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COVER

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<p>TAXATION AND CUSTOMS UNION DG EMCS COMPUTERISATION PROJECT</p> <p>SUBJECT: EMCS Master Plan</p>		

REVISIONS

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2	93	04/05/2012	Update of the EMCS project planning by DG TAXUD	R	All
2	94	10/07/2012	Implementation of MSAs comments by DG TAXUD	R	All

(*) Action: I=Insert R=Replace D=Delete

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1. INTRODUCTION

1.1. Document overview

1.1.1. Background

The EMCS Computerisation Project (ECP) has set up the Excise Movement and Control System (EMCS). ECP specifies, deploys, and supports the operation of the EMCS across all Member States. The EMCS has been introduced in “1+3” phases from 2003 to 2012. The EMCS Master Plan provides some historical overview on 2002 to 2012 and focuses on the main tasks within the project for 2012 to 2018.

The EMCS Legal Decision¹, article 4(2) and Article 5(1) defines the Master and management plans and the associated duties of the Commission and the Member States. The Commission is responsible for the Master and the management plans related to the Commission and common activities whereas the Member States are responsible for all management plans regarding their own activities. The reporting, revision and maintenance procedures are agreed at the EMCS Computerisation Working Party (ECWP) and the Committee on Excise Duty (CED) in its steering committee role. The procedures may evolve depending on the project status/phase.

1.1.2. Objectives

The Master Plan (CED N 563 rev5) provides a long-term vision on the project and is used to ensure the synchronisation and transparency between all the parties involved in the project. Its detailed Gantt chart (Annex 1) identifies the activities to be performed from 2012 until 2018. The EMCS Master Plan describes the activities, their expected results, their target completion date and the responsible actor(s). The Master Plan also defines all major synchronisation points between all involved parties.

It is written in EN and will be made available in FR and DE on a best-effort basis or upon a request from the Committee on Excise Duty.

As a high level plan it is updated when major changes occur in the lifecycle of the project. More detailed planning on short term activities within the project lifecycle is provided in the Monthly Central Project Plan on a regular basis.

1.1.3. Intended readership

This document is intended to be read by the members of the Committee on Excise Duty, the National EMCS Project Managers, the EMCS Central Project Team and anyone involved in EMCS planning.

1.2. Reference Documents

ID	Reference	Title	Version
[RD01]	CED No.2 rev. 6	Rules of procedure of the Committee on Excise Duties	N/A
[RD02]	ECP1-ESS-GLT	Glossary of Terms	2.04
[RD03]	ITS-ITOC-001	Terms of Collaboration for TES EMCS	3.00
[RD04]	EXC-ISLA-004	Service Level Agreement	2.00
[RD05]	ECP1-ESS-FESS	Functional Excise System Specifications (FESS)	3.50
[RD06]	QAC-EMCSChangeMan	EMCS Change Management Process CED 565 rev4	1.13

¹ Refer to the decision 1152/2003/EC of the European Parliament and of the Council of 16 June 2003 on computerising the movement and surveillance of excisable products.

Table 1: Reference documents

1.3. Acronyms, abbreviations and nomenclature

BISE	Business Intelligence System for Excise
CCN	Common Communication Network
CIRCABC	Communication and Information Resource Centre for Administrations, Businesses and Citizens
COL	Customs Office List
CPT	Central Project Team
CS/MISE	Central Services Management Information System for Excise
CS/RD	Central Services Reference Data
CTP	Conformance Test protocol
CT	Conformance Testing
DDNEA	Design Documentation for National Excise Applications
DDS	Data Dissemination System
DE	German
DG TAXUD	Directorate-General Taxation and Customs Union
e-AD	Electronic Administrative Document
ECG	Excise Contact Group
ECP	EMCS Computerisation Project
ECWP	EMCS Computerisation Working Party
EMCS	Excise Movement and Control System
EMCS-CO	EMCS Central Operations
EN	English
EOL	Excise Office List
ESS	EMCS System Specification
EWSE	Early Warning System for Excise
FESS	Functional Excise System Specifications
FR	French
FRS	Fallback and Recovery Specification
GLT	Glossary of Terms
MCP	Monthly Central Project Planning
MP	Migration Plan
MSA	Member State Administration
MVS	Movement Verification System
NEA	National Excise Application

PSS	Phasing and Scope Specification
SAAD	Simplified Administrative Accompanying Document
SD	Scope Document
SEED	System for the Exchange of Excise Data
SEP	Security Policy
SLA	Service Level Agreement
TA	Test Application
TESS	Technical Excise System Specification
TOC	Terms of Collaboration

