



EMCS overview

Enlargement presentations
for Croatia and Turkey

EMCS



Acronyms and abbreviations

ACS	Acceptance and Certification Specification
BPR	Business PRototype
CDEA	Centrally Developed Excices Application
COS	Central Operation Services
DDNEA	Design Document for National Excise Appl.
EcOp	Economic Operators
ECWP	Excise Committee Working Party
EOL	Excise Office List
ESS	Excise System Specification
EWSE	Early Warning System for Excise
FESS	Functional Excise System Specification





MSA	Member States Administration
MVS	Movement Verification System
NDEA	Nationally Developed Excises Application
PMP	Project Management Plan
PSS	Phasing and Scoping
SEED	System for the Exchange of Excise Data
SESS	Security Excise System Specification
SfR-SfA	Submitted for Review – for Acceptance
TESS	Technical Excise System Specification



Presentation outline

- Legal background
- Baseline of Documentation
- FESS overview
- Overall planning
- Question session



General and legal context of EMCS

Origin and future evolutions

EMCS



Outline

- EMCS origin
- EMCS legal base
- EMCS objectives
- Evolution of the legal context
- Revision of Directive 92/12/EEC
- Commission Regulation amending Regulation EEC/2719/92 (AAD)
- Commission Regulation implementing Directive 92/12/EEC
- Regulation 2073/2004/EC and Directive 2004/106/EC on administrative cooperation in the field of excise duty

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EMCS Origin

- 1 January 1993: creation of the Internal Market
⇒ free movement of goods
- For excise products: MS wanted to continue to closely monitor movements of excise products, to establish the chargeability of the duty
- ⇒ The movement document (AAD) was introduced



EMCS origin (ctd)

- High level group on fraud in the alcohol and tobacco sector (ECOFIN Council of 19.05.1997):
 - Estimated annual fraud at:
 - 1,5 bn Euro (alcohol)
 - 3,3 bn Euro (tobacco)
 - Paper-based movement system was open to fraud (late return of copy 3; false stamps; authorities not or not timely informed about movements;...)
- Main conclusion of high level group:
 - Need for more systematic intervention by the authorities in the existing trader-to-trader system
 - Recommended that by far the best means of achieving this in the medium to long-term would be the introduction of a computerised movement and control system
 - In the meantime, existing systems have to be improved (SEED, EWSE, MVS)

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EMCS legal base

Decision 2003/1152/EC of 16 June 2003 (OJ L 162 of 1.7.2003, p.5)

- Imposes the development of EMCS within 6 years as from publication (**by 1 July 2009**)
- Defines respectively the obligations of COM and MS
 - COM: coordinate setting-up and running of EC and non-EC components of EMCS (draw up master plan and management plans)
 - MS: complete tasks allocated to them by the dates specified in the management plans
- Provides a **35 M€ budget** to **COM** to develop the common domain.
- Obliges **MS** to make available necessary **budgets and human resources**

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EMCS objectives

Improvement of the functioning of Internal Market by :

- Simplifying the movement of goods under suspension of excise duties
- Monitoring the movement of the excisable goods (real time information, checks during movement)
- Electronic transmission of the accompanying document and the improvement of checks
- The development of a security policy of the highest standard possible
- The setting-up of Instruments for the exploitation of data to combat fraud

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Evolution of the legal context



Revision of Directive 92/12/EEC

What does the revision involve?

- **Codification**: New Dir. replacing basic Dir. + all subsequent changes
- **Adapt the Dir. to EMCS**:
 - Make use of EMCS mandatory
 - Take account of functional specifications
- **Modernise** and **simplify**
- Take account of **ECJ rulings** and decisions of the **excise committee**



II. Commission Regulation amending Regulation EEC/2719/92 (AAD)

➤ Goal:

- revise the design and content of the AAD to integrate the requirements of EMCS

➤ Timing:

- 2006 (after adoption of the FESS)



Commission Regulation implementing Directive 92/12/EEC

- Goal:
 - fix the key components of EMCS, resulting from the functional and technical specifications (provide for a legal basis)
 - set up the main technical rules and procedures

- Timing: 2007

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Regulation N° 2073/2004 of 16 November 2004 on administrative cooperation in the field of excise duties



- Entry into force: 1st July 2005
- Replaced Directive 77/799/EEC and Directive 92/12/EEC as regards mutual assistance provisions
- Reinforce, decentralise and simplify mutual assistance
- Introduced provisions for SEED V1, EWSE, MVS, use of EMCS for mutual assistance (group 3 of activities in the FS)
- Implementing Regulation under preparation

