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COMMISSION STAFF WORKING DOCUMENT

Monitoring & evaluation framework for the Fiscalis programme (2021-2027)

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1. INTRODUCTION TO THE FISCALIS PROGRAMME

The Fiscalis programme for cooperation in the field of taxation is established based on Regulation (EU) 2021/847 of the European Parliament and of the Council of 20 May 2021. It repeals Regulation (EU) No 1286/2013 as a successor of the Fiscalis 2020 programme and its predecessors. The Programme's budget is EUR 269 million for the period 2021-2027.

The Programme has the general objective to support tax authorities and taxation in order to enhance the functioning of the internal market, to foster the competitiveness of the Union and fair competition in the Union, to protect the financial and economic interests of the Union and its Member States, including protecting those interests from tax fraud, tax evasion and tax avoidance, and to improve tax collection.

Against this backdrop, the Programme has three specific objectives, namely:

- to support tax policy and the implementation of Union law relating to taxation,
- to foster cooperation between tax authorities, including exchange of tax information, and
- to support administrative capacity building including as regards human competency and the development and operation of European Electronic Systems (EES).

To attain these objectives, the Programme supports actions such as meetings and similar ad hoc events, project-based structured collaboration, IT capacity-building, human-competency and other capacity-building actions, studies, innovation activities and communication actions. IT capacity building actions, in particular the development and operation of European Electronic Systems, represent the majority of the Programme budget (between 70-75%).

2. PURPOSE OF THE MONITORING AND EVALUATION FRAMEWORK

Article 14 of the Fiscalis programme Regulation (EU) 2021/847 empowers the Commission to adopt delegated acts to supplement the regulation with provisions on the establishment of a monitoring and evaluation framework (MEF), whose purpose is to ensure the effective assessment of the Programme's progress towards the achievement of its objectives.

The purpose of this Staff Working Document is to describe the Fiscalis programme MEF¹, by introducing the Programme's intervention logic, listing and defining the complete set of indicators for monitoring & evaluation and laying down the Multiannual Financial Framework (MFF) data management strategy.

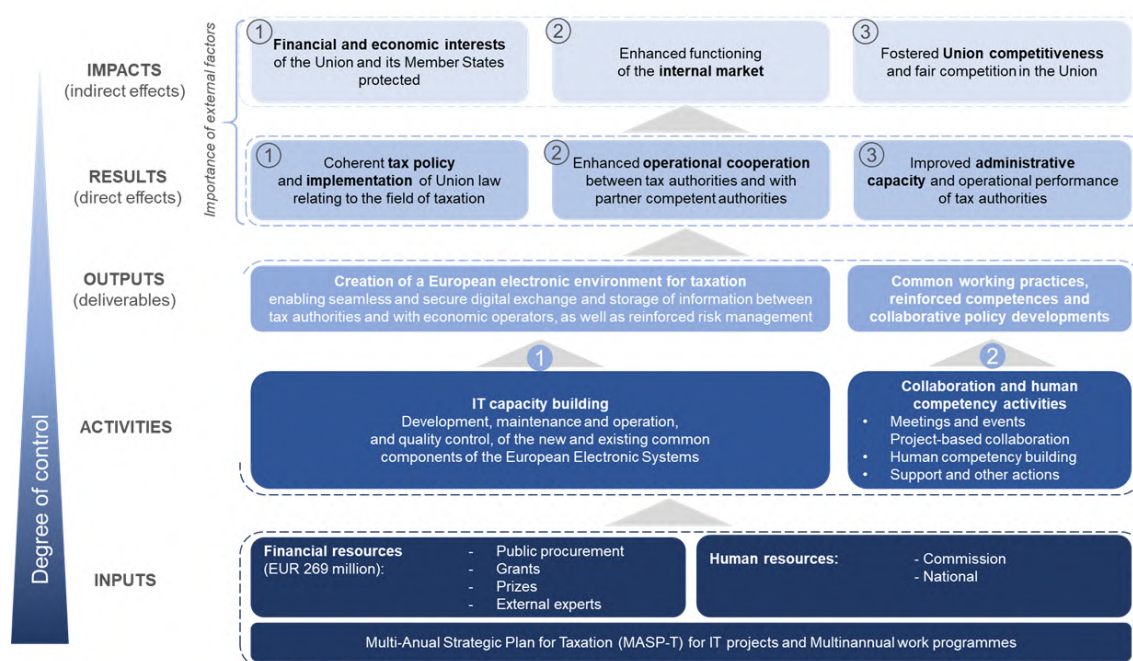
In this framework, annual progress reports are issued to monitor the implementation of the Programme. Those reports should include a summary of the lessons learnt and, where appropriate, of the obstacles encountered, and shortfalls discovered in the context of the activities of the Programme that took place in the year in question. Those annual progress reports are communicated to the European Parliament and the Council.