1.4. EMCS Legal and Procedural Framework

1.4.1. Actual Legal Basis

Ref	Legal provision	Status	Next revision
A01	The decision 1152/2003/EC of the European Parliament and of the Council on computerising the movement and surveillance of excisable products	Adopted 16/06/2003 Official Journal L 162/8 on 01/07/2003	N/A
A02	Council Directive 2008/118/EC concerning the general arrangements for excise duty and repealing Directive 92/12/EEC	Adopted 18/12/2008 Official Journal L 9/30 on 29/07/2009	Possible next revision 2014
A03	Commission Regulation (EC) 684/2009 implementing Directive 2008/118/EC as regards the computerised procedures for the movement of excise goods under suspension of excise duty	Adopted 18/12/2008 Official Journal L 197/27 on 29/07/2009	1 st January 2013
A04	Council Regulation (EU) No 389/2012 on administrative cooperation in the field of excise duties and repealing Regulation (EC) 2074/2004.	Adopted 02/05/2012 Official Journal L 121/1 on 08/05/2012	2017
A05	Decision No 1482/2007/EC of the European Parliament and of the Council establishing a Community programme to improve the operation of taxation systems in the internal market (Fiscalis 2013) and repealing Decision No 2235/2002/EC	Adopted: 11/12/2007 Official Journal L 330/1 on 15/12/2004	Ongoing

Table 2 EMCS actual legal basis

1.4.2. Draft proposals

	Legal provision	Status	Deadline	Next revision
D01	Regulation of the European Parliament and of the Council	Ongoing	2013	2018

	establishing an action programme for customs and taxation in the European Union for the period 2014-2020 (FISCUS) and repealing Decisions No 1482/2007/EC and No 624/2007/EC			
D02	Implementing Provisions for Register of Economic Operators (SEED) and SEED on Europa	Ongoing	Adoption provisionally planned in Q3–Q4 2012	None planned
D03	Implementing Provisions for Information on Request, Spontaneous Information Exchanges and Automatic Exchange	Ongoing	Adoption provisionally planned in Q3–Q4 2012	None planned
D04	Implementing Provisions for Statistics	Ongoing	Adoption provisionally planned in Q4 2012	None planned
D05	Implementing Provisions for Information on Request and Spontaneous Information Exchanges, to take into account replacement of MVS	To coincide with incorporation of Duty Paid Administrative Cooperation	Mid 2013	None planned

Table 3 EMCS legal base – draft proposals

1.5. Project Overview

1.5.1. The Scope of the EMCS

Decision 1152/2003/EC [A01] of the European Parliament and of the Council launched the project and defined its scope. The project consists of both the Community and the non-Community components of the system.

More specifically the Commission is responsible for the development and maintenance of the common specifications, central applications, the services of the Common Communications Network/Common Systems Interface (CCN/CSI) network and the coordination services used by all the Member States.

The Member States are responsible for the non-Community components: the national specifications, the national databases forming part of the system, the network connections between the Community and the non-Community components and any software or equipment which a Member State considers necessary. The Member States have to ensure full use of the system throughout its administration.

1.5.2. EMCS Budget

Decision 1152/2003/EC [A01] had set a financial framework of six years providing the Commission with a budget of 35 M€ to develop and maintain the Community components and bear the operating costs, of the ones installed in the Commission premises, from 2003 to 2009.

As of 2009 the expenditure for the Community components of EMCS has been incorporated in the Fiscalis 2013 Programme [A05].

To ensure the budget for the next EMCS activities, the action programme for customs and taxation in the European Union for the period 2014-2020 (FISCUS) [D01] should be approved by the European Parliament and the Council. It is the successor programme of both the Customs 2013 and Fiscalis 2013 programmes which will end on 31/12/2013.

1.5.3. Maintenance of the Project Documentation

The EMCS project documentation has been agreed and approved by the Committee on Excise Duty [RD01]. The baseline of the documentation for the Excise Computerisation Project (ECP) is published on the Communication and Information Resource Centre for Administrations, Businesses and Citizens (CIRCABC) in the EMCS interest group and is available to the Member States. System specifications are the subject review by the Member States. The specifications of the Central Applications are published for information.

All the baseline documents are published on CIRCABC and are evolving as necessary throughout the lifecycle of the project. In all cases this is being done after agreement of all concerned parties and implementation of the changes is monitored in order to avoid an impact on the existing milestones.

Change Management [RD06] controls changes to the agreed baseline of the Excise Computerisation Project (ECP). Its purpose is to ensure that every Request for Change is recorded, evaluated, authorised and then implemented. Change Management covers changes of:

- System software;
- Application software, which is in production;
- System and development specifications;
- Documentation and procedures associated with the running, support and maintenance of IT systems in production.

