



**EUROPEAN COMMISSION**  
DIRECTORATE-GENERAL  
TAXATION AND CUSTOMS UNION  
Indirect Taxation and Tax Administration  
**Environment and other indirect taxes**

Brussels, 9 February 2018

**CED N° 563rev7**

**TAXUD (2018)**

**Orig : EN**

**WORKING PAPER**

**FOR OFFICIAL USE ONLY**

**COVER**

<b>OWNER:</b> DG TAXUD	<b>ISSUE DATE:</b> 09/02/2018	<b>VERSION:</b> 2.96- EN
<p><b>TAXATION AND CUSTOMS UNION DG</b></p> <p><b>EMCS COMPUTERISATION PROJECT</b></p> <p><b>SUBJECT:</b></p> <p><b>EMCS Master Plan</b></p>		

## REVISIONS

<b>Edi.</b>	<b>Rev.</b>	<b>Date</b>	<b>Description</b>	<b>Action(*)</b>	<b>Pages</b>
0	00	24 Apr 2003	New.		
	01	08 May 2003	Updated with first comments, submitted to CPT for internal review		
	02	22 May 2003	Updated after the internal review	I/R	
1	0	06 Jun 2003	Submitted for Review to the Member States	I/R	
1	01	21 Nov 2003	Implementation of Workshop Decision, submitted for internal review	I/R	As needed
2	00	28 Nov 2003	Implementation of Workshop Decision, submitted for approval	I/R	As needed
2	01	30/05/2004	Update	I/R	As needed
2	02	30/05/2004	Update deadlines in Section 2	I/R	As needed
2	03	02/06/2004	Delete Annexe 2 (to be sent to the "Legal and Procedure Management Plan")	D	
2	10	14/06/2005	Implementation of comments and working meeting decisions.	I/R	As needed
2	11	22/06/2005	New cover page	R	As needed
2	20	20/07/2005	Release of July		
2	21	02/08/2005	Implementation of received comments	R	As needed
2	30	15/09/2005	Release of September	R	As needed
2	40	20/10/2005	Release of October		
2	50	18/11/2005	Release of November		
2	70	19/01/2006	Release of January 2006	R	As needed
2	71	30/01/2006	Gantt chart with baseline	R	As needed
2	80	28/09/2006	Release of September 2006	R	As needed
2	81	05/10/2006	Implementation of received comments	R	As needed
2	82	09/10/2006	Implementation of additional received comments	R	As needed
2	83	10/10/2006	Implementation of one last comment	R	As needed
2	84	11/01/2007	Implementation according to comments issued by MEMBER STATES, SfR	R	As needed
2	85	16/01/2007	Implementation of received comments	R	As needed
2	86	15/09/2008	Update after meeting of Directors General 02/07/2008. Internal review	R	All
2	87	29/09/2008	Update after TAXUD comments	R	As needed
2	88	02/10/2008	Update after APO issued for SfA	R	As needed

2	89	13/10/2008	Update after Fiscalis seminar on pre-EMCS (07-09/10/2008)	R	As needed
2	90	06/04/2009	Implementation of the RWD and the corrective update	R	As needed
2	91	16/12/2009	Update after meeting of Committee on Excise Duty on 14/10/2009	I/R	As needed
2	92	27/04/2010	Implementation of the RWD	R	As needed
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
2	95	20/12/2017	Update of the EMCS project planning by DG TAXUD (Phase 3.4 and 3.5)	R	All
2	96	09/02/2018	Implementation of MSAs comments by DG TAXUD	R	All

