on a common approach to risk management and customs controls related to sanctions against Russia and Belarus, tackling circumvention' issued in February 2024 will be reviewed and upgraded with a view to render it more effective and lead to more consistent application of the sanctions' regulation across the EU.

C. Improve information sharing and digital cooperation

The EU Customs Single Window is a key initiative aimed at streamlining the cooperation between customs and non-customs authorities to simplify trade procedures and improve the flow of goods across EU borders. It implements the principles of interoperability and 'once-only', enabling the free flow of data in the context of inter-governmental cooperation at the border. The Single Window became operational in March 2025, enabling real-time data exchanges for the first set of 10 non-customs formalities in critical policy domains such as health, agriculture and environmental protection. By mid-2025, 26 Member States, as well as the UK for Northern Ireland, will be fully integrated.

The Single Window framework will continue to evolve throughout 2025, integrating further policy domains, ensuring that its implementation aligns with the EU's broader trade and sustainability objectives. This ongoing work will further simplify trade and position the Single Window as a cornerstone of a digital-ready policy framework by the end of 2025. The EU Customs Single Window is a key pillar of the EU Customs Reform. Targeting evidence-based policy making, efficient risk and circumvention management and effective crisis response, DG TAXUD will extend its integrated EU level data analytics capabilities in collaboration with relevant DGs and Member States.

D. Increasing security by better controlling access to key drug substances

This year DG TAXUD, jointly with DG GROW, will revise the Drug Precursors Regulations to address the increasing issue of designer precursors. These precursors are chemicals intentionally created by criminals to bypass regulatory controls and have no known legitimate

uses. A new regime is planning to ban them, except for research purpose. Legal trade will also be better supervised by replacing manual authorization procedures and annual reporting with automated digital processes based on a quantity management system, similar to a credit card model.

For legally used drug precursors, this should allow economic operators to quickly adapt to evolving authorised market demands and expedite import/export processes.

PART 3. A modern and sustainable public administration: outputs in 2025

The internal control framework supports sound management and decision-making. In particular, it ensures that risks to the achievement of objectives are addressed and reduced to acceptable levels through cost-effective controls.

The Directorate-General for taxation and customs union has established an internal control system tailored to its particular characteristics and circumstances. The effective functioning of this internal control system will be assessed on an ongoing basis throughout the year and will be subject to an annual assessment covering all internal control principles.

A. Human resource management

In 2025 DG TAXUD will keep its focus on efficient and flexible **organisation of work**, as well as on balanced, diverse and engaged staff (staff engagement index 70% in 2023). To be able to deliver effectively on its political priorities, DG TAXUD is increasingly resorting to flexible ways of working. This will be also the case in the coming year through higher use of task forces and cross-DG project work.

To ensure the right level of competence and the **development of its staff**, DG TAXUD will keep on collecting and acting upon its staff learning needs, as well as further promoting DG TAXUD learning passport. It will support staff mobility through internal calls and communicate on career opportunities via external publications and internal newsletters. The existing skill set in the DG will be further reinforced by recruitment laureates of upcoming 2025 competitions in economics and taxation. This will also enable the DG to bridge identified skill gaps.

DG TAXUD pays particular attention to **diversity and balance** of its staff. In 2025, it will continue implementation of its *Equality mainstreaming work plan* through workshops, appropriate composition of selection panels and consolidating related policies.

To ensure a competent and gender-balanced management, DG TAXUD will support **the talent of its staff** via a revisited in-house DG TAXUD Leadership programme dedicated to staff in pre-management positions and will continue its in-house female talent development programme. This will help to continue making balanced first appointments at middle management level (52% of female middle managers on 1/12/2024). DG TAXUD will keep on promoting DG TAXUD-wide networks which contribute to staff engagement and inclusion.

B. Digital transformation and data management

The Digital Transformation Roadmap for DG TAXUD for 2025 will focus on:

- **Digital Ready Policy Making:** ensure readiness for digital delivery of systems and services in the domain of Customs Reform, CBAM and Single Window.
- **Business Driven Digital Transformation:** applying a simplification programme starting with the CBAM Registry and breaking the silos with other DGs and Services.
- Adopting **new digital paradigms:** for large scale Data Hub and new Trans-European CBAM Registry to be extended further with the new generation of Taxation Digital Services in terms of floatable architecture, Digital Identities and Digital Wallet, Data Spaces, Development Security and Operations (DEVSecOPS) and containerization, sovereign cloud services.
- **Harnessing the power of data** through innovative data-driven systems and services such as TAXUD Data analytics for Customs, CBAM and Taxation.
- **Seamless Digital Landscape** through synergies and efficiencies with corporate services starting with the virtualisation of platforms in 2025 and completing the overall programme by 2028.
- **Secure Digital Infrastructure:** deploying the new DG TAXUD security programme in close collaboration with DIGIT Services and targeting for the use of an End-to-End Secure Operations Centre (SOC) as a Service.
- **Digital Culture:** Enhancing DG TAXUD staff digital competences and digitalise internal processes linked to knowledge and information management.

Information and IT security rules

DG TAXUD will continue following all corporate IT security rules and recommendations and works closely with DG DIGIT to guarantee compliance and further increase its maturity levels. In terms of the digital security of operations, DG TAXUD continues to implement a Security Operations Centre (SOC) with DG DIGIT as the key service provider.