1.5.4. Project Planning

1.5.4.1. Phasing Approach 2002-2012

The roll-out date of the EMCS is defined in the Directive 2008/118/EC concerning the general arrangements for excise duty and repealing Directive 92/12/EEC [A02].

EMCS has been introduced in “1+3” phases (Phase 0 and Phases 1, 2, 3).

Phase 0 encompasses the operational support and maintenance of the excise administrative cooperation systems MVS and EWSE used before the full operation of EMCS.

Phase 1 is the system specification phase. The main component of this phase is the preparation and maintenance of the system specifications under Change Management Process.

Phases 2 and 3 are both development and implementation phases.

SEED is a prerequisite of the project, as all electronic accompanying documents submitted by operators should be validated against it.

- Milestones for Phase 2:
 - Milestone Ma (01/04/2010) was the major milestone when so-called “initial Member States” and their Economic Operators started to initiate EMCS movements by submitting electronic administrative documents (e-AD). The other Member

States were ready, but with a reduced set of functionality allowing them to receive and handle these e-ADs and discharge of the movements.

- Milestone Mb (01/01/2011) was the date at which all Member States and all their Economic Operator lodged EMCS movements electronically.
- Milestone for Phase 3:
 - Phase 3 entered into operation at Milestone Mc (01/01/2012) with the following set of functionality:
 - The updated Core business related to the Economic Operators.
 - The new Follow up and collaboration functionalities for Administrative cooperation in the field of Excise.

1.5.4.2. Phasing Approach 2013- 2018

The phasing approach will be continued during the future lifecycle of EMCS. No specific phases will be defined to support accession of candidate Member States to the European Union.

A detailed migration strategy per set of functionalities of each specific Phase of the Project will be defined in a dedicated Migration Plan. MSAs will have the opportunity during the review process of each Migration Plan to decide whether to follow a gradual deployment (the Migration Period approach) or a deployment of new functionality all at the same time (the "big bang" approach).

Provisionally, new releases of EMCS that have impact on National Excise Applications and which require development and the deployment activities from all Member States are planned to occur at regular intervals. The duration between releases is set at twenty-one to twenty-four months.

If it is decided to follow the Migration Period approach for a release, the roll-out of the new release would start in mid-November and end with a full roll-out of the phase in mid-February of the following year. Migration Periods have been inserted in the planning contained in this Master Plan to show the dates in question, but the decision on whether to have a Migration Period is taken as part of the review of the corresponding Migration Plan, as explained above. As well as the high level planning described in this document, the current detailed activities are described separately in the National Project Plan and the Monthly Central Project Planning (MCP), published regularly on CIRCABC.

The remaining Phase 0 application, which is used for the administrative cooperation on duty paid movements, the MVS e-Form, will be in operation until 2014 and will be replaced by new functionality in Phase 3.1.

Phase 1 is the system specification phase. The preparation and the maintenance of the system specifications under the Change Management Process will be continued under this phase. The Master Plan is intended to provide Member States with an overview of the maintenance and development activities for the next six years of EMCS. Three Phase 3 sub-phases are proposed in line with the proposed interval between releases. It is important to clarify that only for the Phase 3.1 the exact scope will be defined and agreed between the Member States by the approval date of the latest version of the Master Plan.

Any improvement of the existing system and suggestions for new functionality has to be approved by the Committee on Excise Duty under the Change Management Process. A Release Scope Document for the specifications affected by agreed changes will be published at least 17 months before the first milestone date of the sub-phase, thus no later than mid-June of the preceding year. This ensures that Member States have sufficient time to raise objections or make comments.

Phase 3.1 encompasses the Phase 3 maintenance Requests for Changes (RFCs) and the new administrative cooperation functionality for the duty paid movements (SAAD) that will replace the Phase 0 application of MVS e-Forms.

- Milestones for Phase 3.1 (assuming the adoption of the Migration Period approach):
 - Milestone Md (14/11/2013);
 - At Milestone Me (13/02/2014) all Member States will be ready with the Phase 3.1 functionality and the Phase 0 MVS e-Forms will be phased out within a 3 months period:
 - The new Follow up and collaboration functionalities for Administrative cooperation for duty paid movements in place;
 - The Phase 3 functionality related to the Economic Operators and Administrative cooperation for excise goods under duty suspension will be updated.

Phase 3.2 would encompass approved maintenance Requests for Changes (RFCs) to be applied to Phase 3.1 and any new functionality approved by the Committee on Excise Duty.

- Milestones for the Phase 3.2 (assuming the adoption of the Migration Period approach):
 - Milestone Mf (12/11/2015);
 - Milestone Mg (11/02/2016).

