

eLearning module

Excise Movement and Control System (EMCS) – Core Business eLearning module

Course takeaways

This is a handy summary of the most relevant course information.

1 Introduction

The Excise Movement and Control System (EMCS) – Core Business is designed to train you about the actors involved in movement of excise goods and to help you quickly and easily find exactly what you need about the main EMCS processes.

This course is made up of the following units:

- Submission and Receipt
 - Standard scenario
 - Situations that can arise
 - Reminders of time limits
 - Follow-up
 - Variants
- Export
- Management of Registration Data
- Management of Reference Data

1.1 Learning objectives

At the end of this course you will be able to handle:

- Submission and Receipt as part of the standard scenario:
 - the submission of an Electronic Administrative Document (e-AD);
 - the submission of a Report of Receipt;
 - the cancellation or the rejection of an Electronic Administrative Document (e-AD) as part of the standard scenario;
 - the change of the destination of the movement or the split of a consignment by the Consignor.
- Reminders related to the Submission and receipt:
 - at the expiry of the time limit for a consignment that has been totally or partially refused or rejected;

- at the expiry of the time limit for the update of destination fields;
- at the expiry of the time limit for the reception of the Report of Receipt.
- Following up Submission and Receipt:
 - the post-delivery processing procedures: the dissemination of explanation messages about excesses or shortages in the received consignment;
 - the submission of an event report
- The specific details related to other variants of Submission and Receipt:
 - a Direct Delivery;
 - an Import;
 - a Temporary Registered Consignee;
 - an Exempted Consignee
- For a consignment that is moving under Excise duty suspension arrangements:
 - the Local clearance at export;
 - the operation at the Office of Export;
 - the confirmation or cancellation of exit
- Consultation of:
 - registration information;
 - public reference data;
 - Excise Offices List (EOL).

1.2 Course Map



2 Submission and Receipt

2.2. Standard scenario

In this section you'll see the submission of a draft e-AD as part of the Standard scenario.

Who and what's involved:

The Consignor: The natural or legal person entitled to dispatch goods under Excise Duty Suspension arrangements.

The Consignee: The natural or legal person entitled to receive goods under Excise Duty Suspension arrangements.

The Member State (MS) of Dispatch: This is the Administration in the Consignor's Member State, to which excise goods are to be dispatched.

The Member State (MS) of Destination: This is the Administration in the Consignee's Member State, to which excise goods are to be delivered or used.

2.2.1. Submission of an e-AD

An authorised warehouse keeper or Registered Consignor wants to send goods under Excise Duty Suspension arrangements from a tax warehouse (or from the place of Importation in case of Registered Consignor) to another tax warehouse or to a Consignee entitled to receive goods under Excise Duty Suspension. Before dispatching the goods, the Consignor must prepare and submit a draft e-AD. The Member State of Dispatch validates the draft e-AD and disseminates it to the Consignor and the Member State of Destination, which then forwards it to the Consignee.

2.2.2. Actions on receipt of goods

In this section you'll see the Submission of a Report of Receipt as part of the Standard scenario.

On receipt of goods, the Consignee submits a (electronic) Report of Receipt acknowledging that the goods have arrived at their destination.

This topic covers all variants of delivery except the Exportation of goods (out of the EU) and Exempted Consignee, more precisely:

- Receipt in a tax warehouse or by a Registered Consignee.
- Receipt by a Temporary Registered Consignee.
- Direct Delivery - not all Member States allow this. You can check if the recipient in the SEED system has permission for Direct Delivery.

In each of these cases, it is possible for the Consignee to accept the delivery of part of the goods and refuse the other part.

When the Consignee receives the goods, he/she must prepare and submit a draft Report of Receipt. The Member State of Destination validates the draft Report of Receipt and sends it to the Member State of Dispatch, which then forwards it to the Consignor

The Report of Receipt must contain information about:

- The identification (ARC) of the received consignment.
- The identification of the Consignee.
- The date of the delivery.
- If applicable, the list of anomalies: shortage, excess of quantity.
- In the case of partial or total refusal, at least one (possibly several) reasons must be given to justify this. The reason(s) may be given either at the most general level (consignment) or at the body record level (goods item).

The Consignee can totally refuse the delivery, but is not exempted from making a complete Report of Receipt even in this case.

A detailed description of the data can be found in Table 6 of Annex 1 of the latest consolidated version of the Regulation 684/2009.

Interested in other cases?