Data Management

In compliance to the corporate Data Governance rules, DG TAXUD established its DataLab in 2018, laying the foundation for structured data management, governance and analytics across key policy domains such as Customs, CBAM, and Taxation. This enabled DG TAXUD to reach an Established maturity level by 2024, which serves as the baseline for this SPP cycle. In 2025, TAXUD aims to reach the Advanced level overall.

In 2025, DG TAXUD will deploy a unified analytics platform with a common data management layer, supporting systematic reporting, accessibility, and governance of data assets. This includes the launch of a new e-Commerce EU Customs Data Hub prototype.

All actions are aligned with the corporate data acquisition policy. DG TAXUD will continue to maintain the EU Customs Data Model (EUCDM) to harmonise legally defined data requirements across declaration types and ensure alignment with international standards (e.g. WCO). An interim milestone of 70% implementation of corporate data governance principles for key assets is set for 2025.

DG TAXUD has established clear governance structures, with formally appointed data owners and stewards. In 2025, coordination across units will be reinforced, and governance roles (**ownership and responsibilities**) will be documented, communicated, and embedded in day-to-day operations.

To ensure **data quality**, DG TAXUD applies the EUCDM as a harmonising framework and continues embedding FAIR principles into operational data flows. In 2025, quality procedures will be reinforced, with active monitoring of metadata completeness, reuse of master/reference data, and contribution to their maintenance at the corporate level. Both Established and Advanced maturity examples are reflected in DG TAXUD's current operations and 2025 roadmap.

Since 2018, a dedicated in-house Data Team has managed key aspects of data governance, analytics tooling, metadata, and reporting, providing continuity and institutional knowledge. In 2025, DG TAXUD will implement a structured learning and development strategy to strengthen internal capabilities.

Personal Data Protection

Acting as operational controller, DG TAXUD will ensure data protection compliance when processing personal data. Digital transformation process will pay particular attention data protection compliance by design and by default.

C. Sound financial management

In 2025, the internal control and risk management processes will continue to be implemented as defined at corporate level. New internal control indicators have been defined since 2024 supporting further an approach based on effectiveness. The internal control framework will be fully adhered to.

Under the MFF 2021-2027, DG TAXUD's expenditure nearly tripled. To be able to maintain legal and regulatory assurance of all financial transactions, the focus throughout 2025 will be on:

1. reviewing the financial procedures and processes, notably for the progressive integration into eProcurement corporate tools;
2. developing one control strategy for the DG's financial operations, covering the globality of our operations and ex ante and ex post controls;

3. Having an effectiveness of controls by e.g. monitoring the estimated risk at payment (less than 2% of relevant expenditure);
4. further enhancing the implementation of the Analytical Cost Accounting mechanism for IT projects by incorporating automation tools to efficiently capture cost data, minimizing manual entry errors and ensuring timely capture of all relevant costs;
5. developing a comprehensive budget monitoring tool to track expenditures, optimise budget planning, and ensure efficient resource utilisation and financial transparency.

D. Fraud risk management

Protecting the financial interests of the EU and its Member States is more than ever a priority, to which both tax and customs policies contribute. DG TAXUD's 2022 Anti-Fraud strategy sets out the actions to deter and prevent fraud. In 2024, 83% of the actions have been implemented, in 2025 the target will be 90%. pursuing in particular three operational objectives:

- fighting revenue fraud,
- ensuring the sound management of the EU programmes and public procurement, and
- creating an antifraud culture in the Directorate General.

In 2025, DG TAXUD will continue to contribute to the implementation of the revised Commission Anti-Fraud Strategy (CAFS) and its action plan, by

- strengthening the Commission's and Member States' analytical capacities by developing data analysis tools,
- increasing exchange of and access to relevant data,
- by ensuring effective complementary between customs risk management and anti-fraud activities.

In addition, DG TAXUD participates in the review process of the EU anti-fraud architecture.

E. Sound environmental management

DG TAXUD will promote and raise awareness on various green themes, such as:

- reducing CO2 emissions from professional missions,

- extending green public procurement and saving energy by participating in related corporate actions throughout the year,
- We have already established an action plan in February 2025. We will continue to support the corporate goal for climate neutrality by 2030 by promoting and enabling sustainable management. We will continue to predominantly meet our stakeholders through videoconferences, limiting the in-person meetings. We will maintain green and paperless methods for all internal procedures. Call for tenders will remain EMAS compliant.

ANNEX 1: Specific objectives and result indicators 2025-2029

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.1: Evolving towards a Tax Mix that Fosters Sustainable Prosperity and Competitiveness

Related to spending programme(s): *Fiscalis programme*

Result indicator 1.1.1 Number of VAT taxpayers registered in OSS and IOSS

Explanation: The One Stop Shop (OSS) and the Import One Stop Shop (IOSS) were created to simplify the declaration and payment of VAT for cross border transactions on goods and services. These schemes reduce the costs and administrative burdens for businesses concerned. Instead of having to declare and pay VAT directly to each individual Member State where their customers are based, businesses can make a single declaration and payment in their own Member State of establishment or identification. The schemes were implemented in 2015 for some services (Mini OSS), extended by the e-Commerce Package in 2021, and further enhanced with the ViDA package adopted in 2025.