EMCS

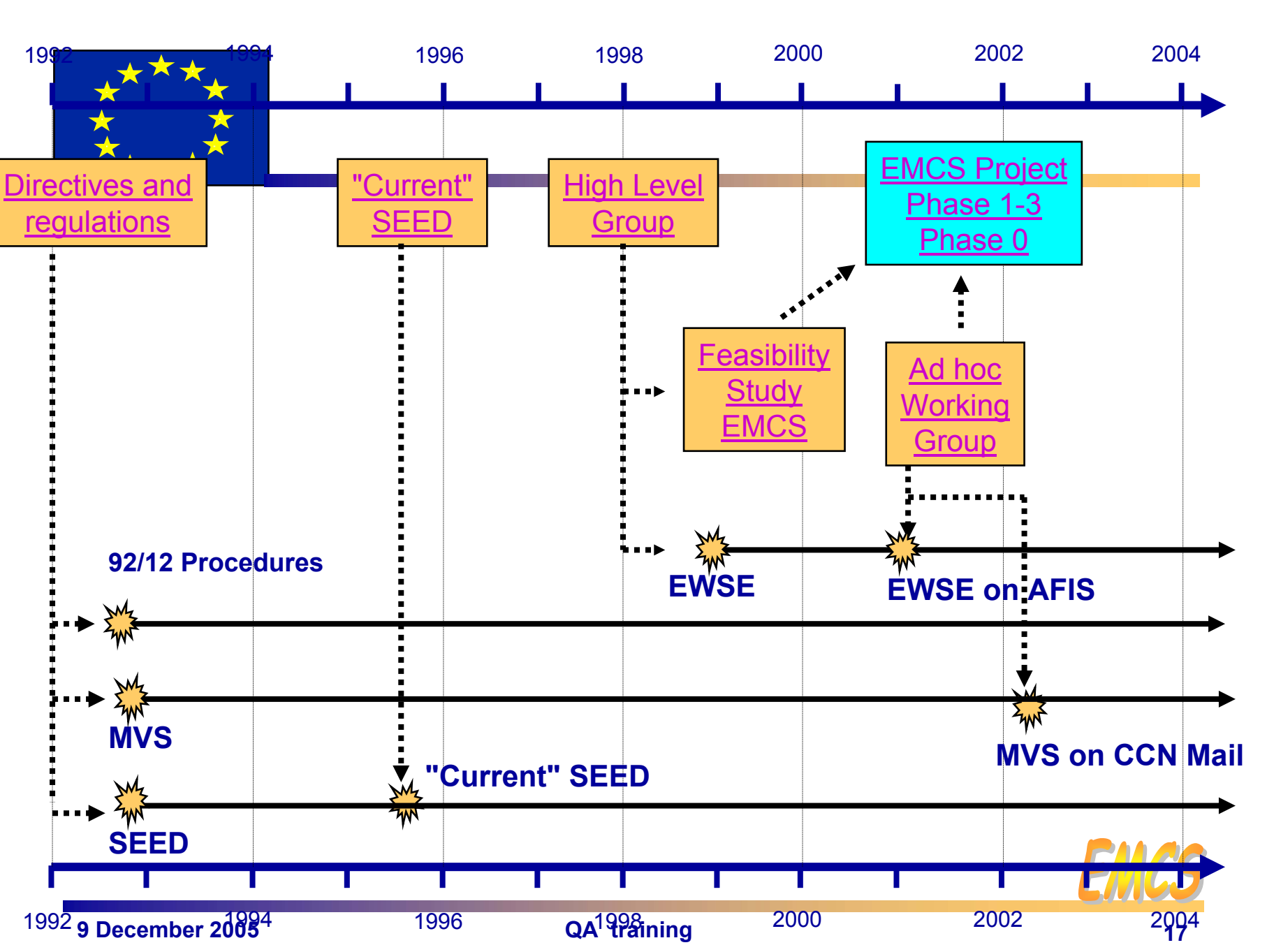


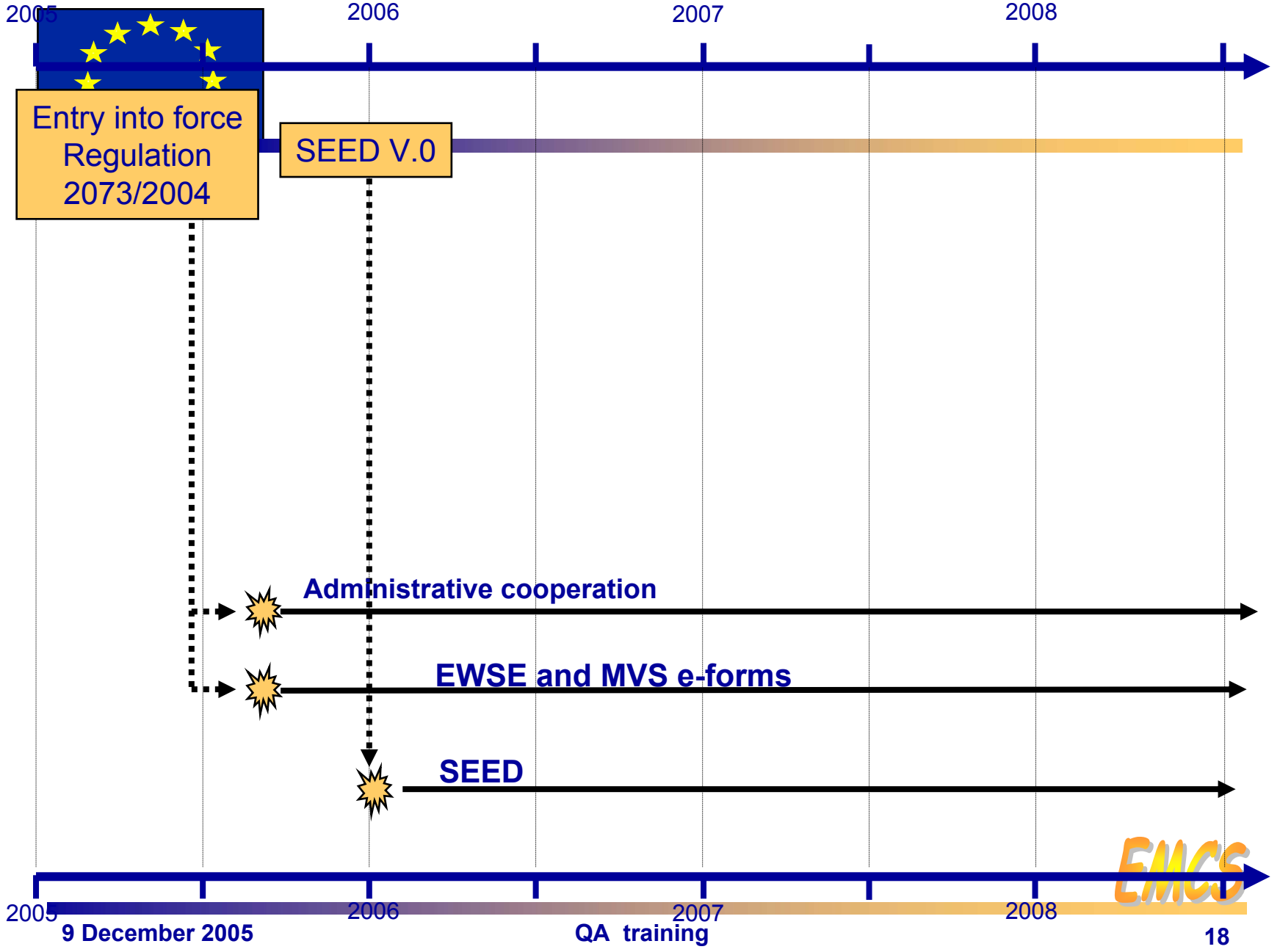
EMCS Computerisation Project

Overview of Documentation Baseline

EMCS Induction Training







2005

2006

2007

2008

Entry into force
Regulation
2073/2004

SEED V.0

Administrative cooperation

EWSE and MVS e-forms

SEED

2005

2006

2007

2008

9 December 2005

QA training

EMCS



High Level Group (HLG)

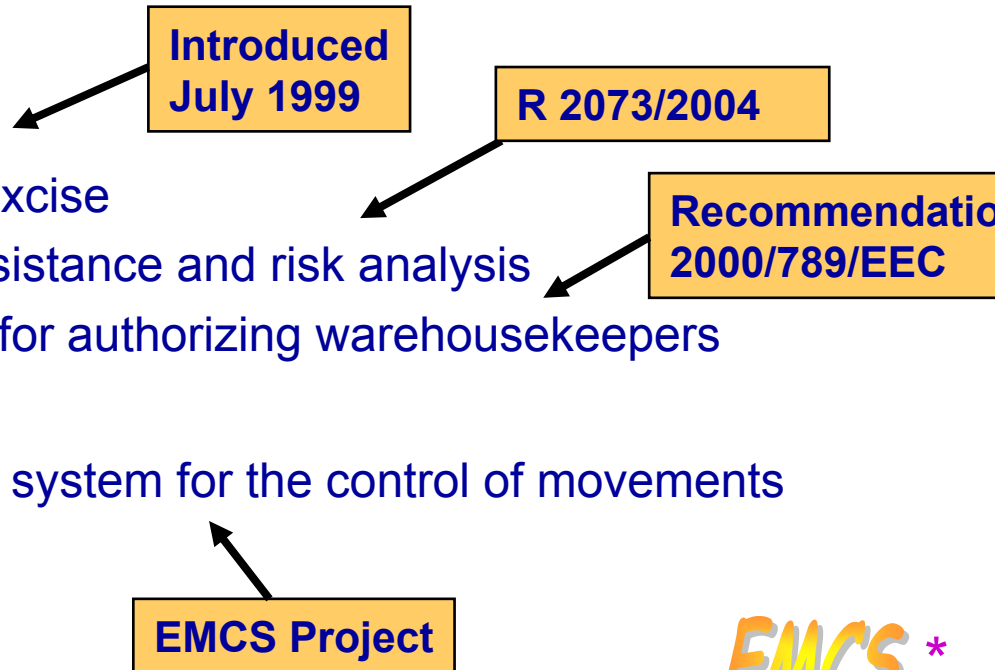
- HLG set up in 1997 to make recommendations on combating fraud in the excise area
- Report in 1998, main recommendations:

- Short term

- Set up an EWSE for excise
- Strengthen mutual assistance and risk analysis
- Code of best practice for authorizing warehousekeepers

- Long term

- Adopt a computerized system for the control of movements





Feasibility Study for EMCS

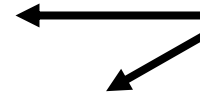
- Carried out in 1999-2000 by external consultant (Alcatel)
- Main outcomes :
 - Computerization is technically feasible
 - Necessary to replace the paper AAD by electronic communication
 - Three groups of functionality identified
 - **Group I: Mutual information** between administrations (reference data, SEED)
 - **Group II:** Electronic circuit of the **AAD**
 - **Group III: Additional modules:** Risk analysis, control, mutual assistance

