Dear Sir or Madam,

Welcome back from a great summer – and already time to look ahead to 2027!

The summer holidays are over, everyday life is picking up pace again – and things aren't getting boring in the field of customs and foreign trade either. While companies are preparing for year-end business, numerous developments for 2027 are already taking shape.

In our current newsletter, we have once again put together three exciting topics for you: The ECJ has addressed the assessment of ownership and control rights of a trust under sanctions law. There is also an update on US tariffs, as well as current developments regarding EU safeguard measures on steel.

Our Upcoming Seminars

Schlagbaum Express: Early Bird - What´s new in 2027?

29. September 2026, 09-13 Uhr
Online

More Information

Thementag Außenwirtschaft 2026

6. + 7. Oktober 2026
Reguvis Akademie in Köln

More Information

All three topics are highly dynamic.

In addition, we're venturing into the field of arms control. We know from many clients that they are also focusing on this area, since the defense capability of European countries is not only on everyone's lips but is also currently the subject of intensive investment. We provide an overview of what you need to keep in mind, should this be of interest to you. For this reason, we will also be visiting the **Euro Defence Expo (EUDEX) in Essen** next week, or meeting you in person at the **Thementag Außenwirtschaft hosted by Reguvis in Cologne**.

And since 2027 will arrive sooner than you think, it's already worth taking a look at the upcoming changes: In our seminar "Schlagbaum Early Bird – What's new in 2027?" on September 29, 2026, we will give you a compact, practice-oriented overview of the already known and foreseeable developments in customs, export control and sanctions, origin of goods and preferences, sustainability, VAT, and compliance. Particularly with regard to the new Union Customs Code (UCC), along with its Implementing and Delegated Regulations, announced for

About Our Seminars

November, further tightening of export control and sanctions rules that has been announced, as well as the sustainability regulations now taking final effect — CBAM, EUDR, and others — we look forward to discussing these topics with you as early as possible. Register now **here**, get prepared early, and start 2027 off right with Schlagbaum!

Best regards,
Möllenhoff & Partner

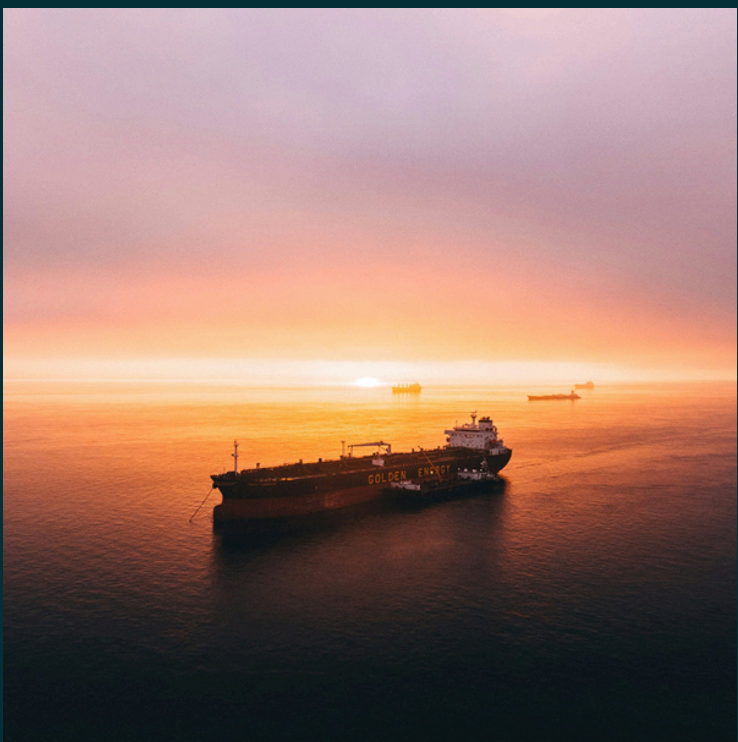
Our Topics

To-Do List: Entry into the Defence Sector for SMEs

CJEU Ruling on the Assessment of Ownership and Control Rights under Sanctions Law in the Case of a Trust

Update US Tariffs

Update: EU Safeguard Measures on Steel



Find out more about our seminars now!

Learn More

To-Do List: Entry into the Defence Sector for SMEs

Many industrial companies are currently deciding to become active in the field of military goods as well. This is precisely where the rules of export control apply all the more, in the form of special regulations governing the handling of military equipment. Here is an initial overview. Companies that, as a small or medium-sized enterprise (SME), are offering products, components, software, or services with a military connection for the first time should address the following points at an early stage:

1. Classify your portfolio.
Systematically check whether your goods, components, technologies, or services are listed as war weapons, other armaments-related goods, or dual-use goods. The decisive factor is usually the technical design, though for certain offenses knowledge of the intended end use is also relevant. When in doubt, it is worthwhile to submit an early request to BAFA (Federal Office for Economic Affairs and Export Control) for a ruling on classification under the goods list, or for information on foreign trade matters, before the contract is concluded.