The Phase 3.3 would encompass approved maintenance Requests for Changes (RFCs) to be applied to Phase 3.2) and any new functionality approved by the Committee on Excise Duty.

- Milestone for the Phase 3.3 (assuming the adoption of the Migration Period approach):
 - Milestone Mh (16/11/2017);
 - Milestone Mi (15/02/2018).

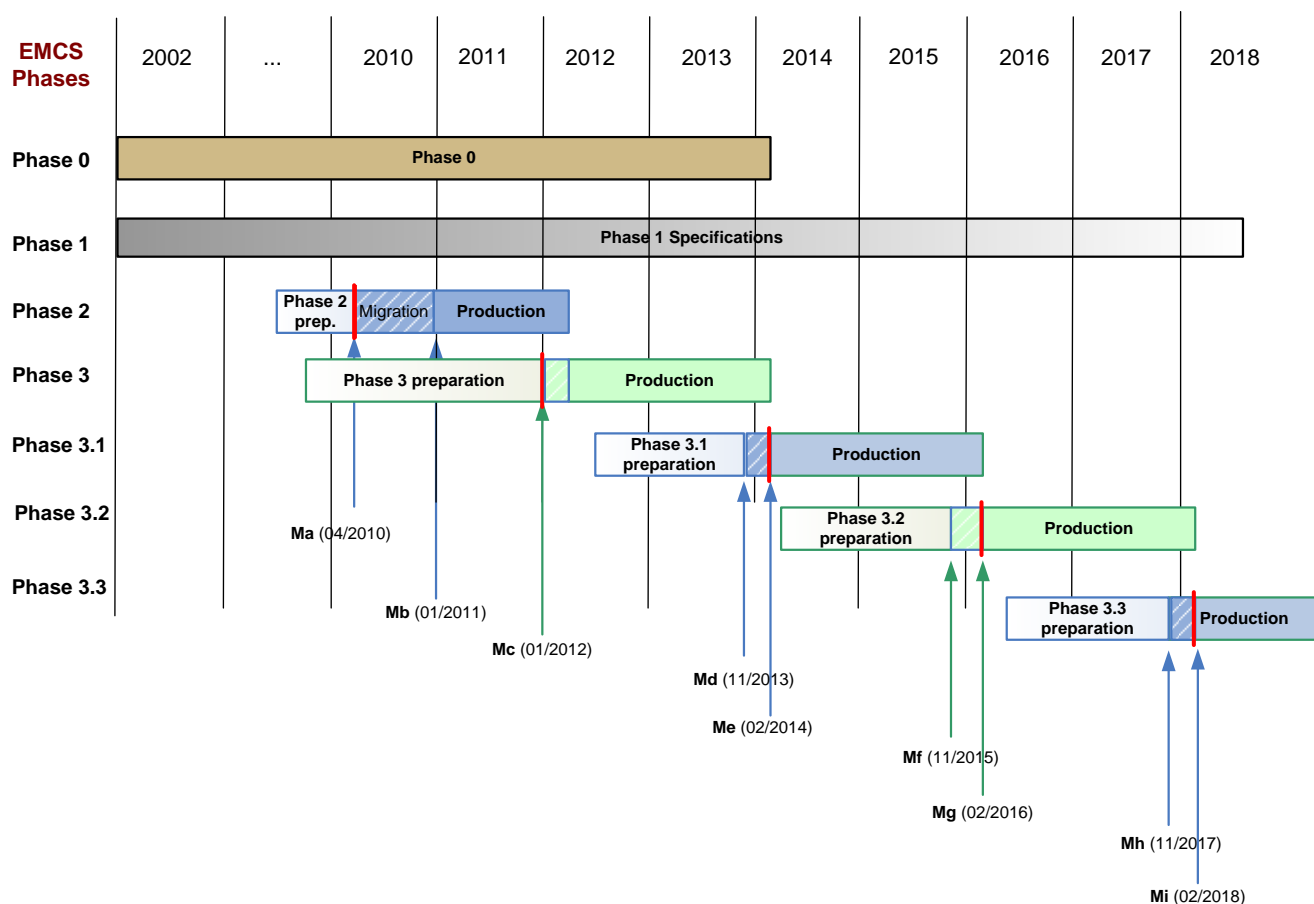


Figure 1: EMCS planning overview on the deployment of the EMCS 2002-2018

2. ACTIVITIES TO BE PERFORMED

The Commission and the Member States define, maintain and report on their management plans² on a regular basis.