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

# TABLE OF CONTENTS

COVER .....	1
1. INTRODUCTION.....	5
1.1. Document overview .....	5
1.1.1. Background.....	5
1.1.2. Objectives .....	5
1.1.3. Intended readership.....	5
1.2. Reference Documents.....	6
1.3. Acronyms, abbreviations and nomenclature .....	6
1.4. EMCS Legal and Procedural Framework.....	7
1.4.1. Actual Legal Basis.....	7
1.4.2. Draft proposals .....	<b>Error! Bookmark not defined.</b>
1.5. Project Overview .....	8
1.5.1. The Scope of the EMCS .....	8
1.5.2. EMCS Budget.....	9
1.5.3. Maintenance of the Project Documentation .....	9
1.5.4. Project Planning .....	9
1.5.4.1. Phasing Approach 2002-2012 .....	9
2. ACTIVITIES TO BE PERFORMED.....	12
2.1. Co-ordination and Support .....	12
2.2. Assessment of Costs and Benefits of EMCS.....	12
2.3. Information Programme .....	13
2.4. Preparation for the deployment at the main milestones .....	13
2.4.1. Specifications .....	13
2.4.2. Migration .....	13
2.4.3. Applications.....	14
2.4.4. Conformance Testing .....	15
2.4.5. Operation .....	15

## **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 2017. The EMCS Master Plan provides some historical overview on 2002 to 2016 and focuses on the main tasks within the project for 2018 to 2022.

The EMCS Legal Decision<sup>1</sup>, 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 rev7) 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 (Table 3) identifies the activities to be performed from 2018 until 2022. 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.

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<sup>1</sup> 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.

## 1.2. Reference Documents

ID	Reference	Title	Version
[RD01]	CED 845 Corr1	Committee on Excise Duties Rules of Procedure (RoP)	N/A
[RD02]	ITSM2_LOT2-SC04-QTM-10-Excise-GLT	Glossary of Terms	2.09
[RD03]	ITSM2_LOT2-QTM-11-SC05-TOC-EXCISE-TES	Terms of Collaboration for TES EMCS	3.13
[RD04]	ITSM2_LOT2-QTM-11-SC05-SLA-Excise-TES	Service Level Agreement	3.17
[RD05]	ECP1-ESS-FESS	Functional Excise System Specifications (FESS)	3.82
[RD06]	QAC-EMCS-CMP	EMCS Change Management Process CED 565 rev5	2.00

*Table 1: Reference documents*

## 1.3. Acronyms, abbreviations and nomenclature

<b>CCN</b>	Common Communication Network
<b>CIRCABC</b>	Communication and Information Resource Centre for Administrations, Businesses and Citizens
<b>COL</b>	Customs Office List
<b>CPT</b>	Central Project Team
<b>CS/MISE</b>	Central Services Management Information System for Excise
<b>CS/RD</b>	Central Services Reference Data
<b>CTA</b>	Conformance Testing Application
<b>CTP</b>	Conformance Test protocol
<b>CT</b>	Conformance Testing
<b>DDNEA</b>	Design Documentation for National Excise Applications
<b>DDS</b>	Data Dissemination System
<b>DE</b>	German
<b>DG TAXUD</b>	Directorate-General Taxation and Customs Union
<b>e-AD</b>	Electronic Administrative Document
<b>ECG</b>	Excise Contact Group
<b>ECP</b>	EMCS Computerisation Project
<b>ECWP</b>	EMCS Computerisation Working Party
<b>EMCS</b>	Excise Movement and Control System
<b>EMCS-CO</b>	EMCS Central Operations

<b>EN</b>	English
<b>EOL</b>	Excise Office List
<b>ESS</b>	EMCS System Specification
<b>FESS</b>	Functional Excise System Specifications
<b>FR</b>	French
<b>FRS</b>	Fallback and Recovery Specification
<b>GLT</b>	Glossary of Terms
<b>MCP</b>	Monthly Central Project Planning
<b>MP</b>	Migration Plan
<b>MSA</b>	Member State Administration
<b>NEA</b>	National Excise Application
<b>SEED</b>	System for the Exchange of Excise Data
<b>SEP</b>	Security Policy
<b>SLA</b>	Service Level Agreement
<b>TA</b>	Test Application
<b>TESS</b>	Technical Excise System Specification
<b>TOC</b>	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	Next revision  2018
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	2018