2. Plan for a dual review.
War weapons regularly require two separate approval procedures: one under the War Weapons Control Act (e.g., for manufacture, acquisition, transport, etc.) and, in addition, one under foreign trade law for cross-border movement. One approval does not replace the other.

3. Screen for sanctions and embargoes.
Before concluding any contract with a foreign connection, contractual partners and end recipients should be checked against current sanctions lists. Country-specific embargoes (for example, against Russia) often maintain their own goods lists, which must be checked in addition. Circumvention risks require particular attention here.

4. Safeguard your contracts.
Include clauses on approval reservations, end-use, and cooperation obligations, as well as a right of withdrawal in the event that approval is denied.

5. Choose Incoterms deliberately.
The chosen trade clause determines when "actual control" — and thus the obligation to obtain approval — passes to the other party. Clarify in advance which party can secure the necessary approval in good time.

6. Establish a compliance structure.
When handling sensitive goods, it is expected that a company will appoint an export compliance officer at the management level, as well as officers with stop authority, along with deputies for day-to-day business

operations. Companies must maintain an adequate compliance structure and document it in a written Internal Compliance Programme.

7. Know the review criteria.
Approval decisions are guided, among other things, by the Council's Common Position 2008/944/CFSP as well as by the criteria of the EU Dual-Use Regulation (EU) 2021/821 and the embargo regulations.

8. Take liability seriously.
Violations can have personal consequences not only for the company but also for management and involved employees — early legal advice pays off.

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CJEU Ruling on the Assessment of Ownership and Control Rights under Sanctions Law in the Case of a Trust

On 21 May 2026, the **Court of Justice of the European Union, Case C-483/23** "T-Trust", ruled on a request for a preliminary ruling concerning the scope of the freezing of funds **under Article 2(1) of Regulation (EU) No**

269/2014 in the case of a settlor of a trust who is listed in Annex I to that Regulation.

The question to be decided was to what extent assets must be economically attributed to a sanctioned person, such that they cannot be shielded from the reach of EU sanctions merely by being transferred to a trust. What matters instead is whether the person concerned continues to exercise, or is able to exercise, relevant control or powers of disposal over the assets. The CJEU held that the freezing of assets held by a trust is, in principle, compatible with EU law.

The ruling was based on the following facts: four Italian companies and a Swiss trust company, T, on one side, and the Italian supervisory authorities on the other, were in dispute over the freezing of funds of the Italian companies, which are wholly controlled by a parent company that was settled into a trust in 2007, of which T is the current trustee. On 16 March 2022, the funds of the four Italian companies were frozen by the Italian Financial Security Committee (Comitato di Sicurezza Finanziaria). It took the view that these funds were indirectly attributable to the settlor of the trust, who was subject to restrictive measures — namely, listed in Annex I to Regulation (EU) No 269/2014 — and was regarded as the beneficial owner of these companies.

The CJEU clarified that **Article 2(1) of Regulation (EU) No 269/2014** covers a wide range of situations, ranging from ownership of funds and resources to situations in which actual power over the funds and resources can be exercised, whether directly or indirectly. This provision is thus applicable to many legal and factual situations in which a person has a power enabling them to use the funds and resources, derive a benefit from them, dispose of them, or exert influence over them. In order to ensure the practical effectiveness of this provision, the terms "ownership" and "control" cover factual situations in which such a power exists even where it is formally held by another person or entity, or where a power of influence exists in the absence of any legal relationship. Where the rights relating to those funds and resources are held in the name of the trustee, those funds and resources may therefore be regarded as owned, or controlled, by the settlor of the trust if that settlor has a power enabling them to use the funds and resources, derive a benefit from them, dispose of them, or exert influence over them or over the trustee's decisions relating to the funds and economic resources contributed to that trust by that settlor. This concerns not merely the formal possibility as confirmed in legal instruments, but also actual influence in practice. The judgment cites numerous examples of what constitutes such influence.

Significance for businesses and advisers: The decision underscores that sanctions screening must not rely solely on the formal ownership structure. Companies, banks, and other obliged entities must, in particular in the case of complex shareholding and asset structures, examine who actually has the ability to exert influence over assets. Trusts, fiduciary arrangements, or comparable structures therefore offer no automatic protection against the freezing of assets.

