

Excise duties: administrative cooperation

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The Commission report aims to assess the functioning of horizontal rules in the excise area, in line with respective reporting obligations in the legislation, as regards two main aspects:

- the functioning of the [arrangements for the computerised supervision of excise movements under duty suspension](#) and
- the application of the **administrative cooperation rules** in the area of excise duties.

It is thus a first ‘building-block’ of a formal economic evaluation planned by the Commission in the years to come which will also cover the whole set of other substantive legal rules laid down in Council Directive 2008/118/EC concerning the general arrangements for excise duty and review the functioning of the EU Excise Movement and Control System (EMCS), the computerised system for monitoring movements of excise goods under suspension of excise duty within the EU.

The report comprises three sections devoted to the implementation of determined horizontal aspects of EU excise legislation:

- **Firstly**, it reports on the implementation of Decision 1152/2003/EC of the European Parliament and Council on the computerisation of the movement and surveillance of excisable products. This Decision established the governance arrangements and the central development funding for the Excise Movement and Control System (EMCS).
- **Secondly**, it addresses the requirement under Directive 2008/118/EC for the Commission to provide a report concerning EMCS Fallback Procedures, and the print-out of the electronic administrative document.

Lastly, the report summarises the **consultation of Member States** concerning their first experiences with Council Regulation (EU) No. 389/2012 on **administrative cooperation** in the field of excise duties.

The report states that so far, the new Regulation has not led to big changes in the way that Member States cooperate with each other. This is despite the increase in the responsibilities of the role of the Central Excise Liaison Office.

Member States feel that the **new arrangements are an improvement over the previous systems** based on e-forms, giving better control of workflow and a readily available archive of administrative cooperation information.

The report notes that some Member States:

- would like to see the development of a feedback message in EMCS, together with a provision in the appropriate Implementing Regulation, which would allow requesting Member States to inform, requested Member States about subsequent actions that they have taken on the basis of information received;
- criticised the current EMCS fallback arrangements. The document flow does not necessarily involve the Member States and is considered to provide opportunities for fraud;
- would like to see a new message to allow for the transfer of information where the economic operator that is being checked is unable to produce documentation for the excise goods present;

- report that a proportion of requests for administrative cooperation are not answered within the one month or three month time-limits, or are not answered at all;
- suggested that the system might be enhanced to support partial replies to requests.

Various suggestions for improvements to EMCS functionality were made, which the Commission will take up for inclusion in the future evolution of EMCS and where necessary the corresponding implementing acts.

A more comprehensive evaluation of the EU excise system and notably of the whole of EMCS and the implementation of Directive 2008/118/EC in its entirety will be carried out by the Commission, with a view to a **possible legislative reform initiative as of 2015**.