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	2018
A05	REGULATION (EU) No 1286/2013 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2013 establishing an action programme to improve the operation of taxation systems in the European  Union for the period 2014-2020 (Fiscalis 2020) and repealing Decision No 1482/2007/EC		2019
A06	COMMISSION IMPLEMENTING REGULATION (EU) No 612/2013 of 25 June 2013 on the operation of the register of economic operators and tax warehouses, related statistics and reporting pursuant to Council Regulation (EU) No 389/2012 on administrative cooperation in the field of excise duties		2019
A07	Commission Implementing Regulation (EU) 2016/323 of 24 February 2016 laying down detailed rules on cooperation and exchange of information between Member States regarding goods under excise duty suspension pursuant to Council Regulation (EU) No 389/2012		2019

**Table 2 EMCS actual legal basis**

## **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 and 2020 Programmes [A05].

### *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*

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 encompassed 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 was the first development and implementation phase followed by phase 3 (including subphases).

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

The phasing approach is being continued during the lifecycle of EMCS.

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.

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 3.3 the exact scope has been defined and agreed between the Member States.

Any improvement of the existing system and suggestions for new functionality within the current legal framework 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 approved 15 months before the first milestone date of the sub-phase, thus no later than mid-August of the preceding year. This ensures that Member States have sufficient time to raise objections or make comments.

The Phase 3.3 encompasses approved maintenance Requests for Changes (RFCs) to be applied to Phase 3.2) mainly enhancing the current ACO functionality and introducing maximum journey time per Transport Mode in the Core domain of EMCS.

- Milestone for the Phase 3.3:
  - Milestone Mh (16/11/2017);
  - Milestone Mi (15/02/2018).

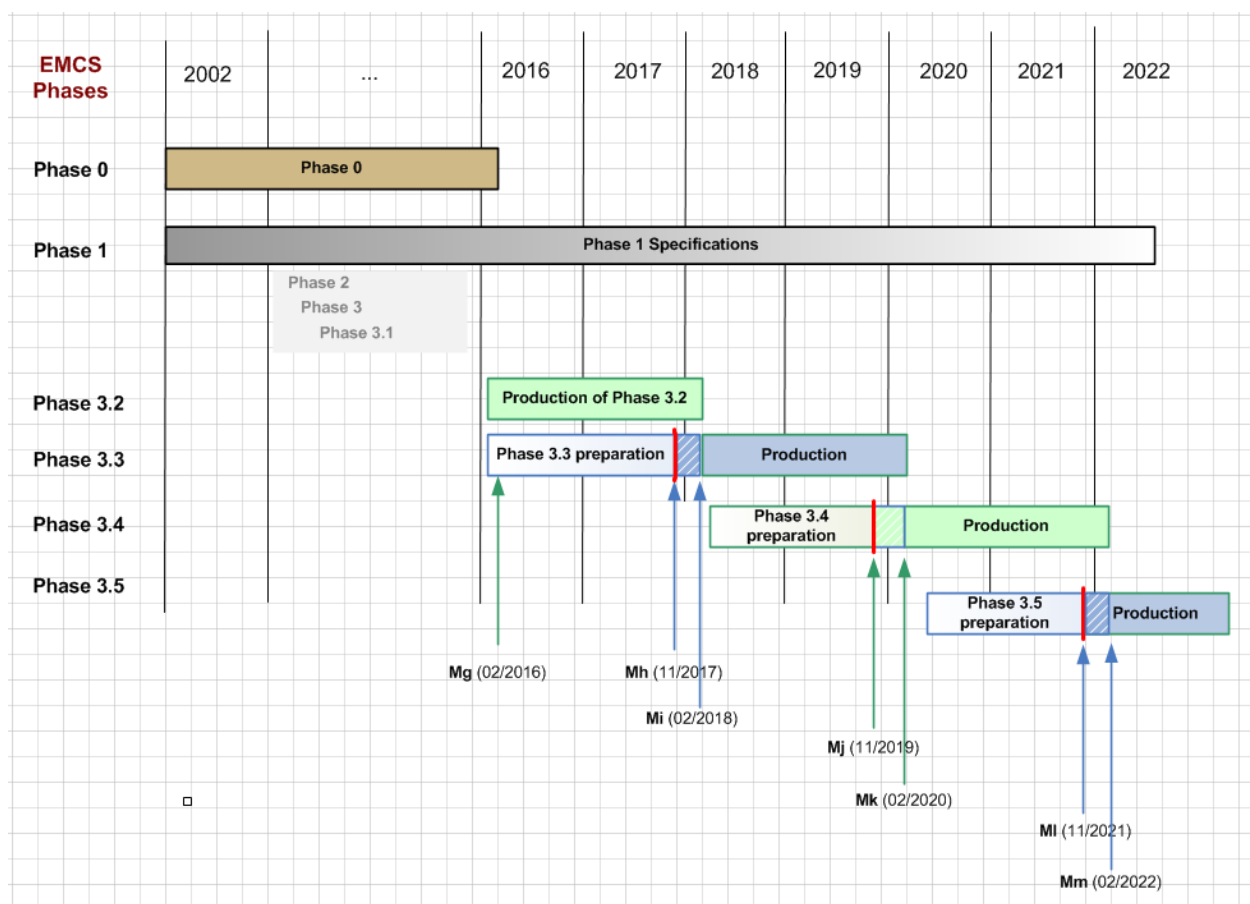
The Phase 3.4 would encompass approved maintenance Requests for Changes (RFCs) to be applied to Phase 3.3) and any new functionality approved by the Committee on Excise Duty under the current legal framework.