This indicator measures how much the OSS and IOSS schemes are used on the basis of the number of registrations for the schemes.

Source of data: DG TAXUD on the basis of data provided by Member States

This result indicator is selected as a KPI

Baseline 2022	Interim milestone (2025 - 2027)	Target (2029)
Registrations for OSS 118.000 Registrations for IOSS 10.200	+10% each year	+10% each year

Result indicator 1.1.2. Number of cross border VAT Fraudsters identified by Eurofisc

Explanation: Eurofisc is a network of national officials from the 27 Member States to combat cross-border VAT fraud. It functions as an early risk system to identify VAT fraudsters. An evaluation shows that Eurofisc is the most appreciated cooperation tool among national tax administrations.

The indicator is focussing on the key task of Eurofisc, i.e., the identification of VAT fraudsters and will follow up on the number of cross border VAT fraudsters identified by Eurofisc. Considering the large VAT Gap that still exists, this number should continue to raise until the end of the mandate.

Source of data: DG TAXUD on the basis of data provided by Member States

Baseline (2024)	Interim milestone (2025 - 2027)	Target (2029)
4060	+10% each year	+10% each year

Result indicator 1.1.3. Share of daily smokers among 15 years and older.

Explanation: Tobacco taxation is the main behavioural tax harmonised at EU level. The EU beating cancer plan sets an objective of reducing the number of daily smokers to 5% of the population by 2040 with intermediary milestones. One of the objectives of the Tobacco taxation directive is to contribute to this reduction.

This indicator measures the evolution of the share of daily smokers of 15 years and older in the European population.

Source of data: Eurostat [link](#)

Baseline (2023)	Interim milestone (2027)	Target (2029)
24%	23%	20.8%

Result indicator 1.1.4. Share of labour tax revenues on total tax revenues

Explanation: Member States need stable revenues to support their many public expenditure programmes including infrastructure, which in turn contribute to competitiveness and prosperity. An ageing population risks reducing the working age population and with that the tax base and the current stable flow of revenues from labour. Combined with ageing, a very high labour taxation may deter companies from hiring and individuals from working. While labour taxation will remain a significant source of revenue, it is important to ensure some shift of the tax base to sources that impact less on growth while contributing to a more stable flow of revenues in the future.

This indicator measures whether there has been some shift away from labour taxation to a more balanced tax mix

Source of data: Eurostat and TAXUD taxation trends data – available annually

Baseline (2023)	Interim milestone (2025-2027)	Target (2029)
51.2%	50%	49%

Result indicator 1.1.5. Tax burden on second earners and low income earners

Explanation: In the context of an ageing population and labour shortages, it is important that the tax system is designed in a way that the impact on labour market participation is reduced. In other words, it is important that labour taxation does not have explicit or implicit design elements that discourage people from working, to ensure a competitive economy. It is also important for prosperity since participating in the labour market also has implications for individuals future pension income and old age income.

This indicator measures, over time, the extent to which some groups face a relatively higher tax burden, measured by the tax wedge, which may discourage them to work.

Source of data: Commission Euromod Hypothetical Households Model – available annually

Baseline (2023)	Interim milestone (2025-2027)	Target (2029)
• 3.1% (average difference between second earners and single earners) • 31.9% (tax wedge for low income earners)	• The average difference in the tax wedge between second earners and single earners should go down to 2.5pp. • The tax wedge for the low-income earner (50% of AW) should go down to 31%	• The average difference in the tax wedge between second earners and single earners should go down to 2pp. • The tax wedge for the low-income earner (50% of AW) should go down to 30%

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.2: Implementing Carbon Pricing to drive the transition to net zero

Result indicator 1.2.1 Share of Emission Trading System (ETS) emissions covered by CBAM

Explanation: CBAM is being phased in gradually from 2026 to 2034. When fully phased in, it is estimated to cover more than 50% of the emissions in ETS-covered sectors. CBAM prevents carbon leakage, a shift of polluting activities out of the EU. Preventing carbon leakage helps the EU effectively transition to net zero without shifting emissions to third countries.

This result indicator is selected as a KPI

Source of data: TAXUD and CLIMA.

Baseline (2025)	Interim milestone (2030)	Target (2034)
0%	25%	50%

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.3: Make the Customs Union work day to day

Related to spending programme(s): Customs programme

Customs Cooperation Equipment Instrument

Result indicator 1.3.1 Processing time of consignments

Explanation: % of import items under standard procedure cleared within 5 minutes.

This indicator measures general Customs efficiency. Customs daily work relies on quick processing of most consignments. Processing time reflects overall customs performance, digital integration with economic operators, availability of IT systems, efficient distribution of controls alongside the supply chain (pre-clearance, use of simplifications and AEO, post-release controls) to limit and optimise clearance controls, etc

Source of data: DG TAXUD - CUP

This result indicator is selected as a KPI.

Baseline (2024)	Interim milestone (2027)	Target (2029)
88.7%	Maintain or improve	90%

Result indicator 1.3.2 Number of sectoral legislation implemented in the TARIC database

Explanation: TARIC codes are fundamental to inform customs authorities and economic operators about upcoming requirements stemming from European non-customs legislation. They are kept uptodate by DG TAXUD through the TARIC database which can be consulted by customs authorities and economic operators. This is an essential for having smooth trade flows.