¹Art.14(2) of Regulation (EU) 2021/847 empowers the Commission to adopt Delegated Acts in accordance with Art.17 to supplement the Regulation with provisions on the establishment of a monitoring and evaluation framework.

In addition to the annual reports, the MEF includes, but is not limited to, an interim and final evaluation carried out by the Commission in order to assess the performance of the Programme, including aspects such as effectiveness, efficiency, coherence, relevance, synergies within the Programme and Union added-value. The Commission shall communicate the conclusions of the evaluations to the Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions to contribute to the efficient decision-making process under the next multiannual financial frameworks. In addition, the results obtained should feed policymakers with meaningful information that will contribute to the design of the next programming cycle(s).

3. INTERVENTION LOGIC

The monitoring and evaluation framework is underpinned by the following intervention logic. This chapter explains its different levels and the assumptions that need to hold throughout for the Fiscalis programme.



3.1. Problems and needs

In recent years, taxation policy has been affected by the growing mobility of capital and taxpayers, encouraging international tax competition and aggressive tax planning strategies. **Digitalisation** and **new business models**, such as **e-commerce**, have created new challenges and opportunities to which tax systems have to be adapted.

Tax administrations, who have faced resource cuts, suffer from insufficient and unequal capacity as well as a lack of cooperation, both within the EU and with third countries. This hinders the uniform implementation of EU tax law and the performance of tax systems, in turn hurting the functioning of the internal market, EU competitiveness and social fairness. As a result, cooperation on taxation has become a necessity to tackle tax fraud and help taxpayers because they act globally, while the administration of tax systems is carried out at the national level.

In this regard, the Programme seeks to address the need for improved capacity of tax authorities as well as increased operational cooperation, within and beyond EU borders. The Programme would allow tax authorities to respond jointly and more rapidly to risks of tax fraud and evasion. It will support the application of the common rules underpinning taxation in the EU, and reduce the complexity of tax systems, preventing unnecessary administrative burden.

More specifically, the Fiscalis programme was adjusted to respond to the problems and needs presented below.

Problems:

- Increasing risks of tax fraud, tax evasion and aggressive tax planning;
- Difficulty to apply rules to new business models and technologies;
- Pressure on tax authorities to treat growing numbers of transactions with limited resources;
- Slow technical progress in the public sector, affecting Union competitiveness;
- Risks of diverging application and implementation of EU tax law.

Fighting fraud and tax evasion – needs:

- Agility and adaptability of the tax authorities;
- Quick and joint responses;
- Simplified cooperation beyond EU borders.

Avoiding administrative burden – needs:

- Better and innovative ways to collect taxes;
- Reduced costs and complexity of the tax systems for tax authorities and taxpayers;
- Less burdensome and time-consuming legal constraints.

3.2. Inputs

The Fiscalis programme falls under the Single Market, Innovation and Digital heading of the new Multiannual Financial Framework (MFF), and it has a budget of EUR 269 million².

The budget will be allocated through multiannual work programmes, each covering no more than three years. They shall set out the total amount of the financing plan for all actions, with the maximum rate of co-financing being 100% of the total eligible costs³. It will cover different types of funding, including public procurement, grants, prizes, and

² In current prices, as per Article 4 of Regulation (EU) 2021/847

³ Article 10 of Regulation (EU) 2021/847

reimbursement of external experts' expenses. These different types of funding are intended to support different types of activities (see below).⁴

Table 1: Overall commitment for Fiscalis for the Multiannual Financial Framework 2021-27 (EUR, current prices)

Year	2021	2022	2023	2024	2025	2026	2027	2021-2027
Budget	36	37	38	38	39	40	41	269

Human resources

The Programme relies on human inputs, with European Commission and national resources allocated to its management, in addition to funds and allocations.

Governance

Building on experience gained over time, the budget will be allocated through **multiannual work programmes**, each covering no more than three years. The **Multi-Annual Strategic Plan for Taxation (MASP-T)** acts as an operational planning tool to ensure coherence and coordination specifically of the **IT capacity building activities**. This new element of governance, compared to Fiscalis 2020, will list all tasks relevant for the coordinated development and operation of the European Electronic Systems (EES) in the field of taxation (see Activity 1 below). The MASP-T includes innovation and pilot actions as well as supporting methodologies and tools related to the EES. In this regard, Article 11 of the Fiscalis regulation, lists responsibilities in terms of the joint development and operation of the EES, the Commission's coordination role and common components, and the Member States' national components.

⁴ Under the Fiscalis programme, in 2021 76% of programme's expenditures related to IT capacity building and was made directly by the Commission through procurement. The remaining part of the budget was allocated to collaborative actions and human capacity building actions whose beneficiaries are exclusively public authorities.

Assumptions

Assumptions that need to hold true throughout for the Fiscalis programme to move along the different levels of the intervention logic of the Programme.