- In case of Import, see "Import"
- In case of Direct Delivery, see "Direct Delivery"
- If the Consignee is a Temporary Registered Consignee, see "Temporary Registered Consignee"
- If the Consignee is an Exempted Consignee, see "Exempted Consignee"

2.3. Situations that can arise

2.3.1. Cancellation of the e-AD

In this section you'll see what happens when the e-AD is cancelled and what you need to do.

Before dispatching the goods, the Consignor must prepare and submit a draft e-AD to be validated by the Member State (MS) of Dispatch. The Consignor may then, for a variety of reasons, decide to cancel the validated e-AD.

1. The Consignor submits a draft Cancellation
2. The Member State of Dispatch checks and forwards the Cancellation.
3. The Member State of Destination forwards the Cancellation to the Consignee
4. The Consignor receives the validated Cancellation. The movement of goods is now cancelled.
5. The Consignor can now submit a new e-AD

2.3.2. Alert or rejection of the e-AD

In this section you'll see the Alert or Rejection of the e-AD by the Consignee as part of the Standard scenario.

Before the goods arrive, the Consignee is entitled to send a message to notify the involved Member States and the Consignor that the e-AD doesn't match his/her order or that he/she didn't order the movement. This includes either an alert or an actual rejection of the e-AD. The Consignee should issue such a message as soon as he/she observes the discrepancy:

1. The Consignee prepares the draft e-AD Alert or Rejection and submits it to the Member State of Destination.
2. Member State of Destination Validate and register
3. The Member State of Destination checks the e-AD Alert or Rejection.
4. The Member State of Dispatch forwards the validated e-AD Alert or Rejection to the Consignor
5. The Consignor receives the e-AD Alert or Rejection.

The e-AD Alert or Rejection must contain information about:

- The identification of the consignment (ARC).
- The identification of the Consignee.
- The date of the Alert or Rejection.
- The global indicator: Alert or Rejection.
- The reason for Rejection (if it has been rejected). At least one reason is required.

A detailed description of how to fill in the e-AD Alert/Rejection can be found in the Functional Excise System Specifications (FESS) that can be downloaded on the EMCS webpage:

https://ec.europa.eu/taxation_customs/business/Excise-duties-alcohol-tobacco-energy/Excise-movement-control-system_en

2.3.3. Change of destination

In this section you'll see what happens when the Consignor wants to change the destination and in what circumstances this can occur

To change the destination of a movement, the Consignor updates part of the information to show a new Consignee or a new Place of Delivery. The e-AD is updated, not cancelled, and older information remains available for consultation. Only the original Consignor may update an e-AD.

1. The Consignor prepares and submits a draft update of an existing e-AD;
2. The Member State of Dispatch checks and forwards the updated e-AD;
3. The former Member State of Destination notifies the former Consignee;
4. The Member State of Destination forwards the updated e-AD to the new Consignee;
5. The Consignor receives the updated e-AD.

2.3.4. Splitting of consignment (only possible for Energy products)

In this section you'll see what happens when the Consignor wants to split a consignment and in what circumstances this can occur.

The course of a movement may make it necessary to split a consignment into two or more parts intended for different destinations. **This option is limited to energy products.** Attention: Not every Member State allows this procedure. Check this in the Member State of Dispatch and the Member State of Destination. To do this, the Consignor submits a series of new e-ADs to replace the old one.

1. The Consignor prepares and submits a draft Splitting Operation of an existing e-AD;
2. The Member State of Dispatch checks and forwards the splitting operation;
3. The former Member State of Destination forwards the replacement notification;
4. The new Member State(s) of Destination forward(s) the new e-ADs.

A detailed description of the verifications performed can be found in the Functional Excise System Specifications (FESS) that can be downloaded on the EMCS webpage:

https://ec.europa.eu/taxation_customs/business/Excise-duties-alcohol-tobacco-energy/Excise-movement-control-system_en#heading_3

To see which countries allow splitting, see the EMCS legislation webpage (CED 691):

http://ec.europa.eu/taxation_customs/taxation/Excise_duties/circulation_control/legislation/index_en.htm

2.4. Reminders of time limits

When a consignment has been totally or partially refused or rejected, the MS of Dispatch starts a timer. Before the timer expires, the Consignor is expected to issue either a Change of Destination, a

Splitting of Consignment (only possible for energy products) or a Cancellation (if the goods have not left the Place of Dispatch). If the time limit expires, a reminder message is sent to the Consignor.