This indicator measures the number of sectoral legislations implemented in the TARIC database, for the purpose of indicating to Customs Authorities which non-customs legislation and requirements needs to be controlled.

Source of data: DG TAXUD

Baseline (2024)	Interim milestone (2027)	Target (2029)
144 600	150 000	155 000

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.4: Promote the EU's customs agenda internationally

Related to spending programme(s): ...

Result indicator 1.4.1. Share of EU trade covered by international agreements covering customs matters

Explanation: The DG TAXUD activities in the area of international customs aim to facilitate the EU's international trade and smoothen the trade flows.

This indicator will therefore **measure** the share of EU external trade as a percentage of our total trade (imports+exports) for the countries with whom the EU has an agreement in force covering customs matters (either a Free Trade agreement or a Customs Cooperation Agreement not including preferences).

Source of data: Eurostat; ComExt data processed

This result indicator is selected as a KPI.

Baseline (2024)	Interim milestone (2027)	Target (2029)
61%	64%	70%

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.5: Implementing and enforcing EU Customs and tax policy

Result indicator 1.5.1 Member States' compliance with EU Tax law

Explanation: Measurement of the progress made in transposing EU tax directives on time

Source of data: DG TAXUD

This result indicator is selected as a KPI

Baseline (2025)	Interim milestone (2027)	Target (2029)
Length of time to treat non-communication cases open per directive	Reduce to 18 months open and referred to Court (for all)	1 year (open and referred to Court/closed)
Length of time to treat infringements related to non-conformity of legislation per directive	Reduce to 4 years open and referred to Court/closed	3 years (open and referred to Court/closed)

Result indicator 1.5.2. Compliance with EU tax and customs acquis

Explanation: Measurement of the progress made in remedying the breaches of EU tax and customs acquis

Source of data: DG TAXUD

Baseline (2025)	Interim milestone (2027)	Target (2029)
Length of time to treat/close infringements	Reduce to 4 years open and referred to Court (for all)	3 years open and referred to Court/closed
Length of time to treat/close EU Pilot	Reduce to 15 months (open and decision on next step, if any)	9 months (open and decision on next step, if any)

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.6: Implement the EU Programmes supporting tax and customs policy

Related to spending programme(s): Customs
Fiscalis
Customs Control Equipment Instrument

Result indicator 1.6.1 Customs and Fiscalis programme performance indicators – availability of European electronic systems

Explanation: Measures the availability – in percentage of time – of the common components of the EES. Ensuring the close to 100% availability is a major responsibility under the programmes since disruptions in their operation would affect national authorities, economic operators and citizens across the entire EU and hamper the functioning of the internal market.

Source of data: DG TAXUD

This result indicator is selected as a KPI.

Baseline (2020)	Interim milestone (2025)	Target (2027)
Customs programme: 99.6% Fiscalis programme: 99.5	Customs programme: 99.7% Fiscalis programme: 99.5%	Customs programme: 99.7% Fiscalis programme: 99.5%

Result indicator 1.6.2 Customs and Fiscalis programme performance indicators – collaboration robustness

Explanation:

Degree of networking generated by the programme activities. It measures the extent to which programme collaborative activity participants consider that the activities they took part in provided good networking opportunities. It is expressed in percentage regarding the weighted average of agreement with the statement “the programme generated networking opportunities” (from “not at all agree”/0% to “fully agree” /100%)

Source of data: Survey

Baseline (2020)	Interim milestone (2025)	Target (2027)
Customs programme: 80% Fiscalis programme: 85%	Customs programme: 80% Fiscalis programme: 85%	Customs programme: 90% Fiscalis programme: 90%

Result indicator 1.6.3 Customs Control Equipment Instrument programme performance indicator – Degree of adherence of BCPs and customs laboratories equipment to the common list of equipment's

Explanation: Degree of adherence of BCPs and customs laboratories equipment to the common list of equipment's that should be available per laboratory/type of border crossing point in order to respond to risk/threats applicable to them, thus contributing to harmonised application of customs control.

Source of data: Member States Annual Progress Reports

Baseline (2022)	Interim milestone (2024)	Target (2027)
The common list of equipment defined and the initial degree of adherence was established at 9,3% for all BCP. ⁽⁵⁾	The degree of adherence of BCPs and customs laboratories to the common list of equipment in 2024 was 10.7% and 29.5% respectively.	Ensure customs border crossing points and customs laboratories are equipped in line with the equipment as per the common list – conformity expected at 80%

⁽⁵⁾ When implementing the baseline in 2022, customs laboratories were not included in the initial calculations due to insufficient data.

General objective 2: A new era European defence and security**Specific Objective 2.1: Making Customs fit to deal with today's challenges**

Related to spending programme(s): Customs programme
Customs Control Equipment Instrument

Result indicator 2.1.1 Number of Risk profiles exchanged

Explanation: The risk information forms (RIF) are an indicator of the risk performance and risk evaluation performed by in the European Customs Union. The Customs authorities of the Member States fill in a risk information form when they identify a significant risk, (including information allowing the other Member States to cover the risk on operator, goods, routing etc.) and inform the other Member States of the identified risk through the Customs Risk Management System (CRMS2), as such potential fraudsters are prevented from circumventing customs measures and entering the customs union at the weakest border crossing point. DG TAXUD facilitates this process in particular by ensuring the 24/7 functioning of CRMS2. As such the number of RIF made per year, per risk category, and per Member States indicate the achievement in protecting the whole customs union.