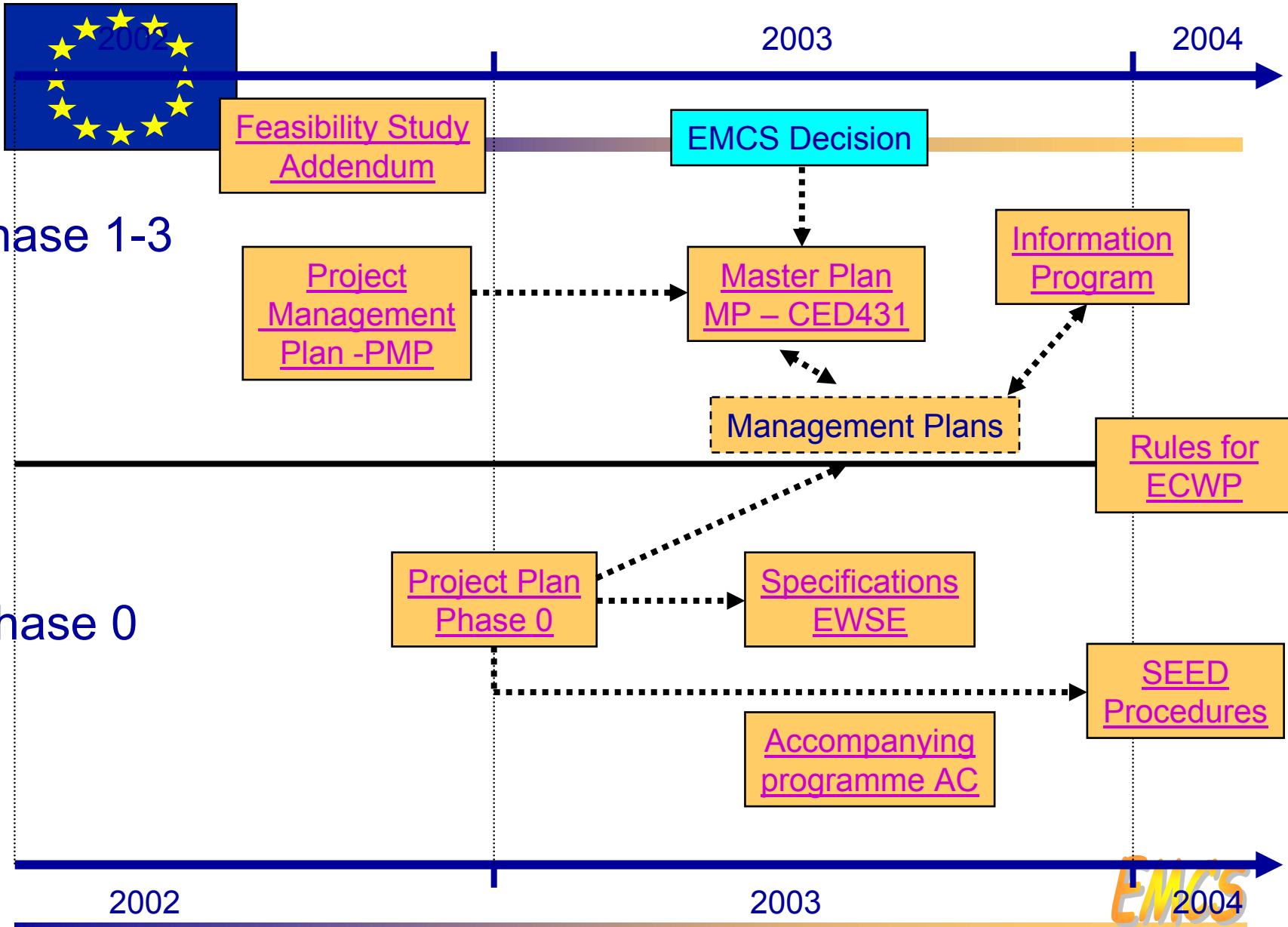


Ad hoc Working Group

- Formed in 2000, 8 MSAs
- Objectives – Make recommendations for improvements to the excise procedures
- Main outcomes
 - **Final report CED381**
 - **Discussion documentation:** SEED, MVS, EWSE, AAD, Risk analysis, Excise number
 - **EWSE on AFIS** introduced December 2000
 - **MVS on CCN Mail** introduced May 2002

Input for EMCS
(Mainly Phase 0)





Phase 1-3

Phase 0



F.S Addendum (CED394rev1)

- Why an Addendum to the Feasibility Study?
 - Recent technological developments
 - Findings of the ad hoc Working Group
 - Importance of SEED
 - Candidate Countries
 - Similarities between EMCS and NCTS
- Objectives
 - A set of proposals for limited evolutions of the F.S.
 - A request for mandate to analyse further certain points during Phase 1 (Specifications)

**Status: Approved
ExCom April 2003**



EMCS PMP CED382rev2

- Project Plan for the EMCS Project
- Project Strategy
 - Main principles
 - Project in 1 + 3 Phases
- Project Organisation
 - Co-ordination
 - Stakeholders involved
- Security & Risk Management
- Planning