2.4.1. The expiry of time limit when a consignment has been partially or totally refused

The timer for a Change of Destination is started in specific situations that are deviations from the Standard scenario

1. The Member State of Dispatch starts a timer;
2. On expiry of the timer, the Member State of Dispatch sends a reminder message to the Consignor;
3. The Consignor receives the reminder message.

2.4.2. The expiry of time limit for the update of destination fields (only possible for energy products)

Upon Submission of the e-AD concerning a movement of energy products, the national legislation may allow destination fields to remain empty (Article 22(1) of directive 2008/118/EC). A timer is started by the MS of Dispatch to expire at the limit date when these fields have to be filled in by the Consignor.

This process pertains to a national domain. The description in this module is therefore a suggestion made to Member States which may follow different procedures.

1. On expiry of the timer, the MS of Dispatch sends a reminder message to the Consignor;
2. The Consignor sends back a reply;
3. The MS of Dispatch rejects or validates the reply.

2.4.3. The expiry of time limit for the reception of the report of receipt

Once an e-AD is validated, the MS of Dispatch starts a timer from the date of dispatch to an expiry date within a given time limit. If no Report of Receipt is received within that time, the MS of Dispatch must send a reminder message to the Consignor and the MS of Destination.

1. The MS of Dispatch sends reminders when the timer expires;
2. The MS of Destination forwards the reminder to the Consignee;
- 3a. The Consignee sends a Report of Receipt or an explanation message to the MS of Destination;
- 3b. The Consignor may send an explanation message to the MS of Dispatch;
- 4a. If applicable, the MS of Dispatch forwards the Consignor's explanation message to the MS of Destination;
- 4b. If applicable, the MS of Destination forwards the Consignee's explanation message to the MS of Dispatch.

2.5. Follow-up

In this section you'll see what happens during post-delivery processing procedures: the dissemination of explanation messages from the Consignor and the Consignee about excesses or shortages in the received consignment.

2.5.1. Post-delivery processing

On delivery of goods, if shortages or excesses are declared in the Report of Receipt, the Consignor or Consignee may send explanation messages about those shortages or excesses. These messages are disseminated to the MS of Dispatch and the MS of Destination.

- 1a. The Consignor submits an explanation about the shortages/excesses;
- 1b. The Consignee submits an explanation about the shortages/excesses;
- 2a. The MS of Dispatch checks and forwards the explanation from the Consignor to the MS of Destination;
- 2b. The MS of Destination checks and forwards the explanation from the Consignee to the MS of Dispatch.

2.5.2. Submission of an event report

Many minor or major events may arise during Excise Movements (including Export movements), such as theft, change of transportation or destruction of a vehicle, goods or an accompanying document.

It is recommended that you present an Event Report as soon as possible as it may have an impact on the outcome of the movement, e.g. by creating significant shortages.

The Submission of an Event Report can occur at any time during the Excise Movement.

Who and what's involved?

- The Reporting Person: The person entitled to report any serious event to Competent Authorities (e.g. the police) in the Member State of Event.
- The Submitting Person: The person (e.g. the Consignor) entitled to submit the information related to an event to the Excise authorities of a concerned Member State.
- The Excise Officer: The person entitled to enter the Event Report submitted by the Submitting Person.
- The Member State (MS) of Submission: The MS of Submission is the MS where the Event Report is submitted. It can be the same as the MS of Event, the MS of Dispatch or the MS of Destination.
- The Member State (MS) of Event: The MS of Event is the MS where the event happened. It can be the same as the MS of Submission, the MS of Dispatch or the MS of Destination. The MS of Event assigns a unique reference to the report and forwards it to all concerned MSs

The Event Report should include the following:

- Local reference code assigned to the Event Report.
- Reference code of the e-AD (ARC).
- Type of event and associated information.
- Place of event.
- Information on the relevant Excise Office.
- Identity of the Submitting Person.

- Reference and information on relevant evidence document(s).
- If applicable, information relating to who will arrange the new transport.
- If applicable, information relating to the new Transporter and new transport details.
- Optional comments.

A detailed description of the information recorded in the Event Report can be found in the Functional Excise System Specifications (FESS) that can be downloaded on the EMCS webpage:

https://ec.europa.eu/taxation_customs/business/Excise-duties-alcohol-tobacco-energy/Excise-movement-control-system_en#heading_3

2.6. Variants

2.6.1. Direct delivery

A Direct Delivery occurs when the goods are not actually delivered to a tax warehouse or the premises of a Registered Consignee, but to a different location instead.