- Milestone for the Phase 3.4 (assuming the adoption of the Migration Period approach):
  - Milestone Mj (14/11/2019);
  - Milestone Mk (13/02/2020).

The Phase 3.5 would encompass approved maintenance Requests for Changes (RFCs) to be applied to Phase 3.4) and any new functionality approved by the Committee on Excise Duty under the current legal framework.

N.B.: the planning for Phase 3.5 is provisional and excludes the possible effects of other larger changes envisaged as part of the revision of Directive 2008/118/EC. These possible changes are explained in the Strategic and Tactical Plan. Should the legal amendments for these other possible changes be adopted by Member States, a new major release of EMCS would replace Phase 3.5.

- Milestone for the Phase 3.5 (assuming the adoption of the Migration Period approach):
  - Milestone Ml (11/11/2021);
  - Milestone Mm (10/02/2022).
  
- Milestones for the Phase 4 - the transition from national arrangements with ECS Phase 2 to AES will be added as soon as permanently defined. For provisional information please consult Strategic and Tactical planning.



**Figure 1: EMCS planning overview on the deployment of the EMCS 2002-2022**

## 2. ACTIVITIES TO BE PERFORMED

The Commission and the Member States define, maintain and report on their management plans<sup>2</sup> 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 (MCPP) 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

<sup>2</sup> Defined in the EMCS Legal Decision and in the document CED 429.

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.

### **2.3. 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 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 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 until roll out of Phase 3.3. 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) Conformance Testing Application (CTA)

CTA supports the conformance testing campaign of the NEAs and their External domains as of Phase 3.3. It is a common testing tool for all TAXUD business threads: excise, customs and taxation. The Member State connects through the CCN/CSI to the CTA in the Conformance

Test environment. CTA can play the role of any Member State site and is pre-loaded with all the test cases and datasets that are needed to test the functionality of each particular phase.

#### d) 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, technical and business statistics, and unavailability both in operational and conformance test modes.