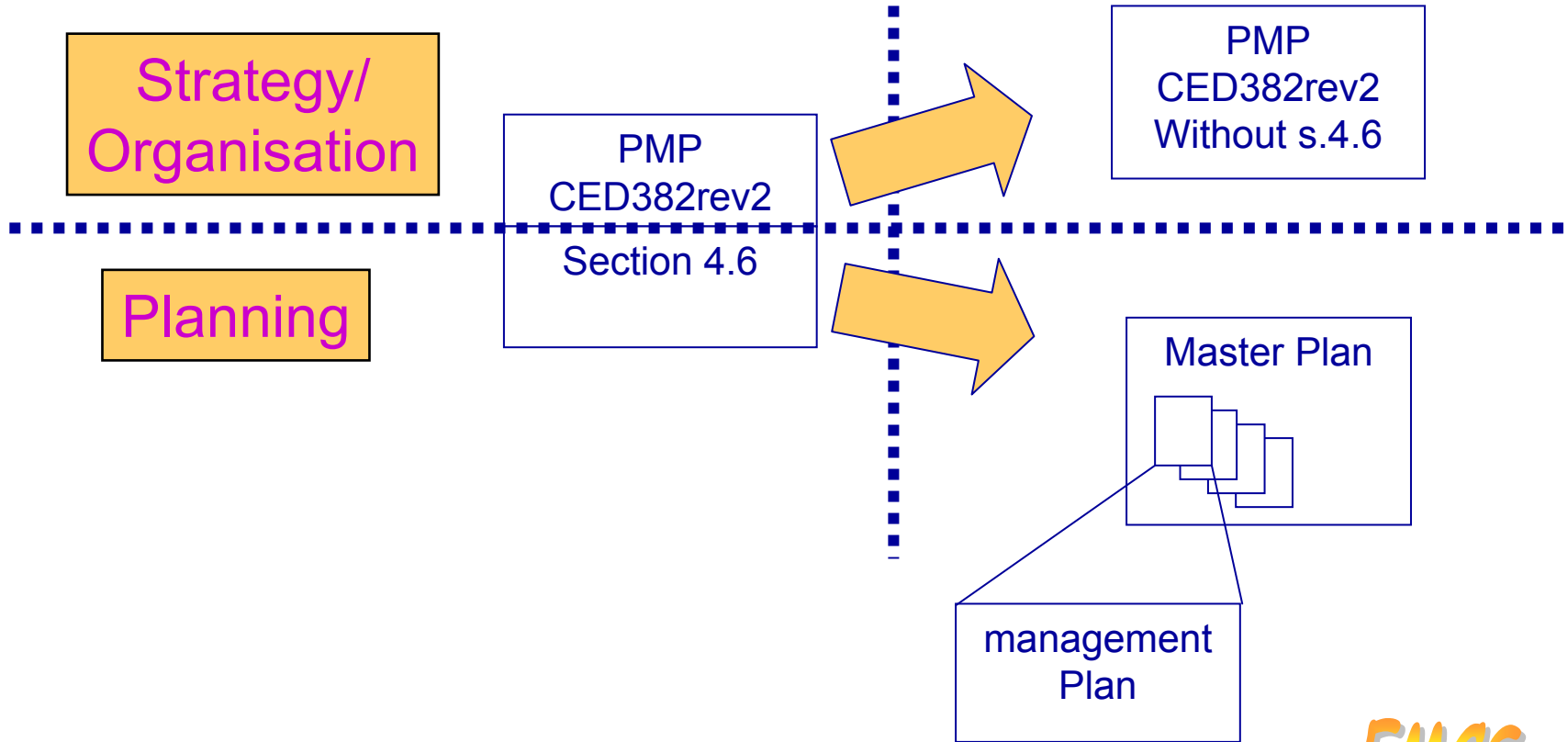
**Status: Approved ExCom
April 2003**

← **Section superseded
by Master Plan CED431**





Master Plan CED431





Master & Management Plans

- CED 429: Master & Management Plans explained

- Master Plan CED431

- Excise Committee
- long-term vision of the project (6 years)
- the activities to be performed
- all major synchronisation points

**Status: Approved ExCom
December 2003**



- Management Plans

- ECWP
- short & medium term (12-24 Months)
- detail of a set of activities identified
- set up enough in advance

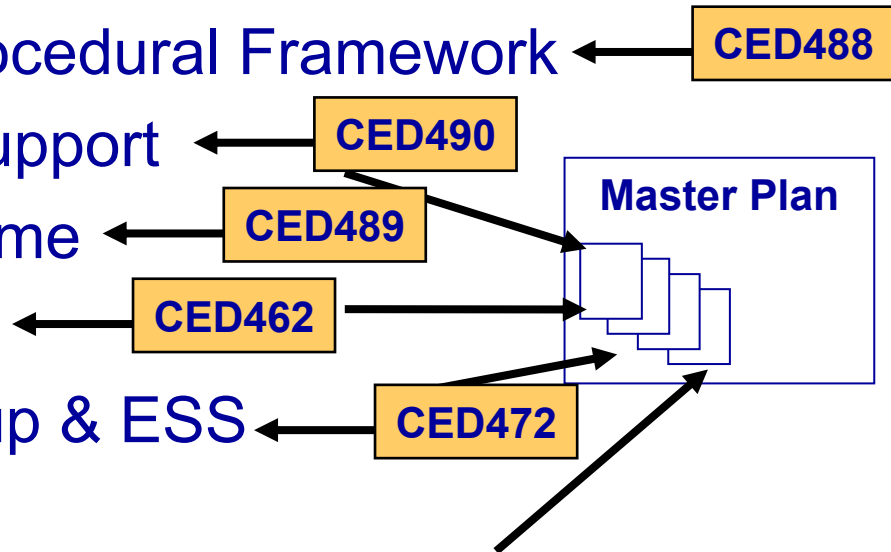
**Status: To be drawn
up continuously**





Master Plan: Identified Management Plans

- EMCS Legal and Procedural Framework ← CED488
- Co-ordination and Support ← CED490
- Information Programme ← CED489
- Phase 0 ← CED462
- Phase 1 – ECP set-up & ESS ← CED472
- Phase 2 & 3
 - Technical Design and Start Up Guide
 - Applications Specification, Development and Testing
 - Entry into operation, Roll out and Transition
 - ...





Information Program

- **Communication Strategy CED439rev1**
 - Global approach on communication
 - "e-Excise" initiative
- **Information Programme Definition CED446rev1**
 - Definitions
 - Identification of stakeholders
 - Communication channels
- **Information Policy & Management Plan**

**Status: Approved
ExCom
November 2003**

**Status: Approved ExCom
January 2004**



Project Plan Phase 0

Project Plan Phase 0 includes

- Objectives of Phase 0
- Identified requirements/proposed actions
- Planning





Accompanying Programme

- Accompanying programme for Accession Countries (CED441rev1)
 - Indicative planning
 - Guidelines for NPPs
 - Frequently Asked Questions (FAQ)
 - Transliteration
- Transliteration procedures – consolidated proposal (CED456)
- Frequently Asked Questions (FAQ) by Accession Countries now compiled in CED 452



Rules for ECWP

- Document CED 400rev3
- Sets out the role of ECWP visavis the Excise Committee
 - To discuss and make recommendations to the Excise Committee for adoption

**Status: Approved ExCom
January 2004**



SEED Procedures

- Harmonisation of Excise Number CED438rev2
 - 13 digits (ISO Code + 11 alphanumeric characters)

**Status: Approved ExCom January 04,
entry into force 01.01.05 + 6 months**

- Updated SEED Manual (v3.3)
- New file format definition (v.13)
- Conformance testing documentation ("Conformance Test Protocol")
- CED 504 - Harmonised structure of the SEED Excise Number



SEED v. 0 documentation



Specifications

Title	Reference	Version	Date
Functional System Specification for SEEDv0	ECP0-FITSDEV-SA02-SEEDv0-FSS	1.04	24/08/2005
Design Document for SEEDv0	ECP0-FITSDEV-SA02-SEEDv0-DD	1.04	24/08/2005
System Requirements Definition for SEEDv0	ECP0-FITSDEV-SA02-SEEDv0-SRD-SEED	1.04	24/08/2005
System Requirements Definition for SEED-on-EUROPA	ECP0-FITSDEV-SA02-SEEDv0-SRD-SOE	1.04	24/08/2005
System Requirements Definition for SEEDv0 Administration	ECP0-FITSDEV-SA02-SEEDv0-SRD-SEEDADM	1.00	21/10/2005
Security System Specification for SEEDv0	ECP0-FITSDEV-SA02-SEEDv0-SRD-SSS	1.04	24/08/2005
Technical System Specification for SEEDv0	ECP0-FITSDEV-SA02-SEEDv0-SRD-TSS	1.04	24/08/2005
SEEDv0 Acceptance Test Specification	ECP0-FITSDEV-SA02-SEEDv0-SRD-ATS	1.04	24/08/2005
Acceptance Test Plan for SEEDv0	ECP0-FITSDEV-SC02-SEEDv0-SEED-ATP	1.00	02/12/2005





Design Documentation

Title	Reference	Version	Date
Graphical User Interface for SEED	ECP0-FITSDEV-SC05-SEEDv0-GUI	1.00	03/10/2005
Graphical User Interface for SEED-on-EUROPA	ECP0-FITSDEV-SC05-SEEDv0-SOE-GUI	1.00	03/10/2005
Database Model for SEEDv0	ECP0-FITSDEV-SC05-SEEDv0-SEED-DBM	1.00	03/10/2005
SEEDv0 Software Architecture Document	ECP0-FITSDEV-SC05-SEEDv0-SEED-SAD	1.00	03/10/2005





Manuals

Title	Reference	Version	Date
SEEDv0 Installation Procedure Manual	ECP0-FITSDEV-SC05-SEEDv0-SEED-IPM	0.02*	07/12/2005
SEEDv0 – Operation Manual	ECP0-FITSDEV-SC05-SEEDv0-OPM	0.02*	07/12/2005
SEED-on-EUROPA Online Help	ECP0-FITSDEV-SC05-SEEDv0-SOE-OLH	1.00	03/10/2005
User Manual for SEED-on-EUROPA	ECP0-FITSDEV-SC05-SEEDv0-UMN-SOE	1.00	03/10/2005
User Manual for the SEED Web Application	ECP0-FITSDEV-SC05-SEEDv0-UMN	0.01*	07/12/2005