2.1. Co-ordination and Support

The Commission provides the overall project co-ordination and support services: produces and maintains the Master Plan, collects and consolidates the Member States' reports (National Project Plans) and publishes the Monthly Central Project Plan (MCP) on CIRCA. Planning details have to be presented at ECWP and the Committee on Excise Duty. It also distributes common deliverables, organises meetings (regular meetings, training sessions, workshops, demonstrations), organises missions and ensures the Central Helpdesk activities.

2.2. Assessment of Costs and Benefits of EMCS

To monitor and improve the value delivered by EMCS, the Commission coordinates regular assessments of its costs and benefits. The Member States are invited to contribute with the available data on the costs and benefits of the system for their administrations. Other stakeholders, such as European Excise and Logistic Trade Federations may be asked to provide data on the costs and benefits of EMCS for the economic operators they represent.

² Defined in the EMCS Legal Decision and in the document CED 429.

2.3. Information Programme

The Commission and the Member States have implemented the Information Programme aimed at providing all EMCS stakeholders with sufficient and timely information, so that they would commit themselves easily when implementing EMCS. The Commission organises regular Excise Contact Group (ECG) meetings with the European Federations representing economic operators in the field of excise duty to inform them about EMCS operational and development activities.

2.4. Preparation for the deployment at the main milestones

2.4.1. Specifications

The Commission and the Member States are obliged to take the necessary actions in order to have all required resources in place for the development and testing of each new release. The specifications related to the functionalities for each specific development phase have to be approved at least 15 months before the sub-phase roll-out date agreed by the Committee on Excise Duties. In the case of Migration Period it would be 12 months before the first milestone of the phase:

- the Functional Excise System Specifications (FESS),
- the Design Documentation for National Excise Applications (DDNEA).

The specifications related to the implementation strategy and testing activities per each specific development phase have to be approved at least 12 months. In the case of Migration Period it would be 12 months before the first milestone of the phase:

- the Migration Plan (MP),
- the Conformance Test Protocol (CTP).

2.4.2. Migration

A milestone will be defined when the functionality of a new phase becomes applicable.

Optionally a Migration Period may precede this milestone, the beginning of which is also marked as a milestone. During the Migration Period the new functionality may be introduced in a progressive way by those MSAs who already want to use it.

In the case of modification of existing functionality, this requires for them to be capable of treating both the existing and the new functionality in parallel. A MSA who is ready to use new functionality before the end of migration period can exchange new messages with those MSAs which are also ready. A MSA who is ready to use updated functionality will treat and send messages in the version which the counterpart MSA uses.

It will be determined case by case for which functionality a Migration Period may be applicable. In terms of planning a Migration periods are foreseen for the upcoming phases should it be determined by the new phase that does not require a migration, the end milestone effectively becomes a "big bang" date.

Each step of the Migration period will be documented in the Migration Plan.

2.4.3. Applications

Based on the EMCS specifications and agreed planning, the Member States and the Commission specify, develop, test and maintain their respective applications.

- The Member States are responsible for the development and maintenance of the **National Excise System application** (NEA) that includes also the national **System for Exchange of**

Excise Data (SEED). NEA has to be aligned with the functional requirements agreed between the Member States regarding the particular phase.

– The Commission is responsible for the central applications:

a) **The Central System for Exchange of Excise Data (SEED).**

The SEED register provides the means for maintaining the state and history of authorised warehouse keepers, registered consignees, registered consignors, tax warehouses, and temporary consignees. SEED maintains the state and history of excise categories and products and list of common codes relevant to the excise business. The Central SEED application has to interface with other common domain supporting systems:

- **Central Services Reference Data (CS/RD)** maintains the state and history of the Customs Office List (COL), from which the Excise Office list (EOL) is extracted by SEED, and other lists of codes used for information exchanges throughout EMCS.
- **Data Dissemination System (DDS)** repository contains the lists of product categories and some parts of Economic Operator records, extracted from the SEED. It provides the data for the publically accessible **SEED-on-EUROPA** application, where traders can check if the Excise Authorisations is valid on the current date.

b) **Test Application (TA)**

TA supports the conformance testing campaign of the NEAs and their External domains. The Member State connects through the CCN/CSI to the TA in the Conformance Test environment. TA can play the role of any Member State site and is pre-loaded with all the test scenarios and datasets that are needed to test the functionality of each particular phase.

c) **Central Services Management Information System for Excise (CS/MISE)**

The Central Services Management Information System for Excise, CS/MISE provides “real-time monitoring” of the movements, statistics and unavailability both in operational and conformance test modes. In 2013 CS/MISE will be aligned with the requirements of the implementation regulation on EMCS statistics [D04].