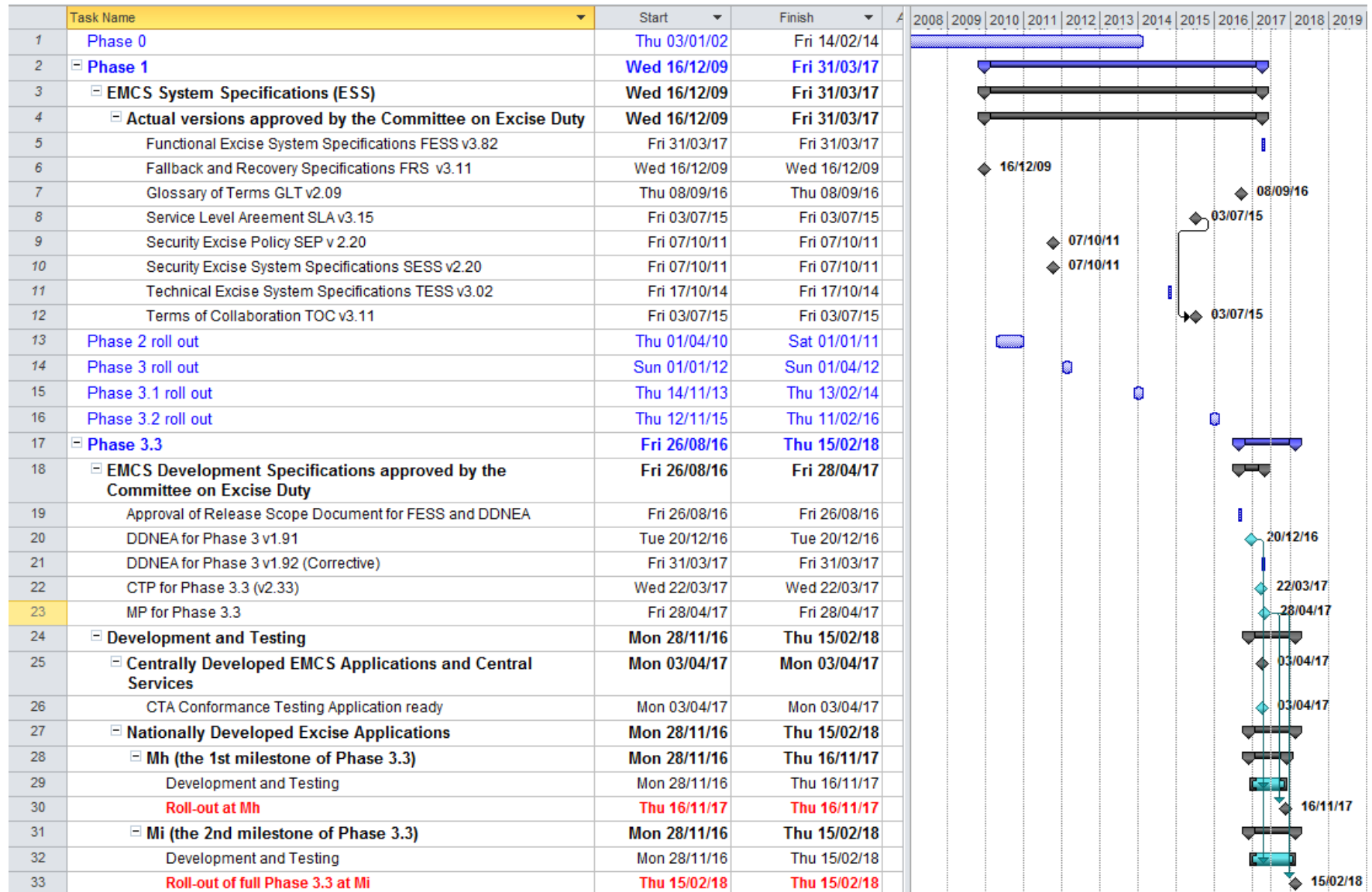
##### *2.4.4. Conformance Testing*

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) or Conformance Testing Application (CTA) 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.