- MSA Technical Training provided October 2005
- MSA User Training submitted for review 07/12/2005

* Submitted for Review

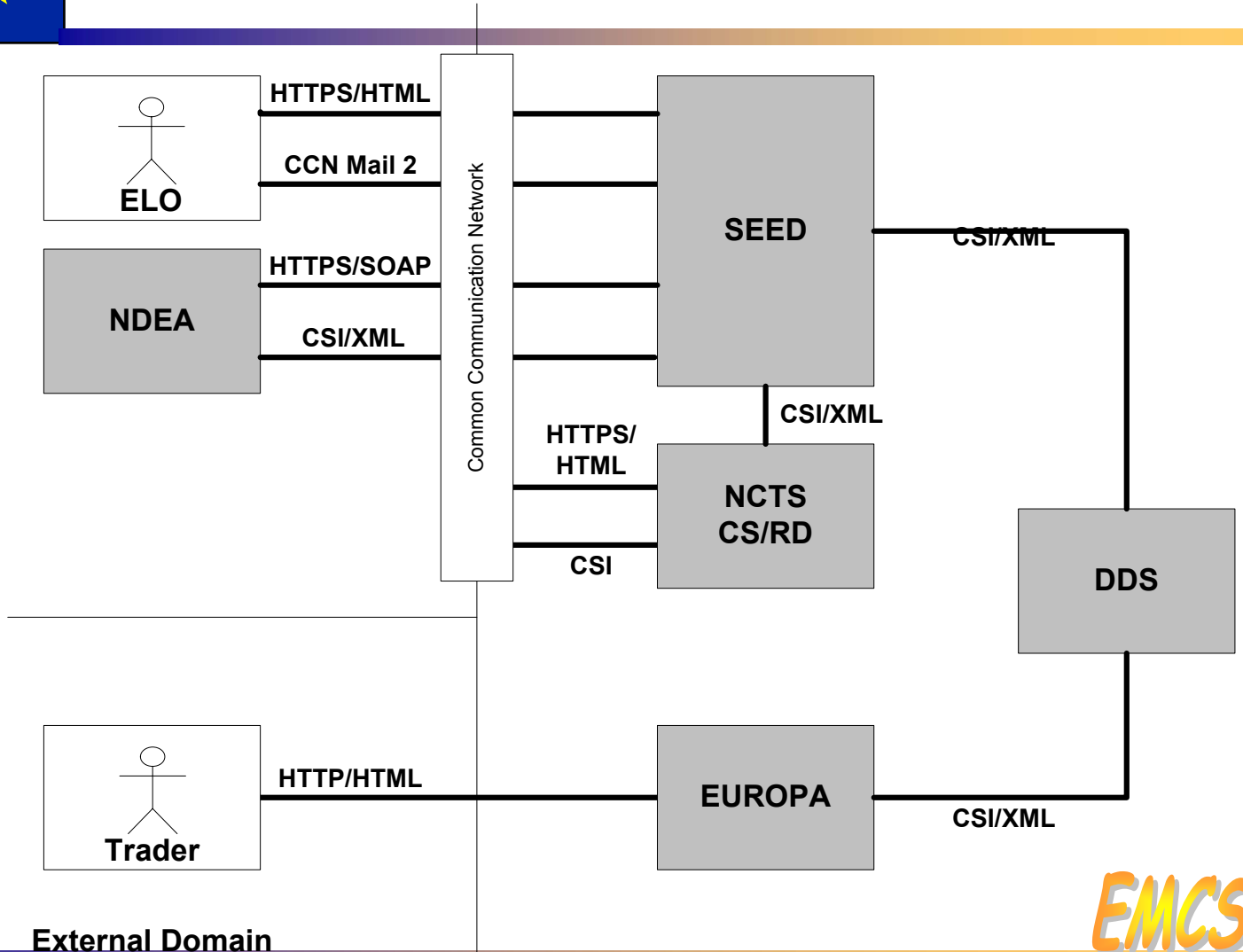




Architectural Overview

National Domain

Common Domain





EWSE/MVS documentation





Specifications

Title	Reference	Version	Date
EWSE – Functional System Specifications	ECP0-FITSDEV-SA02-EWSE-FSS	2.00	29/04/2005
EWSE – Technical System Specifications	ECP0-FITSDEV-SA02-EWSE-TSS	2.00	29/04/2005
EWSE – System Requirement Definition	ECP0-FITSDEV-SA02-EWSE-SRD	2.00	29/04/2005
EWSE – Acceptance Test Specification	ECP0-FITSDEV-SA02-EWSE-ATS	1.01	14/04/2005
EWSE – Test Plan	ECP0-FITSDEV-SA02-EWSE-TPL	1.01	25/05/2005

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Manuals

Title	Reference	Version	Date
EWSE – Installation Procedures Manual	ECP0-FITSDEV-SA02-EWSE-IPM	2.00	29/04/2005
EWSE – User Manual	ECP0-FITSDEV-SA02-EWSE-UMN	2.00	29/04/2005

- MSA Training provided June 2005



Specifications

Title	Reference	Version	Date
MVS – Functional System Specifications	ECP0-FITSDEV-SA02-MVS-FSS	2.00	29/04/2005
MVS – Technical System Specifications	ECP0-FITSDEV-SA02-MVS-TSS	2.00	29/04/2005
MVS – System Requirement Definition	ECP0-FITSDEV-SA02-MVS-SRD	2.00	29/04/2005
MVS – Acceptance Test Specification	ECP0-FITSDEV-SA02-MVS-ATS	1.01	14/04/2005
MVS – Test Plan	ECP0-FITSDEV-SA02-MVS-TPL	1.01	25/05/2005



E-Forms Solution

- The Commission provides a solution to create, view and validate EWSE/MVS XML messages
- The provided solution is based on Adobe® PDF e-form technology
- Enhanced language and character set support
- Requires Adobe® Reader® 7
- Integrates with standard e-mail clients (when CCN Mail 2 Phase 2 is available)
- This is *ONE* possible solution to exchange XML messages



Example (EWSE)

Adobe Reader - [EWSE.pdf]

File Edit View Document Tools Window Help

Save Search Select 122% Adobe Reader 7.0

You can save data typed into this form. Highlight fields

Choose Language: English (en)

	EUROPEAN COMMUNITY	EWSE MESSAGE	Type : <input type="text"/>
Message Identification			
Contact	Originator of Message		
Contact Telephone N°	Message identification		
Contact Fax N°	Date of preparation		
Contact E-mail Address	Reference of Receiving Office		
Trader Consignor			
Consignor's Excise N° (AAD-box 2)	Consignor's Street and Number (AAD-box 1)		
Consignor's Name (AAD-box 1)	Consignor's Postcode & Consignor's City (AAD-box 1)		
Consignor's VAT N° (AAD-box 1)	Consignor's Country (AAD-box 1)		
Place of dispatch			
Place of dispatch (AAD-box 15)	Authorisation N° (AAD-box 15)		
Trader Consignee			
Consignee's Excise N° (AAD-box 2)	Consignee's Street and Number (AAD-box 1)		





Example (MVS)


Adobe Reader - [MVS_Request_Reply.pdf]

File Edit View Document Tools Window Help

Save Print Search Select 122% Forms Help Create an Adobe PDF online

You can save data typed into this form. Highlight fields

The fields in this colour are Required Choose Language: English (en)



EUROPEAN COMMUNITY

MV Request and Reply

Council Regulation (EC) N° 2073/2004 of 16 November 2004 on administrative cooperation in the field of excise duties (art. 24)

Message Identification

Contact	Originator of Message	
Contact Phone Number	Message ID	
Contact Fax Number	Date of Preparation	Reference of Requesting Authority
Contact e-mail	Reference of Addressed Authority	

Message Request Details

The Member State named in "Requesting Member State" hereby requests the authorities of the Member State named in "Addressed Member State" to supply the following information. This request is made under Council Regulation (EC) N° 2073/2004 of 16 November 2004 on administrative cooperation in the field of excise duties (art. 24).