2.4.4. Conformance Testing

Once the National Excise Application is ready with the new functionality, a Member State has to pass Conformance Testing. This activity is supported through the Test Application (TA) developed by the Commission. The Actual Conformance Testing should be successfully completed one month before the deployment of the new phase at the latest. The Conformance Testing environment in the Common Domain is available during the Conformance Testing campaign and per ad hoc request of a Member State at any other time.

The International testing and optional end-to-end testing with Economic Operators enables the Member States to test the integration of both the common domain and their external domains. Commission ensures that a separate set of message queues are configured to perform the International testing in the backup environment.

2.4.5. Operation

The Commission and the Member States Administrations agree in the Terms of Collaboration (TOC) and the Service Level Agreement (SLA) the service level of the trans-European systems and collaboration mechanism between all stakeholders. These documents define the rights and obligations of each of the parties contributing to the system and are a subject of annual review.

3. ACCESSION OF CROATIA

The upcoming accession of Croatia on 1 July 2013 requires changes to the reference data for the existing Member States. Conformance testing will be needed to ensure functional, technical and configuration readiness of the national applications: NEA, MVS e-Forms and SEED.

Conformance tests have to be performed both by 27 Member States and by Croatia as per planning indicated below. More detailed Conformance testing plan is provided in the National Project Plan template.