Direct Delivery cannot occur in all Member States. Member States individually decide whether or not to allow Direct Delivery.

1. The Consignor prepares the draft e-AD and submits it to the Member State of Dispatch.
2. The Member State of Dispatch checks and forwards the e-AD.
3. The Consignee receives the delivery.

2.6.2. Import

In most cases the Place of Dispatch is a tax warehouse. However, a movement of goods under Excise Duty Suspension may start from a place of Import. The Place of Dispatch is deemed to be the Customs Office where the Import procedure has been completed and the Consignor is an Economic Operator with a status of Registered Consignor. This is the only case where an EMCS movement starts from anywhere other than a tax warehouse.

1. The Consignor prepares the draft e-AD and submits it to the Member State of Dispatch
2. The Member State of Dispatch checks the draft e-AD.
3. The Customs Office compares the e-AD with the Import data declared
4. The Consignor receives the validated e-AD.

2.6.3. Temporary registered consignee

The main difference between this scenario and the Standard scenario is that the Consignee's authorisation in SEED is for a specific quantity, a single Consignor and a specified period of time. The goods are deemed to be released for consumption at delivery. As a result, the Consignee has to guarantee in advance that duties will be paid when the consignment is delivered.

1. The Temporary Registered Consignee obtains a temporary authorisation and informs the Consignor
2. The Consignor prepares and starts the consignment

2.6.4. Exempted consignee

The main difference between this scenario and the Standard scenario is that the Consignee is duty exempt at the arrival of a movement of goods under Excise Duty Suspension arrangements.

Some organisations, such as diplomatic and consular representatives, international organisations and the armed forces of the countries who are members of the North Atlantic Treaty, are exempt from paying duties on consignments of goods under Excise Duty Suspension arrangements. This has created the need for an Excise duty exemption certificate (on paper).

1. The Exempted Consignee obtains an Excise duty exemption certificate;
2. The Consignor prepares and starts the consignment.

3 Export

In this section you'll see one of the possible ways of dealing with the Export of goods under Excise Duty Suspension arrangements: Local Clearance at Export.

You have two options when processing a consignment that is moving under Excise Duty Suspension arrangements and needs to be Exported outside the European Community:

- Local Clearance at Export, where the Consignor submits both the draft e-AD and the Export declaration from his own premises.
- Export Operation at the Office of Export, where the Consignor submits only the draft e-AD from his own premises. Goods are physically moved to the Office of Export (possibly in a different Member State) where the Export declaration is then submitted.

3.1. Local clearance at export

Local Clearance at Export is one of the possible ways of dealing with the Export of goods under Excise Duty Suspension arrangements. This allows the Consignor, subject to specific authorizations from Customs, to achieve all steps of the process at his own premises.

Who and what's involved?

- The Consignor: The natural or legal person entitled to dispatch goods under Excise Duty Suspension arrangements.
 - The Member State (MS) of Dispatch/Export: This is the Administration in the Consignor's Member State, to which excise goods are to be dispatched.
 - The Customs Office of Export: This is the Administration in the Consignor's Member State, entitled to validate that the information on the submitted draft e-AD matches the Export information.
1. The Consignor prepares the draft e-AD and submits it to the Member State of Dispatch/Export
 2. The Member State of Dispatch/Export checks the draft e-AD
 3. The Consignor submits the Export declaration to the Customs Office of Export
 4. The Customs Office of Export validates the Export declaration
 5. The Member State of Dispatch/Export cross-checks the Export data with the e-AD(s).

3.2. Operation at Office of Export (out of the EU)

Who and what's involved?

- The Exporter: The person at the Customs Office of Export submitting the Export declaration with a reference to the e-ADs.
- The Member State (MS) of Export: This is the Administration in the Member State where the Export declaration is submitted, entitled to validate conformance of the e-ADs and the Export information.
- The Customs Office of Export: This is the Customs administration in the Member State where the Export declaration is submitted, entitled to validate the Export information.
- The Member State (MS) of Dispatch: This is the Administration in the Consignor's Member State, to which excise goods are to be dispatched.