Request Number	Date of Transmission	Requesting Member State
Final Date of Answer	Addressed Member State	

Check flow of goods
 Goods in Individual Operation: The AAD/SAAD documents to be checked are:

Documents

1 of 3



EMCS

FESS – Section I General introduction



Content of section I

- **1. Introduction:**
- **2. Methodology:** describes the way the model has been built.
- **3. Formalism used to document functionality:** the graphical and textual elements of the representation of the functionality, and how they form a complete and consistent representation of the system.
- **4. System Overview** introduces the main functionality and presents the general context diagram together with the actors.
- **5. General non-functional Requirements** discusses the non-functional requirements of the EMCS systems.
 - Availability and performances
 - Security requirements
 - Interfacing with other systems (Customs applications; applications of economic operators, NCTS)



1. Introduction



1.1. Purpose of the FESS

- Define precisely the **scope, context and participants** of EMCS;
- Detail the **whole functionality** required;
 - describing all processing (**computerised or not**)
 - describing the usage of computerised tools provided both to economic operators and to the competent Administrations in the Member States and in the European Commission
- Serve as **baseline for further design and development** of technical components making up the operational EMCS.



1.4 Structure of the FESS

- **Section I :** **General introduction**
- **Section II:** **Core business**
 - UCs that make up the business life cycle of the AAD, and all possible variants
- **Section III:** **SEED and reference data**
 - UCs that care for creation, maintenance, and dissemination of the permanent information necessary to check the validity of the messages exchanged.
- **Section IV:** **Follow-up and collaboration**
 - UCs that allow MSAs to control the EMCS movements
- **Section V:** **System administration**
 - UCs that each MSA should implement in order to guarantee the optimal functioning of their EMCS application
- **Appendices A to F**

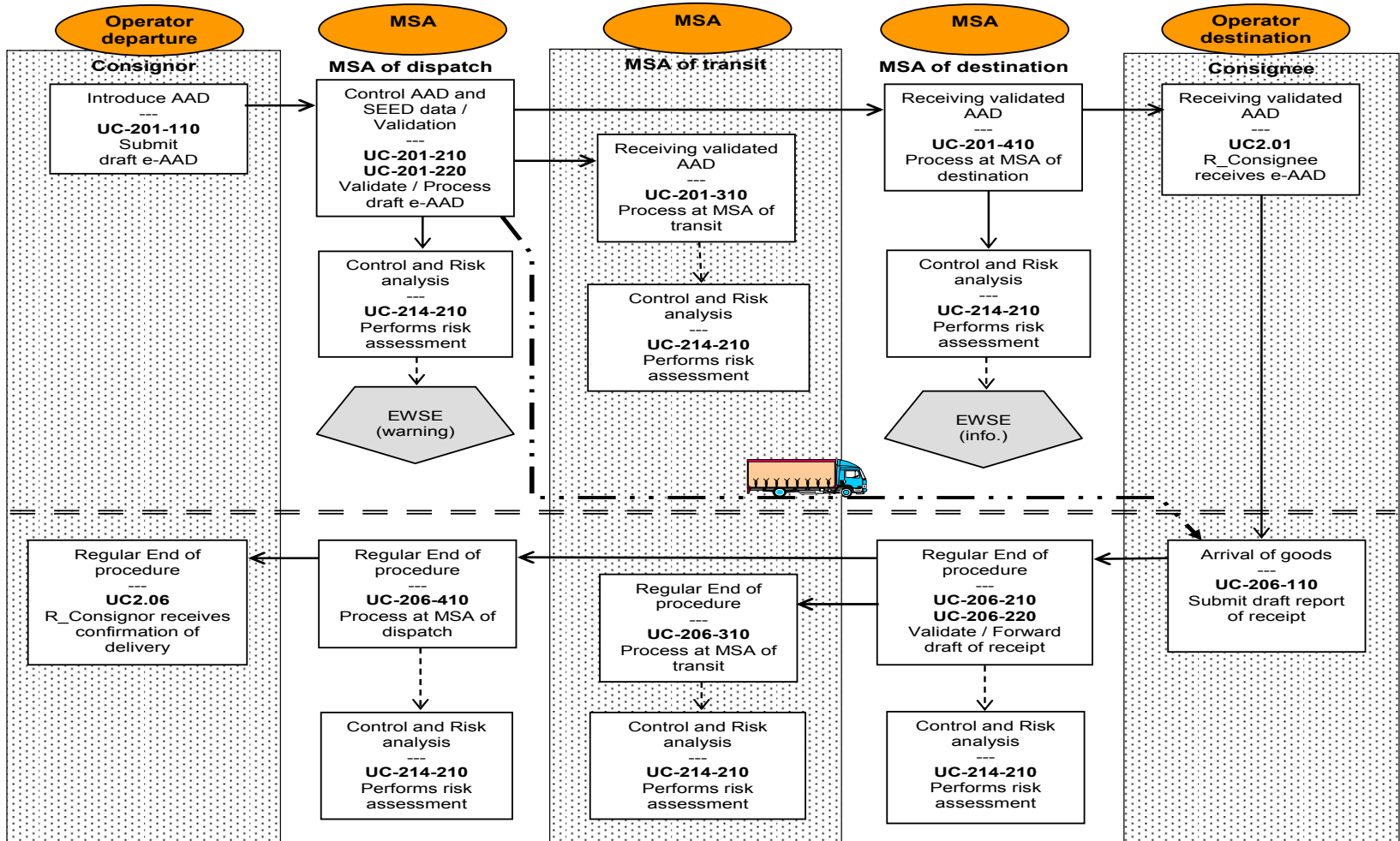




2. Methodology



General process threads





Use cases

UC = an ordered (which does not mean sequential) and uninterruptible set of actions performed by a group of interacting actors, that takes and leaves all entities handled in a stable state