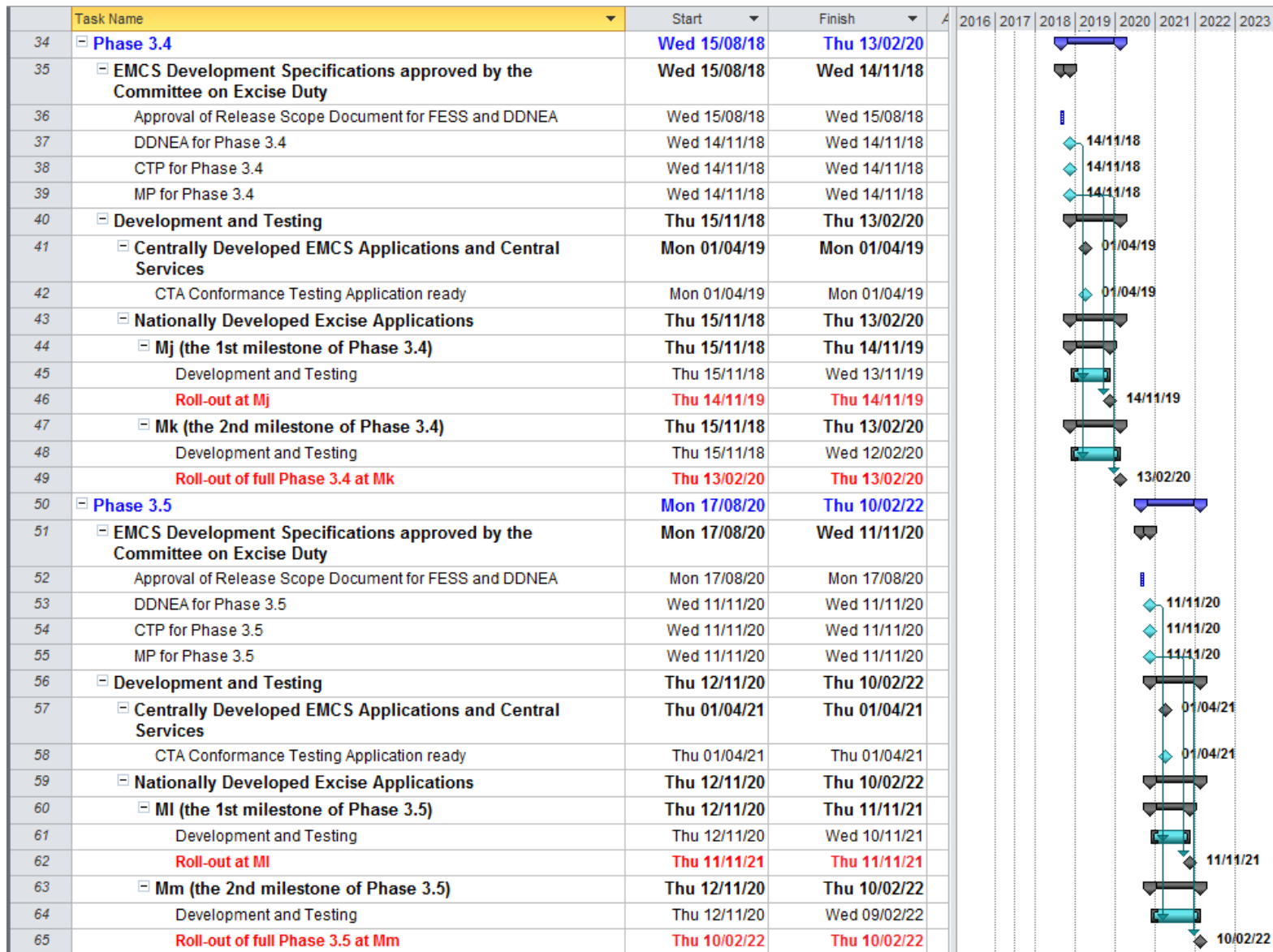


Table 3: Gantt chart view of the EMCS Master Plan