1. The Exporter submits the Export declaration.
2. The Customs Office of Export validates the Export declaration
3. The MS of Export cross-checks the Export declaration with e-ADs.
4. The Customs Office of Export examines the findings of cross-checking.
5. The MS of Export registers the results of the cross-checking.
6. The MS of Dispatch forwards the results of the Export operation to the Consignor

3.3. Confirmation or cancellation of exit

This topic details what happens during the final stage of the Export process. To complete an Export procedure (Local Clearance at Export or Operation at Office of Export), EMCS requires a result from ECS. On receipt of this result, EMCS communicates it to all involved stakeholders

Who and what's involved?

- The Consignor: The natural or legal person entitled to dispatch goods under Excise Duty Suspension arrangements.
- Export Control System (ECS): The part of the Trans-European System that is entitled to control Export operations.
- The Member State (MS) of Export: This is the Member State administration in which the Export declaration is submitted.
- The Member State (MS) of Dispatch: This is the Administration in the Consignor's Member State, to which excise goods are to be dispatched.

1. The MS of Export builds the Report(s) of Export.
2. The MS of Dispatch forwards the Report(s) of Export to the Consignor

4 Management of Registration data

In this section you will see how Economic Operators can access registration information.

4.1. Situations that can arise

An Economic Operator cannot access registration information (SEED) except its own record (via an Excise Authorisation Verification), so he/she has to ask other Economic Operators directly for their information. However, as a quick help to validate information, any Economic Operator may use a public function available on the Europa website to check the validity of an Excise number for a given category of goods and a given date.

Who and what's involved?

- The Requestor: Any person who submits a request
- The SEED-on-Europa service: The public function on the Europa website returns back an answer.

5 Management of Reference data

An Economic Operator can obtain the necessary reference data from its Member State's Administration. That information contains part of the lists of codes, including the categories of Excise products and Excise product codes. The Member States are not required to provide reference data to its Economic Operators.

5.1. Consultation of public reference data

Who and what's involved?

- The Economic Operator: Any Economic Operator wanting accurate, up-to-date reference information.
- The MSA Central Services: The MS Administration responsible for maintaining and disseminating accurate, up-to-date reference information.

5.2. Maintenance and dissemination of the EOL

The European Commission and Member States maintain a common list of Customs and Excise Offices, containing contact details and a description of the roles that each Office may have.

The details of the Office responsible for a particular Excise Trader are communicated under national procedures.

Users of EMCS can consult the Europa website to view the roles of the Offices.

This is especially interesting for Excise Traders who are involved in Export and Import activities.

For Import, Traders can discover which Offices are authorised to deal with Import declarations.

For Export, Traders can discover which Offices have an Export role and which Offices have an Exit role.

This information is not available through SEED, and can help to avoid mistakes when completing draft e-ADs for Export consignments.

The Customs Offices list is available on the Europa website:

http://ec.europa.eu/taxation_customs/dds2/col/col_search_home.jsp?Lang=en

The Excise Movement and Control System has a very high availability rate.

In the rare cases of unavailability, fallback documents are available for e-AD:

- Report of Receipt/Export
- Change of Destination
- Splitting and Cancellation.

EU-recommended fallback documents are published on CIRCABC: CIRCABC/Indirect Tax Expert group/Library/Recommendations/Standardised fallback accompanying document (FAD)/FADs final forms.

The MSs may use the EU-recommended ones or have their own national version.

Economic Operators are advised to contact their Competent National Authority.

This Interest Group is open to the European institutions and the National Administrations only. Applicants are requested to complete their profile and make it visible to the group, as requested on the 1st page of this

E-Customs CIRCACB group:

From CIRCABC Main Menu / Me / My account / complete & make it visible from 'Users Options'. Do not miss to save the changes at the top of the page

The new TAXUD online service ARC Follow-up is available since March 2019 at

https://ec.europa.eu/taxation_customs/dds2/arc

(reachable also from Europa page https://ec.europa.eu/taxation_customs/online-services-and-databases-taxation_en).

ARC Follow-up is a new service dedicated to Economic Operators and Member States Officials that shows the state of an EMCS movement (via its ARC number) through the Europa website. The design and the implementation of this service were based on the well-known ECS MRN Follow-up.

Disclaimer: Only messages exchanged after March 2019 are currently searchable in ARC Follow-up. The migration of older messages will take place in the following days.

Access to non-restricted eLearning courses is available via EUROPA website: https://ec.europa.eu/taxation_customs/eu-training/general-overview_en.

Remember, this is a quick and handy summary of the most relevant course information. Only the European Union legislation published in the Official Journal of the European Union is deemed authentic. The Commission accepts no responsibility or liability whatsoever with regard to the training.