This indicator measures the number of Risk Information Forms (RIFs) exchanged through the secure and dedicated Customs Risk Management System (CRMS) Platform

Source of data: DG TAXUD – CRMS

This result indicator is selected as a KPI

Baseline (2024)	Interim milestone (2027)	Target (2029)
6842 Total number of RIFs, out of which 1590 are not related to sanctions against RU and BY.	7917 Insert value Taking into consideration the situation of sanctions against RU and BY and the annual increase of RIF of 5 %. Without risk related to sanctions, the total value of RIFs for 2027 with annual increase of 5 % is 1840.	8735 Taking into consideration the situation of sanctions against RU and BY and the annual increase of RIF of 5 %. Without risk related to sanctions, the total value of RIFs for 2029 with annual increase of 5 % is around 2030.

Result indicator 2.1.2 Usage of Customs Single Window CERTEX (EU CSW-CERTEX) by the Member States

Explanation: The use of the Customs Single Window by the Member States is a crucial element in the smooth and digital functioning of the Customs Union. Member States are obliged to use it for a number of Union mandatory e-licensing systems (referred to as Part A in the legislation) whereas its use is optional for other e-licensing systems (referred to as Part B in the legislation).

This indicator measures the progress made by the Member States with the digitalisation of one of the Customs processes.

Source of data: DG TAXUD

Baseline (2024)	Interim milestone (2027)	Target (2029)
Part A: 20%	100%	100%
Part B: 3%	70%	92%

ANNEX 2: Performance tables – delivering on Commission priorities in 2025

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness		
<i>Specific Objective 1.1: Evolving towards a Tax Mix that Fosters Sustainable Prosperity and Competitiveness</i>		
Main outputs in 2025:		
New policy initiatives		
Output	Indicator	Target
VAT proposal of the Custom reform	Political agreement on the proposal	Q2 2025
Review of the Energy Taxation directive	Political agreement on the proposal	Q4 2025
Amendment of Regulation 904/2010 on VAT cooperation regarding cooperation with EPPO	Adoption by College	Q3 2025
Recommendation on tax incentives to support the Clean Industrial Deal and in light of the Clean Industrial Deal State aid Framework	Adoption by College	25 June 2025
Evaluations and fitness checks – part of the stress testing of the EU acquis		
Output	Indicator	Target
Evaluation of Council Regulation (EU) No 904/2010 on administrative cooperation and combating fraud in the field of value added tax	Adoption of the Report to the EP and the Council on the evaluation	Q3 2025
Evaluation of tax recovery assistance (Art. 27 Directive 2010/24)	Adoption of the Report to the EP and the Council	Q4 2025
Evaluation of Administrative cooperation in direct taxation	Publication	Q3 2025
Evaluation of Anti-Avoidance Tax Directive (ATAD)	Publication	Q3 2025
Evaluation of Directive 92/83/EEC	Study published	Q3 2025
Implementation dialogues and reality checks		
Output	Indicator	Target
Implementation dialogue for taxation	Implementation dialogue organised	Q4 2025

Output	Indicator	Target
<i>See under specific objective 1.5 for reality checks in the excise domain</i>		
Major implementation activities and enforcement actions		
Output	Indicator	Target
2nd Report on the review of the solidarity contribution	Adoption by College	COM(2025) 237 14 May 2025
Implementation of the ViDA digital components in 2025, in full compliance with MASP-T	Timely implementation	Q4 2025
Implementation of FASTER digital components in 2025, in full compliance with MASP-T	Timely implementation	Q4 2025
Implementation of the DAC9 digital components in 2025, in full compliance with MASP-T	Timely implementation	Q4 2025
Deployment of enhanced releases of CESOP to better fight fraud	Increase fraud detection rate	Q4 2025
Other major outputs		
Output	Indicator	Target
Study on the challenges of VAT beyond VAT in the Digital Age (ViDA)	Study published	Q4 2025
Legal act regarding the duration of the mandate to act as Eurofisc chairperson and Eurofisc working field coordinator	Implementing act adopted	C(2025) 32 13 Jan 2025
Report on the effectiveness of VAT collection (Art. 12 of Regulation 1553/89)	Adoption of the Report to the EP and the Council	Q4 2025
Report on the bilateral arrangements between EU Member States and the United Kingdom, relating to administrative cooperation in the field of VAT or recovery assistance for any taxes,	Report transmitted to EP and Council	COM(2025) 16 28 Jan 2025
Amendment of Delegated and Implementing Regulations related to the deployment of a new version of the Excise Movement Control System (EMCS)	Adoption by College	Q4 2025

Output	Indicator	Target
Implementing regulations in the area of administrative cooperation for direct taxation as regards the standard forms and computerised formats to be used for the mandatory automatic exchange of information	Adoption by College	Q3 2025
Proposal to be authorised to sign the amending protocols to agreements with Switzerland, Andorra, San Marino, Monaco and Liechtenstein regarding exchange of information for direct taxation	Adoption by College	Q3 2025

