

The UK government was blatantly and unforgivably neglig...

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The [Guardian has reported that](#):

The EU executive has said the UK owes €2.7bn (£2.4bn) to Brussels for alleged failure to tackle customs fraud, as it launched legal action against the government.

While the case is unrelated to [Brexit](#), the threat of a hefty payment to Brussels is bound to raise tensions as the UK and EU debate customs arrangements to avoid a hard border on the island of Ireland.

The European commission announced it was sending a letter of formal notice to the government over its refusal “to make customs duties available to the EU budget as required by EU law”. Citing a confidential report by the EU’s anti-fraud office Olaf, the commission said the UK “negligence” had allowed customs fraud that caused a €2.7bn loss to the EU budget. “The UK must assume the financial consequences of its violations of union rules,” the commission said.

A government spokesman said it would respond in due course to the commission, but did not recognise the estimates of alleged duty loss.

I was involved in this story a long time before it reached the media, and know HM Treasury and HMRC both ignored it for years: the evidence is available to prove that. I [wrote about it in 2015](#). And the issue was only properly addressed by law (and even then, in practice not really as yet) late last year.

Is the government liable for the penalty as a result? Yes, of course it is.

And in 2015 I suggested I had seen evidence that the cost was £2 billion a year. The EU claim is modest, I suggest.

The government should be apologising to the people and small businesses of the UK on this case, and not be fighting Brussels. It was just blatantly and unforgivably negligent to keep big business on side. And that is not acceptable. I am delighted that they have been called out.