For compliance and legal departments, this means that the examination of beneficial ownership and actual control possibilities is becoming increasingly important — particularly in business relationships involving complex international holding, trust, and fiduciary structures.

Even where a sanctioned person — as in the case at hand — was excluded as a beneficiary of a trust prior to their listing, a freezing measure may still be warranted. What is decisive is whether the person continues, as a matter of fact, to be able to exert influence over the assets or over the trustee's decisions, to use the assets, or to derive an economic benefit from them. Businesses should therefore, in their sanctions screening, analyze not only formal ownership relationships but, in particular, actual structures of influence and control.

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Update US Tarrifs

The topic of "tariffs" shows no sign of settling down in relations with the United States. Since 24 July 2026, a new tariff system has applied in relation to the EU and other economies, announced the day before via a **Presidential Memorandum** and implemented in law through **USTR Notice 2026-0265, 2026-0266**. The new tariff measures are the result of an investigation by the United States Trade Representative (USTR) into the failure of various economies to impose and effectively enforce a prohibition on the importation of goods produced with forced labor. The measure is based on Section 301 of the "Trade Act of 1974," which is why the new measures are generally referred to as Section 301 tariffs.

According to the USTR's findings, most of the 60 economies concerned had failed to impose and effectively enforce a prohibition on the importation of goods produced with forced labor. Six economies — including the EU — had imposed such an prohibition but had not effectively enforced it. As a reminder: EU Regulation (EU) 2024/3015 on prohibiting products made with forced labor on the Union market entered into force on 13 December 2024. It prohibits the placing on the market and making available of such products on the Union market, as well as their export. Goods that violate these prohibitions must be withdrawn from the market. The Regulation shall apply from 14 December 2027. Since the Regulation is not yet being applied, there is currently no enforcement of the prohibitions it imposes.

As a result of its findings, the USTR has set tariffs of 10% or 12.5%, which constitute the minimum tariff rates for individual countries but, for many countries, also apply in addition to the regular MFN tariff rates. The Section 301 tariff surcharges are based on the third-country MFN tariff rates (MFN = Most Favoured Nation). The MFN tariff rate is the so-called most-favored-nation rate, meaning that the lowest tariff rate the US grants to one trading partner must also be applied to other trading partners. Together with Taiwan, the EU receives the most favorable treatment, which means the following for **goods of EU origin**:

- If the MFN tariff rate is lower than 10%, a tariff rate of 10% applies (including MFN duty).
- If the MFN tariff rate is higher than 10%, the MFN tariff rate applies, and no additional tariff is levied.

Part B, No. 19 of the **Notice** sets out the reasoning behind the measures with regard to the EU. Otherwise, it is once again extremely difficult to keep track of what now applies in relation to which country. A useful overview can be found at **https://www.gtai.de/de/trade/usa/zoll/usa-301-zoelle-menschenrechtsverletzungen-2016790**. The individual tariff rates applicable to specific goods can also be looked up via the EU Commission's **Access2Markets database**. Specific guidance on imports under the new tariff regime is provided in the **guide issued by the US customs authority CBP**.

Exempt from the tariffs are raw materials or products that are not available in sufficient quantities in the United States. These exemptions are listed in Annex I and Annex II, Parts A and C of the Notice. The Office of the US Trade Representative (USTR) has published a **Fact Sheet** on the Section 301 tariffs. It includes a link to the Notice with an improved search function. Where goods are already subject to the sectoral Section 232 additional tariffs (steel, aluminum, copper, motor vehicles and vehicle parts, semiconductors, timber/wood products — so-called Section 232 tariffs), those tariffs take precedence, meaning there is no double burden.

How do the new tariff rules relate to the so-called "Turnberry Deal"?

Following the tariff turmoil initiated by the US President last year, and against the backdrop of an announcement by the US President that a base tariff of 30% would be imposed on EU goods, EU Commission President von der Leyen and President Trump reached a **political agreement** on 27 July 2025. This agreement resulted in a **Joint Statement** on a United States-European Union framework on an agreement on reciprocal, fair and balanced trade of 21 August 2026 and became known as the "Turnberry Deal" after the location of the negotiations in Scotland. At the core of this agreement was the introduction, effective 1 September 2026, of a flat maximum tariff rate of 15% for the vast majority of imports from the EU to the US — including strategic sectors such as motor vehicles, pharmaceuticals, semiconductors, and timber. Goods that were already subject to MFN tariff rates of 15% or more were not to be subject to any **additional** tariffs. This means that, even under the Turnberry Deal it ist possible that tariffs exceed 15% if the "normal" MFN tariff rate for the goods in question is above 15%. The flat maximum rate of 15% was primarily intended to establish a ceiling for additional US tariff measures and mainly concerned goods that had previously been subject to "retaliatory tariffs" (such as the IEEPA tariffs declared unlawful by the Supreme Court), as well as Section 232 goods such as motor vehicles, pharmaceuticals, semiconductors, and timber (see **FAQ on the Joint Statement**).