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.2: Implementing Carbon Pricing to drive the transition to net zero

Main outputs in 2025:

New policy initiatives

Output	Indicator	Target
Authorisation of CBAM declarants	Adoption by College	C(2025) 1567 17 Mar 2025
Scope extension to CBAM downstream products and anti-circumvention	Adoption by College	Q4 2025
CBAM review report per Article 30(2) CBAM Regulation	Adoption by College	Q4 2025

Initiatives linked to regulatory simplification and burden reduction

Output	Indicator	Target
 Omnibus to simplify and strengthen the carbon border adjustment mechanism	Adoption by College	COM(2025)87 26 Feb 2025
	Adoption by co-legislators	Mid-2025

Major public consultations

Output	Indicator	Target
Public consultation on CBAM as regards scope extension to downstream products and anti-circumvention	Launch on Have Your Say	Q3 2025

Major implementation activities and enforcement actions

Output	Indicator	Target
Implementation of CBAM Authorisations Services and Services for Third Countries Economic Operators	CBAM Definitive Registry Readiness for Authorisations and Third Countries Operators	Q1 2025
Implement CBAM Simplification Package in the CBAM Registry	CBAM Definitive Registry Readiness for enabling Simplifications	Q4 2025
Implement CBAM Definitive Registry interoperability with Customs Systems	CBAM Definitive Registry Readiness for Interoperability with Customs Systems	Q4 2025
Implement CBAM Definitive Registry Services foreseen for Q1 2026	CBAM Definitive Registry deployment to operations	Q4 2025

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.3: Make the Customs Union work day to day

Related to spending programme(s): ...

Main outputs in 2025:

New policy initiatives

Output	Indicator	Target
UCC Implementing Regulation on technical arrangements	Adoption by College	C(2025) 1503 13 Mar 2025
UCC Implementing act regarding common data requirements for the purposes of exchange and storage of certain information under the customs legislation	Adoption by College	Q4 2025
2026 Combined nomenclature	Adoption by College	Q4 2025
Tariff suspension and quotas acts	Adoption by College	- COM(2025) 240 & 244 15 May 2025 - Q4 2025

Initiatives linked to regulatory simplification and burden reduction

Output	Indicator	Target
Study on special procedures	Launch of the study	Q4 2025

Evaluations and fitness checks – part of the stress testing of the EU acquis

Output	Indicator	Target
Evaluation of the European Union Rules of Origin	Finalisation of the evaluation	Q4 2025
Study on the autonomous tariff suspension and quotas scheme	Finalisation of the study	Q4 2025

Implementation dialogues and reality checks

Output	Indicator	Target
Implementation dialogue on the rules of origin	Implementation dialogue organised	Q3 2025

Major implementation activities and enforcement actions

Output	Indicator	Target
Member States to implement new releases 3.1, 3.2 for ICS2 (Import Control System 2)	Releases 3.1, 3.2 deployed in production	Q4 2025
Member States to join Centralised Clearance for Import (CCI) operations	Successful start of operations by all Member States	Q2 2025

Output	Indicator	Target
Member States to join Automated Export System (AES) operations	Successful start of operations by all Member States	Q4 2025
Member States to implement the national Guarantee Management (GUM)	Successful start of operations by all Member States	Q2 2025
Deployment of the central Proof of Union Status system Phase 2	Phase 2 deployed	Q3 2025
Member States and Common Transit Countries to join New Computerised Transit System Phase 6 (NCTS-P6) operations	Successful start of operations by Member States and Common Transit Countries	Q3 2025
Member States to onboard new release 6 for EU CSW-CERTEX	Release 6 deployed in production	Q4 2025
Other major outputs		
Output	Indicator	Target
Undervaluation guidelines	Adoption by College	Q4 2025
UCC Implementing Act amending the preferential rules of origin	Adoption by College	Q3 2025
Implementing act adapting the Application for Action (AFA) form for EU design, geographical indications for craft and industrial products and other geographical indications	Adoption by College	Q3 2025
UCC Annual Progress Report 2025	Adoption by College	Q4 2025

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.4: Promote the EU's customs agenda internationally

Related to spending programme(s): ...

Main outputs in 2025:

New policy initiatives

Output	Indicator	Target
Implementing act adding Georgia to the list of countries in the guarantor's undertakings for transit	Adoption by College	C(2025) 1263 3 Mar 2025
Relief from import duties and VAT exemption – support to persons fleeing the military aggression in Ukraine and to persons in need in Ukraine	Adoption by College	C(2025) 1932 3 Apr 2025

Evaluations and fitness checks – part of the stress testing of the EU acquis

Output	Indicator	Target
<i>The evaluation of the rules of origin also supports this objective (see under 1.3)</i>		

Implementation dialogues and reality checks

Output	Indicator	Target
<i>The implementation dialogue on the rules of origin also supports this objective (see 1.3)</i>		