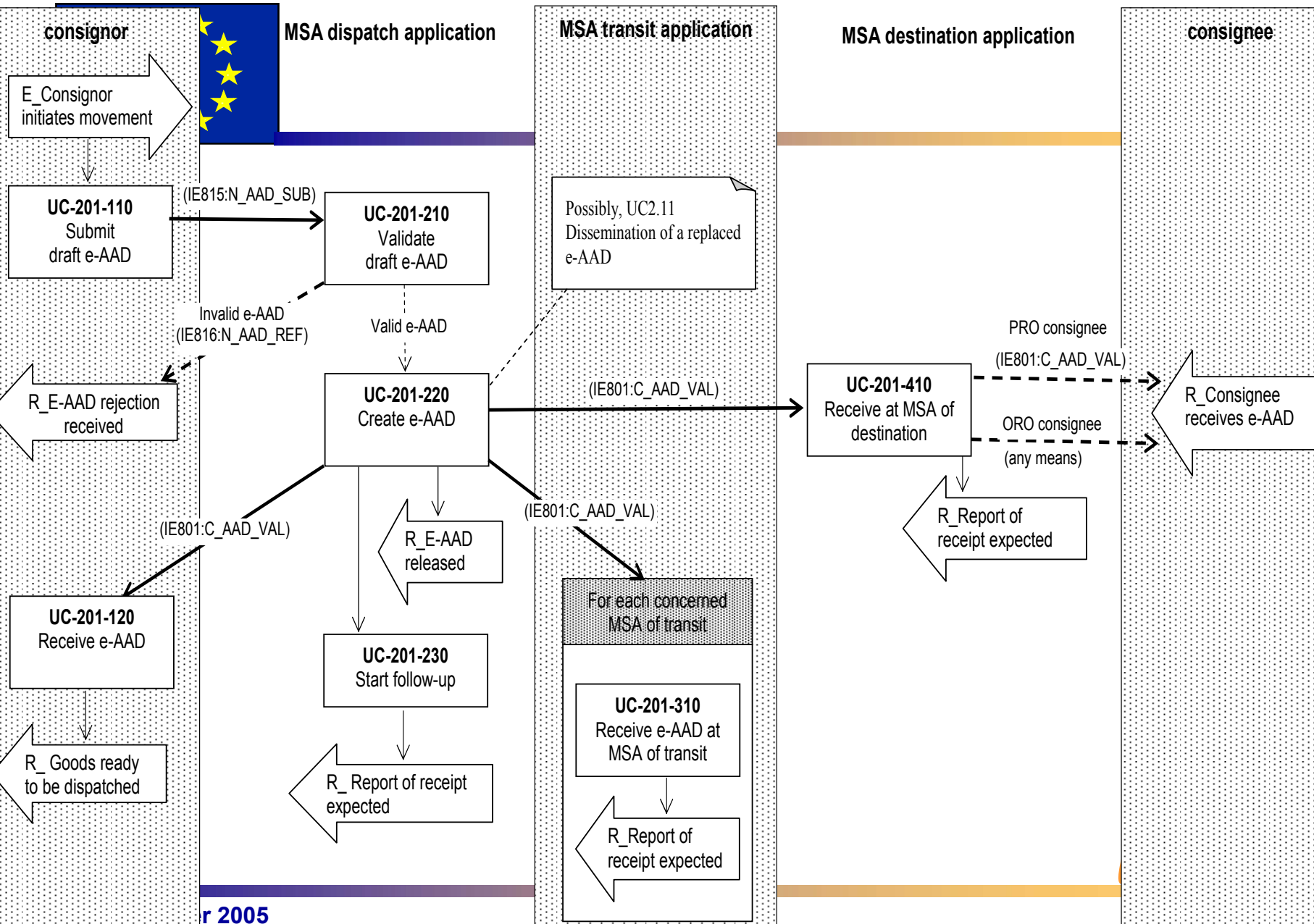
- A use case is identified by a code and has a name.
- **The code:** has the form UCg.xx where:
 - g: is a digit 0, 1, 2 or 3
 - xx is a two-digits number
- Both are arbitrary and do not have a significant meaning
- **The name** of a use case is a short phrase (less than one line) that describes its general functionality.
- Example:
 - UC2.01 : Submission and registration of e-AAD



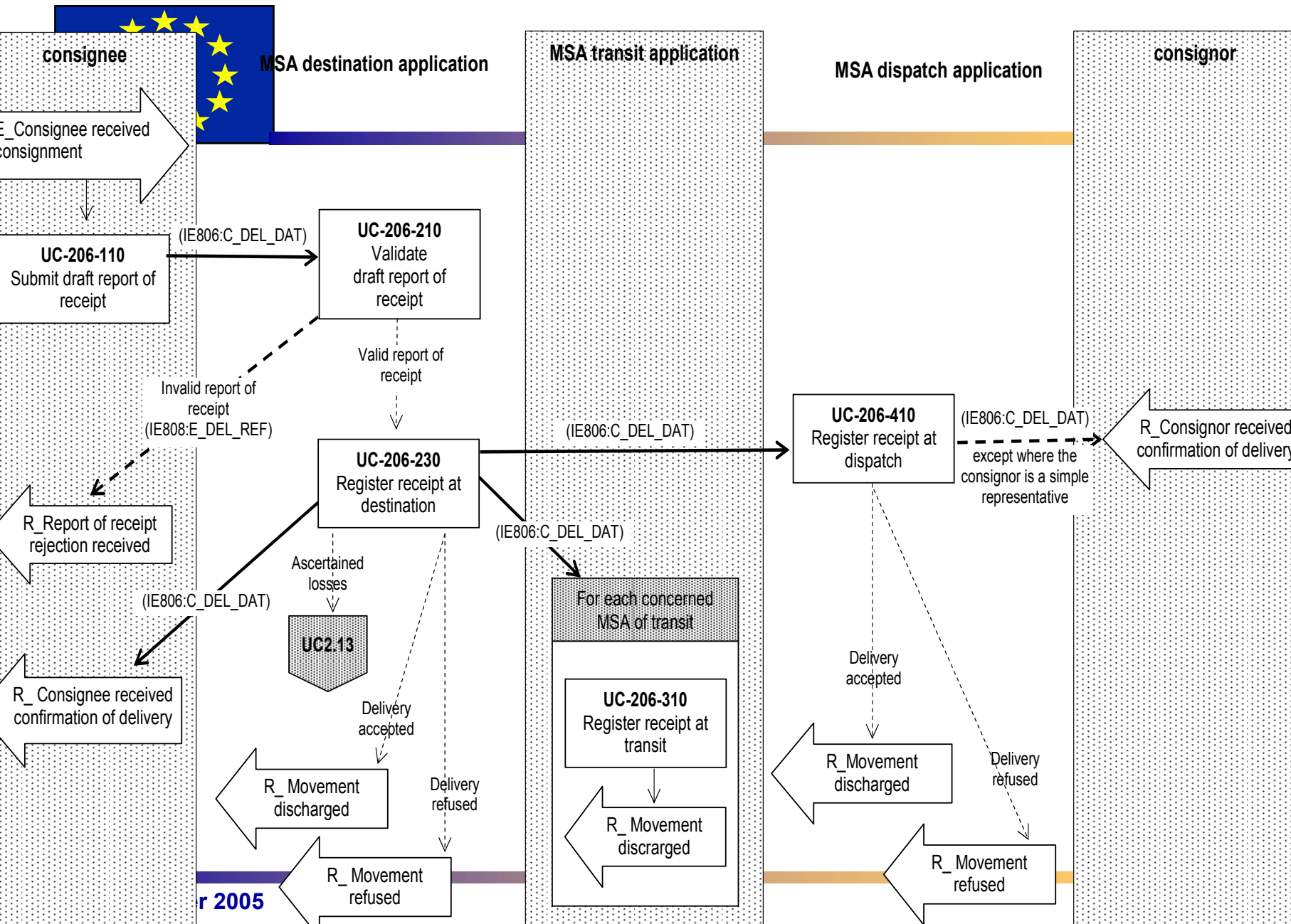
Content of use cases

For each use case, the following information is given:

- **Overview:** a short description of the main features and purpose of the use case
- **Participants, motivations and commitments**
- **General conditions:** trigger; pre-conditions; post-conditions
- **Process flow-diagram**
- List of **events**
- **EBPs** (Elementary business processes)
- **Results**