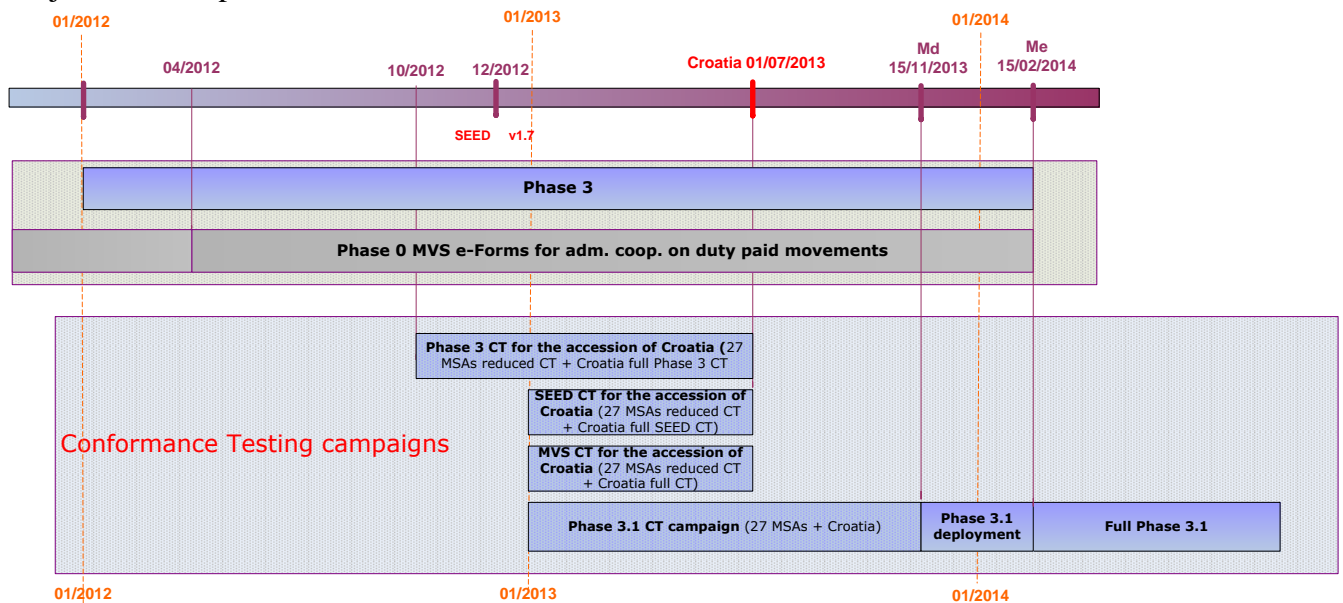
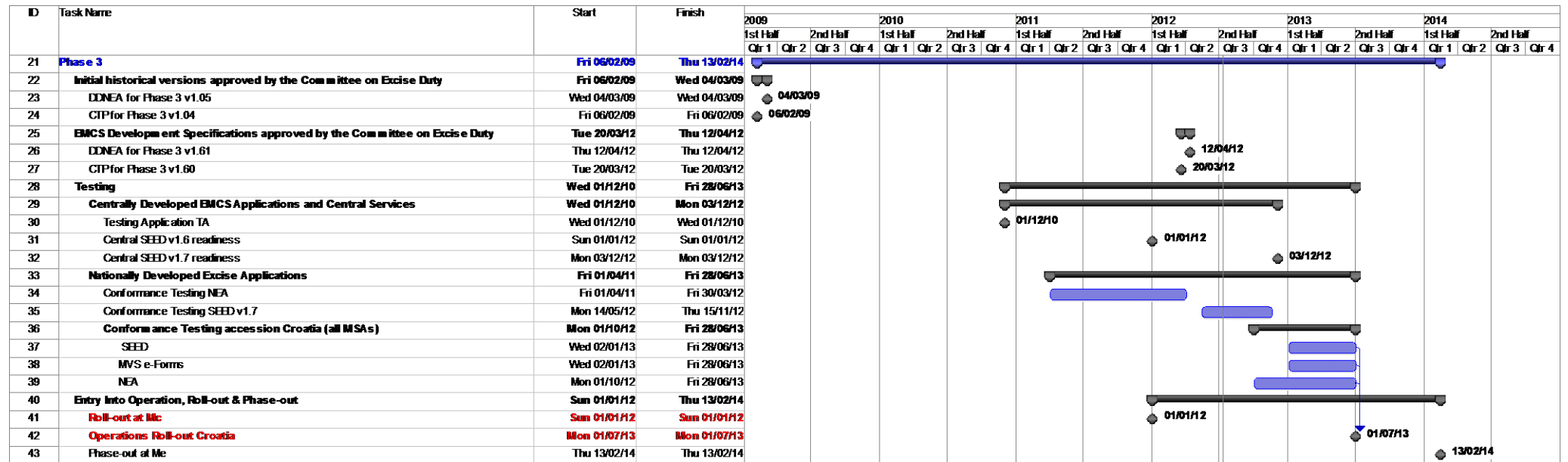
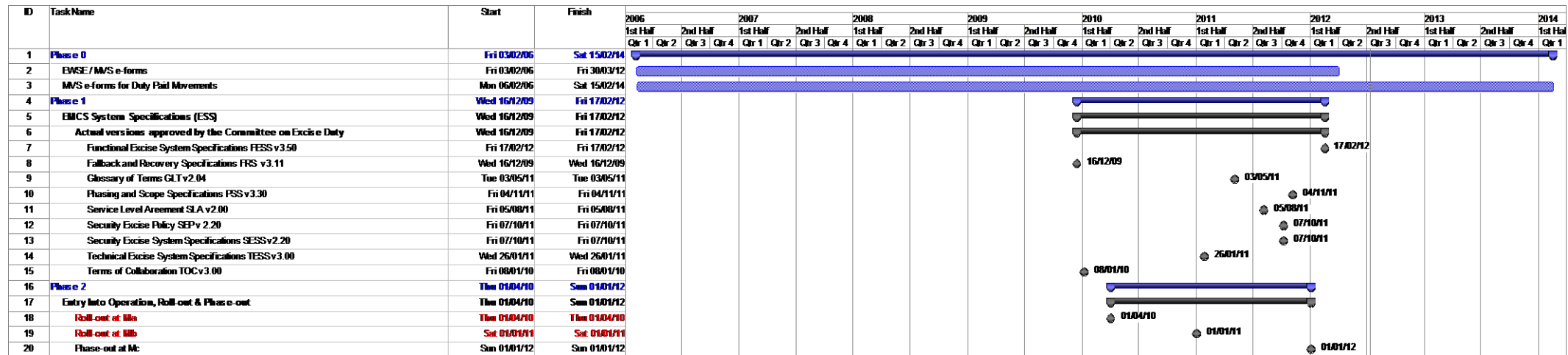
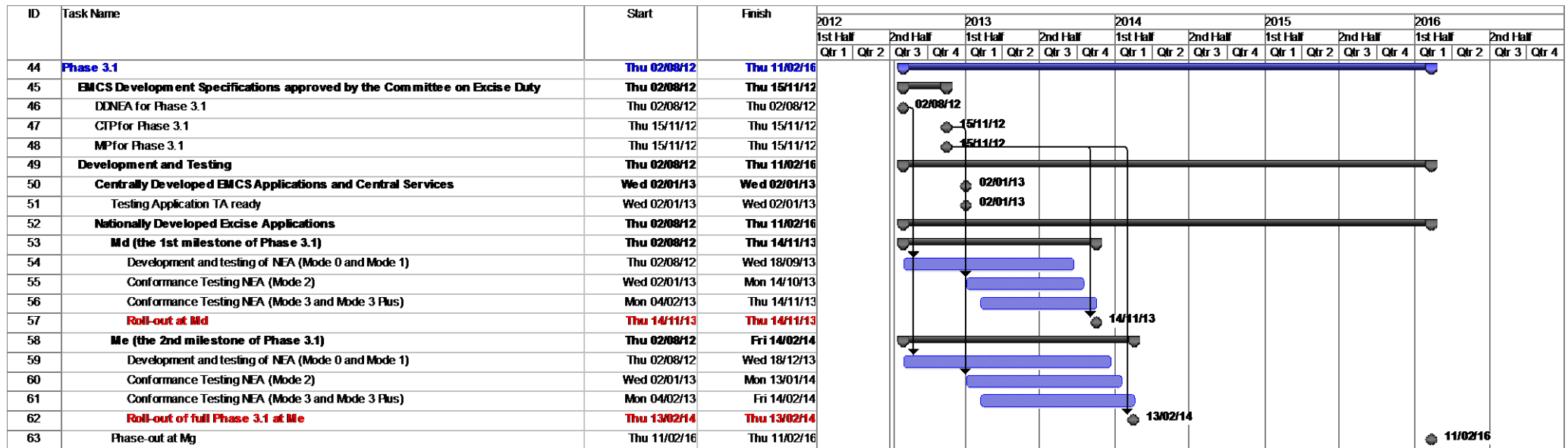