The EU regards the new Section 301 tariffs as being consistent with the Turnberry Deal, since the tariff rate is either 10% (where the MFN rate is lower), equal to the "normal" MFN tariff rate, or 15% — as it is the case for the Section 232 tariffs, which are treated separately under the new tariff regime (see above). However, the EU has recently enacted further “peace measures” in the trade dispute: In response to the massive tariff hikes imposed by the U.S. government in the spring of 2025, the EU had decided on countermeasures last summer. The tariff increases on certain goods originating in the United States of America, planned as a countermeasure, have already been published in the Official Journal of the EU in the form of Regulation **(EU) 2025/1564**. After an agreement was reached with the United States on the Turnberry deal just a few days after the regulation was published, the application of this regulation was immediately suspended again (Regulation (EU) 2025/1727, extended by Regulation (EU) 2026/295). With Regulation **(EU) 2026/ 1893**, published recently in the Official Journal of the EU on July 31, 2026, the application of these countervailing duties has been suspended indefinitely; however, the Commission reserves the right to review the suspension of the measures on an ongoing basis and to take action, if necessary, to protect the interests of the Union.

Current status of the "de minimis" rule

The most recent US tariff measures show that if there is one constant in US tariff policy and that is the constant change. It remains to be seen whether the “Turnberry Deal” and the trade agreement between the EU and the US (see **Schlagbaum 07/2026**) will provide the hoped-for stability in trade relations between the two parties.
At least one measure does appear designed for permanence: the US customs authority's suspension of the so-called de minimis exemption.

The current position is as follows:
Until last year goods valued below USD 800 could be imported into the US duty-free (de minimis rule, 19 U.S.C. § 1321(a)(2)(C)). In July 2025, the **US Congress** decided to repeal the statutory basis for the de minimis rule with effect **from 1 July 2027**. This final repeal was pre-empted by **Executive Order 14324**, issued by the US President on 30 July 2025, which suspended the de minimis rule with effect **from 29 August 2025**. It was ordered that postal shipments be subject to a transitional procedure until the customs authority CBP had established a new procedure for international postal shipments.
Following the Supreme Court decision of 20 February 2026, which struck down the IEEPA tariffs, **Executive Order 14388** of 20 February 2026 extended the suspension of the de minimis rule indefinitely, with effect from 24 February 2026, and **Executive Order 14389** clarified that Executive Order 14388 was not affected by the termination of the IEEPA tariffs (Sec. 2(c)).

The US customs authority CBP has now confirmed the suspension of the de minimis rule in its own regulatory act, effective **24 June 2026**, and has permanently enshrined it in the customs regulations (**Federal Register of 24 June 2026**). With effect **from 24 July 2026** this act also establishes a new procedure for the clearance of postal shipments (postal informal entry) not exceeding a value of USD 2,500. Certain data must be submitted to CBP for the declaration. Shipments exceeding a goods value of USD 2,500 must be processed under the normal import procedure.

CBP also provides current guidance on this topic. Should you have any further questions, please feel free to contact us.

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Update: EU Safeguard Measures on Steel

Since 1 July 2026, the EU's new safeguard measures addressing the negative trade-related effects of global overcapacity on the Union steel market have been applied (**Regulation (EU) 2026/1384**). The previously applicable safeguard measures expired on 30 June 2026. In **Schlagbaum 06/2026**, we reported on the new measures.

The new Steel Regulation opened tariff-rate quotas totalling 18,345,922 tonnes for certain steel products in 26 product categories and laid down an out-of-quota duty at the rate of 50% ad valorem. Annex II of the Regulation sets out the allocation of the annual total quantity of 18,345,922 tonnes among the respective product categories. The quota volume is determined annually and applies in each case from 1 July to 30 June of the following year.

