

# Celebrating the Customs Union: the world's largest trading bloc turns 50

Borne out of the landmark post-war agreements that paved the way for European integration, the [Customs Union opened for business in 1968](#). By abolishing customs tariffs for trade in goods within what is now the EU, the Customs Union marked the first decisive step towards the EU becoming the world's largest trading bloc, with the 28 customs administrations of the EU acting as though they were one entity.

Over the past 50 years, the Customs Union has developed into a cornerstone of our Single Market, keeping EU borders safe and protecting our citizens from prohibited and dangerous goods such as weapons and drugs. It also facilitates an ever-growing portion of global trade: EU customs handled 16% of the world's commerce in 2017.

On 1 July 2018, exactly 50 years after the Customs Union was established, the Commission is organising events at airports and schools across the EU to raise awareness of this extraordinary achievement.

Pierre **Moscovici**, Commissioner for Economic and Financial Affairs, Taxation and Customs, said: *"The Customs Union is a tremendous and unique accomplishment. It allows Europeans to reap the full benefits of the internal market, keeping trade flowing and consumers safe. I am grateful to the many thousands of people who have and continue to contribute to this European achievement over the past 50 years."*

## **How does the Customs Union work?**

The EU's Customs Union was first provided for in the Treaty of Rome and in 1968 it abolished the customs duties levied at the borders between members of the European Community. Today, it is a single trading area where all goods can circulate freely, whether produced in the EU or outside its borders. Duty on goods from outside the EU is generally paid when they first enter the EU. In this way, customs ensure that those duties are paid and the financial interests of the Union and its Member States are protected. Customs also prevent products from entering the Union that pose a risk to the safety or health of EU citizens; they stop goods that have been trafficked and smuggled or present a danger to the environment and European cultural heritage, or goods which undermine the financial interests of the EU and its Member States.

To ensure the smooth functioning of the single customs area, EU Member States use a common set of rules, with the so-called [Union Customs Code](#) as its cornerstone. This Code, upgraded in 2013 and applied since 2016, means that EU countries rely on the same rules and procedures for handling the import, export and transit of goods. This stimulates competition and trade, improves efficiency, raises quality, and lowers prices for consumers.

National customs authorities in all EU countries are primarily responsible for the extensive day-to-day operations of the Customs Union and cooperate between each other and with the Commission to make it work. At the same time, wider international cooperation is crucial to protect the interests of European citizens and European business worldwide. In this vein, the EU has signed more than 50 international agreements providing for customs cooperation and mutual administrative assistance with 80 countries outside the EU to support controls and enforcement and simplify and harmonise customs procedures, which in turn reduces the administrative burden and costs for European companies.

The Commission recently proposed a continued financial commitment of €950 million for customs programmes in the next EU budget. This money should help to increase cooperation and data exchange between customs authorities as well as supporting and training customs officials in their work. A new fund of €1.3 billion has also been included in the EU budget plans to help Member States purchase, maintain and replace state-of-the-art customs equipment.

**For more information**

[Factsheet](#)

More information on the Campaign celebrating 50 years of the Customs Union can be found [here](#)

More information on international trade can be found [here](#)

[Website of Commissioner Pierre Moscovici](#)

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