Figure 2 Conformance testing planning overview for the accession of Croatia on 01/07/2013

ANNEX 1 GANTT CHART





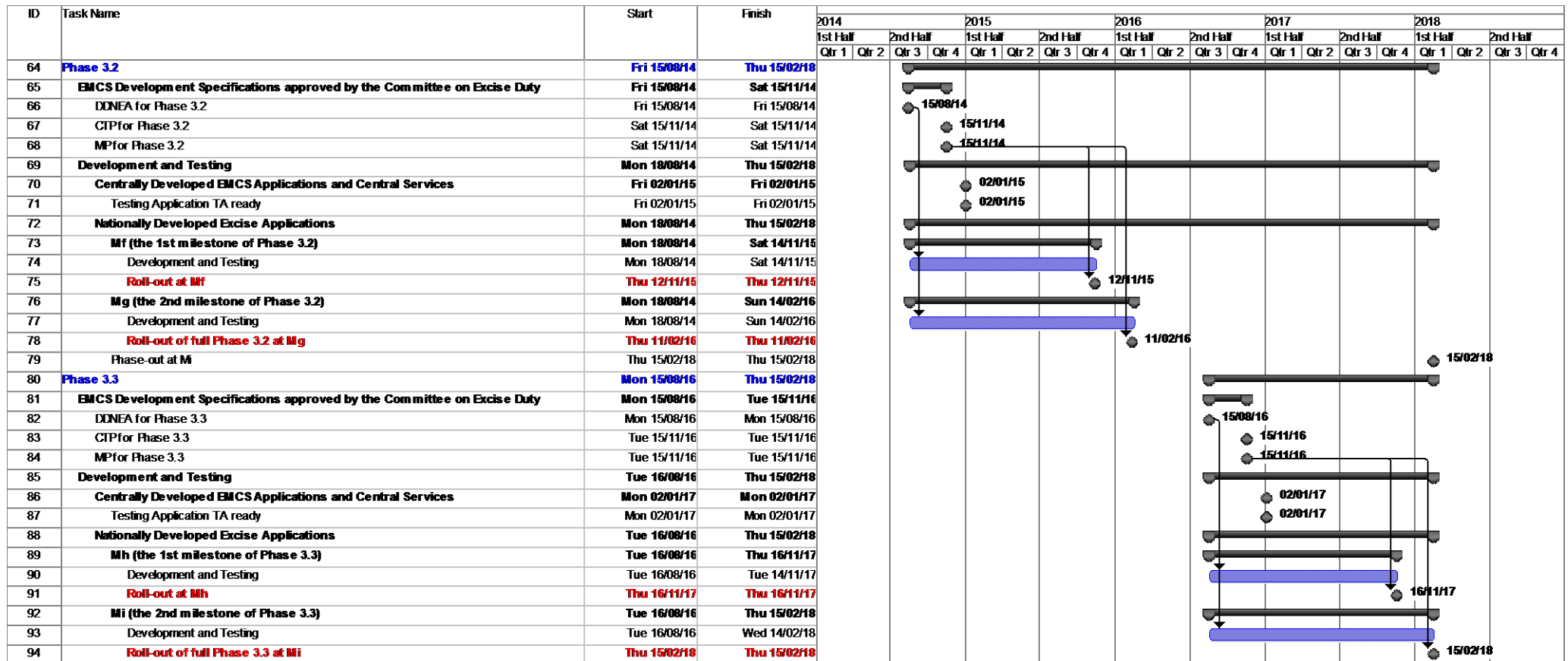


Table 4: Gantt chart view of the EMCS Master Plan