Structure of the tariff-rate quotas

The allocation of the tariff-rate quotas is fairly complex. One part is available to all third countries on a most-favoured-nation basis, while the other part is reserved for countries with an existing or future free trade agreement (FTA) with the European Union. The Commission laid down the precise allocation of the quotas between the most-favoured-nation portion and the free-trade portion in a further regulation, **Implementing Regulation (EU) 2026/1457**. The allocation in Annex I must be read in conjunction with Annex II, which contains a list of the countries with an existing or future free trade agreement with the Union and breaks down the various quota categories by country and product category. The following categories apply:

- Country-specific quotas: Quotas applicable to goods originating in specified countries
- FTA Quota - CSQ (country-specific quota): This quota may be used for imports from countries that have an existing or future free trade agreement with the EU (these countries are listed in Section 1 of Annex II) and have a country-specific quota (point 1). If the country-specific quota has been exhausted and the country is listed in Section 2 of Annex II, the FTA Quota - CSQ may be used for imports from that country in the product category concerned. This therefore constitutes a „second fallback pool“ for those countries and product categories; here too, however, allocation among all FTA countries concerned is on a first-come, first-served basis.
- FTA Quota - Other countries: This quota is open to countries that have an existing or future free trade agreement with the EU but do not have a country-specific quota. These countries are listed by product category in Section 4 of Annex II.
- Other countries: The quota is open to all countries, except those listed in Section 3 of Annex II. This „residual pool“ may therefore also be used by FTA countries that do not have their own country-specific quota, provided they are not excluded under Section 3.
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The Regulation applies from 1 July 2026 to 31 December 2026. The limited period of application is due to the particular urgency underlying the adoption of the Steel Regulation. We will continue to monitor the further or definitive implementation of the Regulation for the period from January 2027 onwards and provide updates.

As if this system were not already complex enough, there is yet another regulation, **Regulation (EU) 2026/1930** of 4 August 2026, which entered into force on 6 August 2026. Under Article 1 of the Regulation, imports of the product categories listed in Annex I to Regulation (EU) 2026/1384 and originating in certain countries with which the EU has concluded free trade agreements may be subject to the 50% duty once the tariff-rate quota available to the country concerned (either country-specific or in competition with other FTA countries) has been exhausted. The countries concerned are **Albania, Israel, Jordan, Morocco, North Macedonia, Switzerland, Serbia, Tunisia and Türkiye.** By means of **Regulation (EU) 2026/1930**, the EU ensures that the out-of-quota duty at the rate of 50% is applied after the respective quotas have been exhausted, on the basis of the bilateral safeguard measures permitted under the respective free trade agreement.

It should be noted that, under all these provisions, the origin of the goods must be determined in accordance with the rules on non-preferential origin laid down in Article 60 of the Union Customs Code (UCC).

Country of melt and pour - evidence requirements

Ambon businesses the new requirement that importers must, **as from 1 October 2026**, provide 'verifiable appropriate evidence' of the **country of melt and pour** of the goods at the time of importation caused considerable concern (Article 4 of Regulation (EU) 2026/1384). This means the original location in which raw steel or iron is initially produced in liquid form within a steel- or iron-making furnace and subsequently cast into its first solid state ('country of melt and pour', Article 4). That first solid state can encompass either a semi-finished product, including slabs, billets or ingots, or a finished steel mill product (recital 22). By adopting **Commission Implementing Regulation (EU) 2026/1963** of 28 August 2026, the Commission specified the requirements governing the evidence to be provided. Under Article 1 of the Regulation, importers are to provide a **Mill Test Certificate** containing the country of melt and pour and the heat number of the imported steel. If this information is not included in the certificate, the customs authorities 'may' consider the following evidence as **complementary to the Mill Test Certificate**, provided that it contains **either the missing information on the country or the missing heat number**:

- Invoices

- Delivery notes
- Quality certificates and clauses in implemented purchase orders or contracts
- Long-term supplier declarations
- Cost accounting and production documents
- Customs documents from the exporting country
- Commercial correspondence; or
- Production descriptions

If no Mill Test Certificate can be provided, the customs authorities 'may' also accept these documents as **standalone evidence** if they contain **both pieces of information** (Article 1(3)). Under Article 2(3), however, this concession applies only on a transitional basis from 1 October 2026 to 30 September 2027.

The country of melt and pour must be declared at importation using a TARIC document code. Under Article 2(1), the information and evidence provided are subject to a **documentary check**. In case the country of melt and pour cannot be declared on the basis of appropriate verifiable evidence results, the **import can be rejected**, Article 2(3). If importers are unable to provide these documents at the time of importation, the goods are therefore effectively subject to an import prohibition. Importers of the product categories concerned are advised to use September to coordinate the provision of evidence with their suppliers. Ideally, this should take the form of Mill Test Certificates containing the country of melt and pour and the heat number; alternatively, the evidence listed above may be used, provided that it contains the necessary information.

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