UC2.06 Submission of report of receipt

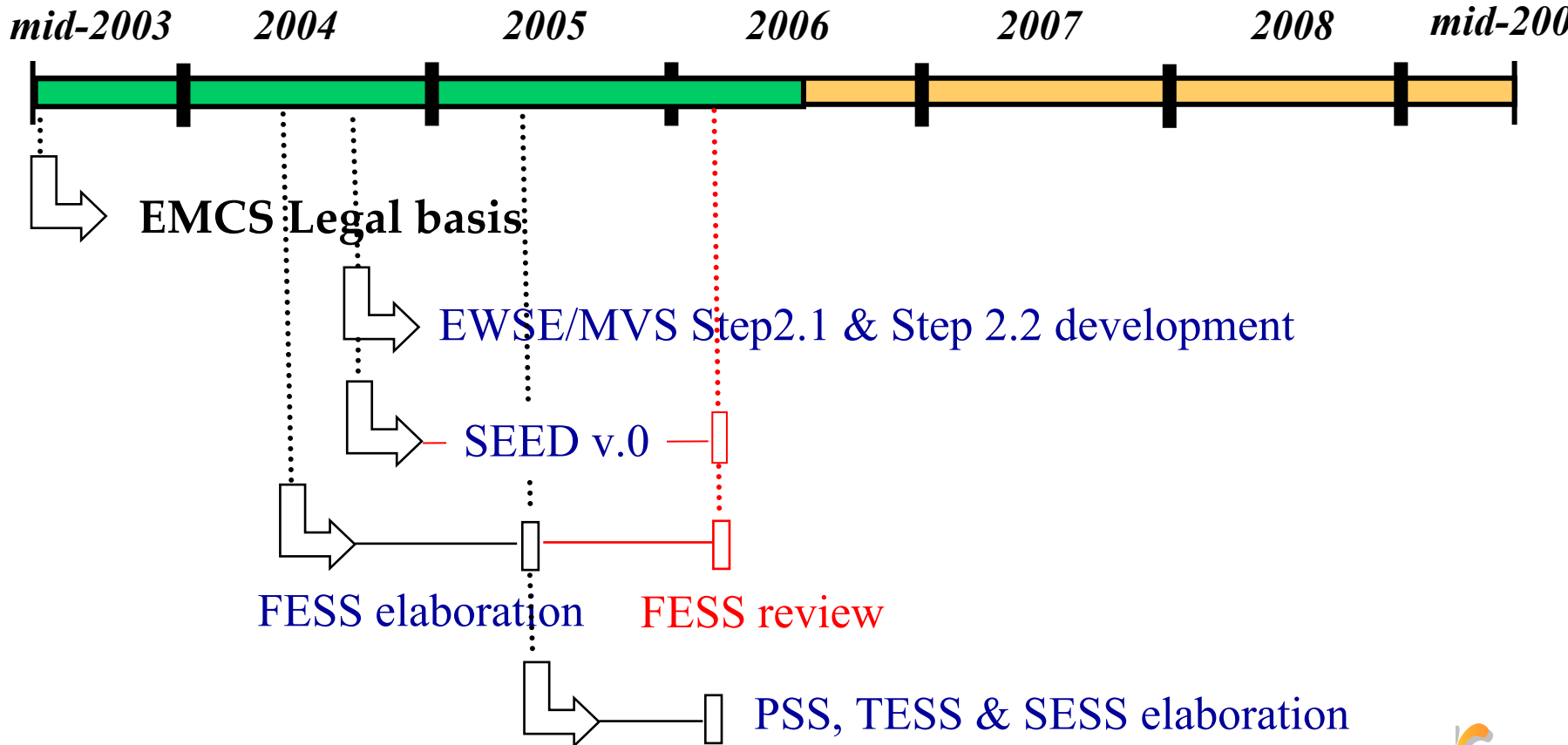




Planning overview

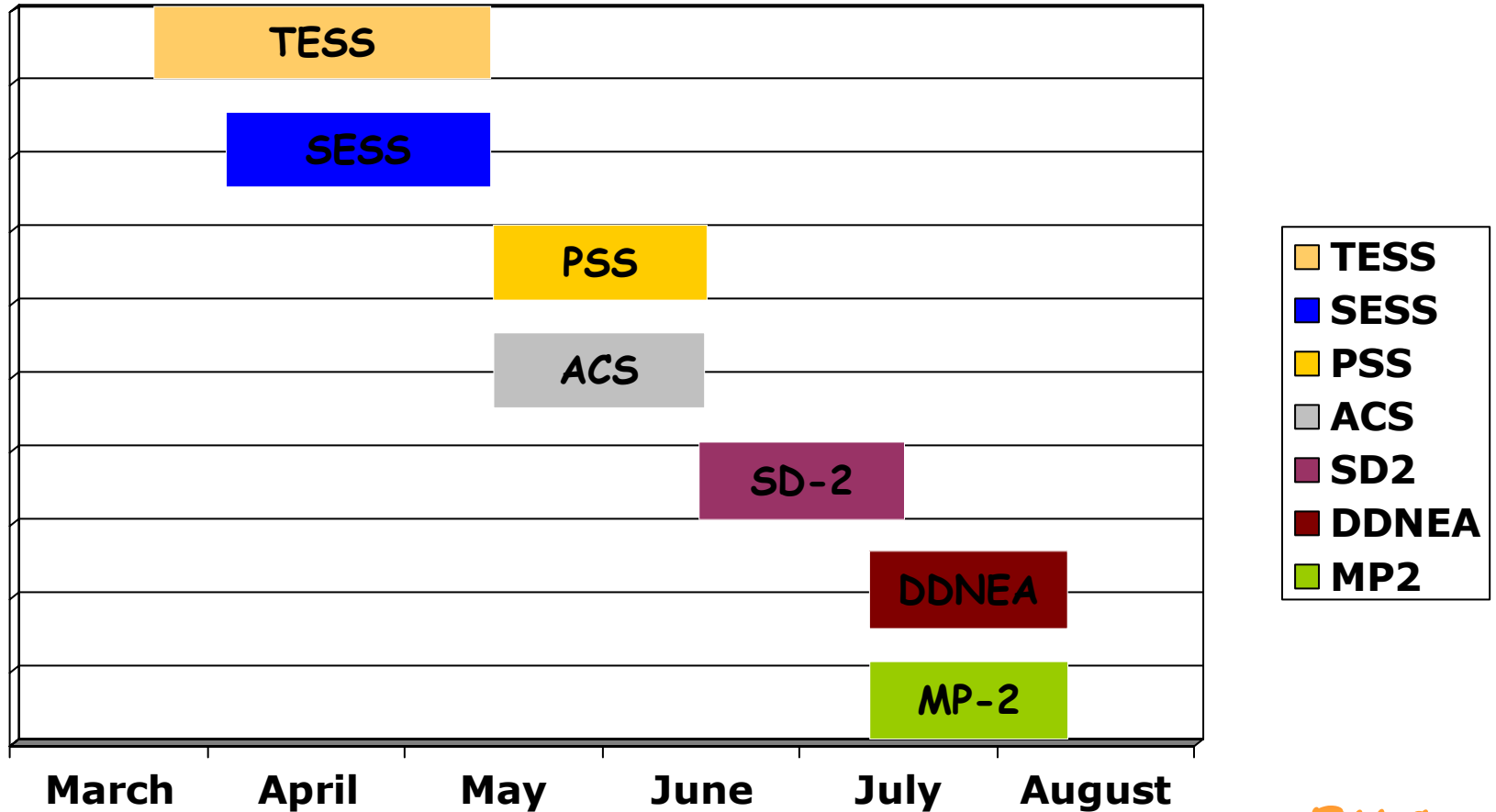


6 years plan





Specification – Timeline of reviews by MSA in 2006





Master Plan – main milestones

- **2005** - all system specifications should be completed by 2005 (Phase 1)
- **2006** – development in MSA and COM (Phase 2)
- **2007** – Conformance Testing for all
- From **end 2007** – **mid 2008**: progressive entry into operation

- **2006** – start of *Phase 3* round of specifications
- **2007** – development in MSA and COM (Phase 3)
- **2008** – start of Conformance Testing
- From **end 2008** – **mid 2009**: progressive entry into operation

EMCS



Master Plan - revisited

- 2006 • ~~2005~~ - all system specifications should be completed by 2005 (Phase 1)
- 2007 • ~~2006~~ - development in MSA and COM (Phase 2)
- 2008 • ~~2007~~ - Conformance Testing for all
 - From ~~end 2007~~ - **mid 2008**: progressive entry into operation **until mid-2009**
- after **mid-2009** • ~~2006~~ - start of *Phase 3* round of specifications
- ~~2007~~ - development in MSA and COM (Phase 3)
- ~~2008~~ - start of Conformance Testing
- From ~~end 2008~~ - ~~mid 2009~~: progressive entry into operation

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