Other major outputs

Output	Indicator	Target
Free Trade Agreement negotiations – Rules of Origin (RoO) chapters - with Eastern and Southern Africa, India, Indonesia, Thailand, Philippines, UAE	Negotiation of Rules of Origin chapters completed	Q4 2025
Staff Working Document on Monitoring of preferential Rules of Origin	Adoption by College	Q4 2025
Proposal for Council decision for Moldova and Montenegro to join the Convention on a common transit procedure and the Convention on the Simplification of formalities in trade in goods.	Adoption by College	Q4 2025

Output	Indicator	Target
Conclude AEO mutual recognition agreements	Adoption of decision on AEO mutual recognition	Q3 2025 Türkiye Q4 2025 Singapore
Decision to request negotiating mandate for EU-China Customs Cooperation Agreement	Adoption by College	Q3 2025
Free Trade Agreement negotiations on Customs and Trade Facilitation with Eastern and Southern Africa, India, Indonesia, Thailand, Philippines, UAE	Negotiation of Customs chapters completed	Q4 2025

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.5: Implementing and enforcing EU Customs and tax policy

Main outputs in 2025:

Evaluations and fitness checks – part of the stress testing of the EU acquis

Output	Indicator	Target
<i>See under the relevant chapter of the different specific objectives</i>		

Implementation dialogues and reality checks

Output	Indicator	Target
Reality check on the exemptions from excise duties on alcohol – alcohol for other use than human consumption as an alcoholic drink	Synopsis report completed	Q2 2025
Reality check on alcohol tax rates (linked to the evaluation of Directive 92/83/EEC)	Synopsis report completed	Q3 2025
Reality check on simplification of distance selling (B2C) movements of excise goods	Synopsis report completed	Q4 2025
Reality check on simplification of rules and procedures for low value excise movements	Synopsis report completed	Q4 2025

Major implementation activities and enforcement actions

Output	Indicator	Target
Implementation strategy for ViDA package	Implementation started	Q2 2025
Assessment of the completeness of transposition of the Directive on VAT scheme for small enterprises (Directive 2020/285)	Transposition checks completed for 27 Member States or infringement action launched/continued	Q4 2025
Assessment of the completeness and conformity of the transposition of the Directive on VAT rates ((Directive 2022/542)	Transposition and conformity checks completed for 27 Member States or infringement action launched/continued	Q4 2025
Annual progress report on enforcement and implementation	Report completed	Q3 2025
Final Annual report on the digitalisation of the import of cultural goods procedures (ICG)	Report completed	Q3 2025

General objective 1: A new plan for Europe's sustainable prosperity and competitiveness

Specific Objective 1.6: Implement the EU Programmes supporting tax and customs policy

Related to spending programme(s): Customs programme

Fiscalis programme

Customs Control Equipment Instrument

Main outputs in 2025:

New policy initiatives

Output	Indicator	Target
Next MFF programme	<i>To be specified</i>	<i>To be specified</i>

Evaluations and fitness checks – part of the stress testing of the EU acquis

Output	Indicator	Target
Interim evaluation of the Customs and Fiscalis programmes	Adoption by College	Q4 2025
Interim evaluation of the Customs Control Equipment Instrument	Adoption by College	Q4 2025

Major implementation activities and enforcement actions

Output	Indicator	Target
CCEI Work Programme 2025	Adoption of the Work Programme	Q4 2025
CCEI Call 2025	Launch the third CCEI call under the 2025 Work programme	Q4 2025

Other major outputs

Output	Indicator	Target
Customs programme Annual Progress Report on 2024	Adoption of the report	April 2025
Fiscalis programme Annual Progress Report on 2024	Adoption of the report	April 2025
CCEI Annual Progress Report on 2024	Adoption of the report	Q3 2025

General objective 2: A new era for European defence and security**Specific Objective 2.1: Making Customs fit to deal with today's challenges***Related to spending programme(s):* ...**Main outputs in 2025:****New policy initiatives**

Output	Indicator	Target
Implementing act to solidify the legislative framework regarding the authorisation processes for authorised economic operators (AEO)	Adoption by College	C(2025) 2471 28 Apr 2025
Proposal on monitoring and controlling drug precursors	Adoption by College	Q4 2025
Commission Implementing decision establishing Export and Exit Common risk criteria and standards	Adoption by College	Q4 2025
Implementing act on the export of cultural goods	Adoption by College	Q4 2025

Major implementation activities and enforcement actions

Output	Indicator	Target
Customs priority control action on eCommerce assessment	Assessment completed	Q4 2025
Revised guidance on a common approach to risk management and customs controls <i>related to sanctions against Russia and Belarus, tackling circumvention</i>	Guidance published	Q3 2025

Other major outputs

Output	Indicator	Target
Report on the application of Cash Controls Regulation.	Adoption by College	Q2 2025
Customs Union Performance 2024 Annual Report	Final Report issued	Q3 2025
Report on the export of cultural goods	Adoption by College	Q4 2025

ANNEX 3: Performance tables – A modern and sustainable public administration

A. Human resource management

Objective: DG TAXUD employs a skilled, diverse and motivated workforce to deliver on the Commission's priorities		
Main outputs in 2025:		
Output	Indicator	Target
Launch an in-house programme for management talent development	Number of participants in the programme in 2024 is 10	Enrolment of at least 10 participants in the programme
Increase diversity and inclusion among staff	Progress in implementing actions in the DG TAXUD Equality mainstreaming work plan after 18 months	Develop and implement DG TAXUD Equality mainstreaming work plan
Promote knowledge sharing in the DG	Organising knowledge fair and the policy lab in 2025	Organised 2 events for all the staff
Develop solid data for informed HR decisions	Preparation for quarterly HR data reports for senior management	Delivery of four quarterly reports

