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Descartes Excise Movement & Control System (EMCS)

The European Union's (EU's) Excise Movement & Control System (EMCS) is a recently developed electronic trader-to-trader link that is designed to follow the movement of excise goods between EU member states. One of a number of electronic customs initiatives, EMCS is designed to drive greater efficiencies and security for the cross-border movement of excise goods, as well as simplify procedures through standardized and harmonized information flow.

The EMCS was established to combat the high levels of fraud in the member states, especially in the field of tobacco and alcohol. The origins of EMCS date back to 1998, when the EU Council of Economic and Finance Ministers (ECOFIN) endorsed a recommendation for establishing a computerized trader-to-trader link via the national member states' administrations.

Excise is a particularly complex area, since it can involve the suspension of payment while goods are in transit. In relying on paper-based processes, many operators have experienced delays and in some cases exposed their shipments to greater risk. Limited communications options also meant that consignees were not able to receive advance notice of the shipment, leading to further delays.

The EMCS provides an opportunity for operators to optimize their internal excise processes, save costs and speed shipping times. An automated system can help products under the suspension of payment of excise to flow between member states in a controlled fashion. Through real-time insight into shipments, operators can be more proactive in managing excise goods, provide advance shipping notice, and reduce inspection requirements.

Many organizations have been exploring various EMCS software and/or in-house custom solutions. Not only can this become costly and complex, many of these solutions are not capable of supporting all specifications for all EU member states.

Descartes EMCS can overcome the complexities of communicating with each member state. As an on demand, software-as-a-service (SaaS) offering, Descartes EMCS is a cost-effective and flexible enterprise-level solution to help operators manage EMCS import or export declarations quickly and efficiently, while ensuring regulatory requirements for all member states are met.

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Features

Descartes EMCS is part of the Standard Declarations Framework, a European solution that handles the electronic submission and receipt of declarations for excise shipments. The framework enables electronic information to flow to different authorities across member states according to their communications protocol and process requirements. The Descartes EMCS module also integrates with a wide range of solutions that prepares organizations to meet current and future global trade compliance mandates.

Descartes EMCS leverages the power of the Descartes Global Logistics Network (GLN). The GLN allows carriers to electronically connect with brokers, shippers and regulatory authorities around the world through a single portal using standardized data formats.

- **Declaration Management** – Organizations can manage declaration processes in each country through a single dashboard view. Users can use this customizable portal to:
  - Track, trace and group declarations in progress
  - View shipment status and quickly follow up on any declined declarations
  - Create their own view, including grouping (by country, type of declaration or status)
  - Delegate declarations to appropriate roles within an organization
  - Validate data elements to ensure accuracy based on consignee requirements

- **Built-in Alarm Codes** – Alarm codes will automatically flag missing or inaccurate information to minimize potential failures. This feature can be configured to meet in-house validation processes, as well as those of each EU member state.

- **"My To Do"** – This reminder list provides a single place to monitor, track and trace declarations requirements and outstanding items based on an individual's or department's role.

- **Legal Archiving** – All messages processed through Descartes can be archived for audit and legal purposes. These are automatically stored based on the retention periods set per country and/or region.

- **Master Data** – This supporting tool allows users to set article or address information or other data elements for automatic population across various declaration documents.

- **Back-end Integration** – Descartes EMCS can easily be integrated with warehouse management or ERP (enterprise resource planning) systems to improve the flow of information, reduce errors, and increase accuracy.

- **Templates** – Managers can set defaults within Descartes EMCS to generate templates for use in filling out declarations.

Potential Benefits

- **Reduced Complexity** – Descartes EMCS offers a single solution to address multiple consignee needs from multiple countries. As an on demand service, it can easily be integrated with core business systems without the need for infrastructure replacement to reduce complexity and streamline excise declaration processes.

- **Improved Compliance** – This solution is unique in its ability to ensure instant and ongoing compliance of declaration documents regardless of the destination within the EU member states.

- **Improved Efficiency** – Integration with core business systems enable operations to pull information from disparate systems, develop repeatable processes, and connect to multiple partners.

- **Enhanced Quality of Service** – Built-in parameters enable managers to identify and source problems down to the employee or transaction levels.

- **Increased Flexibility** – Users can have anytime, anywhere access to Descartes EMCS through a secure Web browser interface. The solution also automatically converts data to meet each EU member state's specific communications protocol requirements.

- **One Interface for Multiple Tasks** – Every Descartes module within this solution uses the same interface for single and/or multiple countries. Users can print documents in the language of each customs authority, perform multi-level checks and access archived declarations. Descartes uses a Standard Message Format (SMF) protocol that combines a set of rules and procedures governing the conversion and communications between an operator's back-end systems and applications and EU customs authorities to improve compliance.

- **Rapid Deployment, Reduced Cost** – Descartes' modular solutions can be deployed quickly to deliver rapid returns on investment using a proven phased approach supported by value-based metrics and validation.

- **Industry Experience** – Descartes has the operational, project management and regional expertise to help customers satisfy their workflow requirements for customs declarations and security filings. Descartes' longstanding relationships with governments around the world also ensure that customers are prepared for new regulations as they are mandated.