B. Digital transformation and data management

Objective: DG TAXUD is using innovative, trusted digital solutions for better policymaking, data management and administrative processes to create a digitally transformed, user-focused and data-driven Commission

Main outputs in 2025:

Output	Indicator	Target
Digital transformation		
Digital delivery of systems and services in the domain of Customs Reform, CBAM and Single Window (including LFDS)	Percentage of digitally delivered systems	80%
Innovative data-driven systems	Percentage of systems (Customs, CBAM and Taxation) using Data analytics	70%
Virtualisation of platforms, transfer network services and cloud services	Percentage of these services hosted with DIGIT and CNCT	60%
Cloud adoption by DG TAXUD	Cloud adoption percentage	14%
Digital skills in DG TAXUD	Percentage of staff that participated in an IT Training	60%
Deploying the new DG TAXUD security programme	Security programme deployed	Q4 2025
Data Management		
Implementation of the corporate principles for data governance for DG TAXUD's key data assets	- Percentage of implementation of the corporate principles for data governance for DG TAXUD's key data assets - Reached advanced level in all Data Management indicators	70% - Advanced level reached.
Data Protection		
Percentage of staff trained on data protection compliance combined with percentage of public records of processing operations reviewed within the last two years.	- Organising Newcomers' training sessions on fundamentals of data protection. - Organising a training session for data protection ambassadors - Ensure timely review of data protection records.	A combined target of 75% - Ensuring 100% awareness rising of DG TAXUD staff 25% of new or updated records published within the last two years against all publicly available records

C. Sound financial management

Objective: The authorising officer by delegation has reasonable assurance that resources have been used in accordance with the principles of sound financial management and that cost-effective controls are in place which give the necessary guarantees concerning the legality and regularity of underlying transactions

Main outputs in 2025

Output	Indicator	Target
Effective controls: legal and regular transactions	Estimated risk at payment	remains < 2 % of relevant expenditure
	Estimated risk at closure	remains < 2 % of relevant expenditure
Effective controls: Safeguarded assets	Disposal of assets ((in)tangible assets and inventories) follow formal procedures	100% compliance in imputation in the accounting system accuracy in data imputation within the accounting system—ensuring all financial entries were correctly recorded and categorized and 100% compliance with regulatory provisions / the Financial Regulation, Closure Guidelines and EU Accounting Rules.
Efficient controls	Budget execution and timely payments	remains 100%] of payment appropriations and becomes 95% ⁽⁶⁾] of payments (in value) made on time
Economy of controls	Overall estimated cost of controls	remains < 3% of funds managed

⁽⁶⁾ Due to the migration to SUMMA, a decrease of the 5% of the payments (in value) made on time compared to previous years, is proposed

D. Fraud risk management

Objective: The risk of fraud is minimised through the application of effective anti-fraud measures and the implementation of the Commission anti-fraud strategy ⁽⁷⁾ aimed at the prevention, detection and correction ⁽⁸⁾ of fraud

Main outputs in 2025:

Output	Indicator	Target
DG TAXUD anti-fraud actions	Number of actions implemented or well-advanced	All actions in place in 2025 as planned / satisfactory progress in multi-annual actions – 90% of the actions implemented
CAFS anti-fraud actions for DG TAXUD	• Common Risk Criteria for intellectual property rights at import • Work on CRMS2	All actions in place in 2025 as planned / Satisfactory progress on CRMS2 (Q1 2025 deadline)

⁽⁷⁾ Communication from the Commission 'Commission Anti-Fraud Strategy: enhanced action to protect the EU budget', COM(2019) 176 of 29 April 2019 – 'the CAFS Communication' – and the accompanying action plan, SWD(2019) 170 – 'the CAFS Action Plan'.

⁽⁸⁾ Correction of fraud' is an umbrella term, which notably refers to the recovery of amounts unduly spent and to administrative sanctions.

E. Sound environmental management

Objective: Reaching climate neutrality by 2030 and a reduced environmental footprint for the Commission.

Main outputs in 2025

Output	Indicator	Target
Actions to reduce emissions from staff missions ⁽⁹⁾	Number of actions to reduce emissions from staff emissions	2
Actions to reduce emissions from staff missions ⁽¹⁰⁾	Number of actions to reduce emissions from staff missions	10% reduction from 2024 to reach the 50% corporate target by 2030.
Energy saving actions	100% of Department buildings participating in the annual BEST energy saving actions	100% of DG TAXUD department buildings participating in the BEST actions 2025
Staff awareness actions	Number of staff awareness actions in line with EMAS/greening corporate campaigns	At least 2 actions in 2025
Sustainable events	% Department's events, incorporating the EC Guidelines for sustainable events	100% implementation of the guidelines.

⁽⁹⁾ DG/department emissions report from MIps+. Emissions from staff whose place of assignment is one of the Commission's sites: [EMAS](#).

⁽¹⁰⁾ Data provided by PMO/MIps.