Key examples of assumptions that underlie the intervention logic to move from inputs to activities and beyond:

- *The budget is allocated in an appropriate way, with the right amount allocated to each item of expenditure in the financial plan, including transition costs for example.*
- *The different types of financing are available and well-chosen to deliver the activities, considering the costs of controls, the administrative burden, and the risk of non-compliance for instance.*
- *National priorities are aligned with the Fiscalis programme's priorities. Given that tax matters are primarily a national competence, Member States must be willing and able to make the necessary budgetary commitments to drive the action which the EU complements through Fiscalis.*
- *Priority is assigned to the development and operation of the core European Electronic Systems, as clearly identified in the Multi-Annual Strategic Plan for Taxation (MASP-T), before any other IT projects, both at EU and national level.*
- *The set-up achieved under the Fiscalis programme is more cost-effective than if each Member State were to put in place individual cooperation frameworks on a bilateral or multilateral basis.*
- *Legal deadlines imposed for the development and deployment of the new IT systems are realistic.*

3.3. Activities

The Fiscalis programme supports collaboration, focusing on capacity building. To provide simplicity and flexibility in the execution of the Programme and thereby facilitate delivery of its objectives, activities are defined only in terms of overall categories, which are broader than under Fiscalis 2020. Tax cooperation will be clustered around Information Technology (IT) capacity building on the one hand, focusing on the development of European Electronic Systems, and collaboration and other capacity building actions on the other hand, including human competency and training. A list with illustrative examples of concrete activities is presented below.



a) IT capacity building: European Electronic Systems

The first strand of activities is set to attract the most significant part of the proposed budget.⁵ This activity focuses on the development, maintenance and operation, and quality control of the new and existing common components of the European Electronic Systems⁶, including their design, specification, conformance testing, deployment, operation, evolution, modernisation, security, and quality assurance. This is the key activity of the Fiscalis programme.

The Commission and Member States will coordinate their respective interventions to develop and operate the different systems, agreeing on all aspects necessary to ensure their interoperability, interconnectivity, coherence, cyber-resilience and continuous improvement and synchronised implementation in the establishment and functioning of the new and existing common (and national components)⁷ of the EES.

The Programme supports 27 IT systems, including the development of entirely new systems (such as e-commerce OSS⁸, CESOP 2⁹) as well as many upgrades of existing electronic systems (such as e-FCA¹⁰, DAC6¹¹). It also implies a complex set of changes and additions to an already functioning network of electronic systems.

In line with the above, necessary adaptations or extensions of the common components of the EES for cooperation with third countries not associated to the Programme or international organisations will be possible.

b) Collaboration and human competency

This activity strand also seeks to build tax authorities' administrative capacity, but through the planned development of, or increase in, knowledge and skills to effectively and efficiently deal with existing and new processes and procedures in taxation field. The possible actions – as defined in Annex 1 of the Regulation (EU) 2021/847 – are presented below.

- Meetings and similar ad-hoc events, such as seminars and workshops, working visits, presence in administrative offices and participation in administrative enquiries;
- Project-based structured collaboration, including:
 - Project groups, generally composed of a limited number of countries, operational during a limited period to pursue a predefined objective with a precisely defined output/result (including coordination or benchmarking);

⁵ To date, it has been around 76% of the budget of the Programme.

⁶ A common component is a component of the EES developed at EU level, which is available for all Member States or identified as common by the Commission for reasons of efficiency, security and rationalisation. A national component is a component of the EES developed at national level, which is available in the Member State that created it or contributed to its joint creation. A system can be a combination of both, in which case, the Commission is responsible of the coordination.

⁷ These national components are not funded by the Programme, however there is a need for coherence and interoperability between these and the European components which the Programme works to ensure.

⁸ One Stop Shop

⁹ Central Electronic System Of Payment

¹⁰ E-forms Central Application

¹¹ Council Directive (EU) 2018/822 of 25 May 2018 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements. OJ L 139, 5.6.2018, p. 1–13.

- Task forces (e.g. expert teams), namely structured forms of cooperation, with a non-permanent or permanent character, pooling expertise to perform tasks in specific domains or carry out operational activities, possibly with the support of online collaboration services, administrative support and infrastructure and equipment facilities;
- Multilateral or simultaneous control, consisting in the coordinated checking of the tax situation of one or more related taxable persons organised by two or more countries, including at least two Member States, with common or complementary interests.
- Joint audit, consisting in the administrative enquiries of the tax situation of one or more related taxable persons by a single audit team composed of two or more countries, including at least two Member States, with common or complementary interests.
- Any other form of administrative cooperation established by Council Regulations (EU) No 904/2010 or (EU) No 389/2012¹² or Council Directives 2010/24/EU or 2011/16/EU¹³;
- Human competency and capacity building, including common trainings, the development of eLearning, technical support and exchange of best practices;
- Support and other actions, such as the preparation of studies, innovation activities (proof-of-concepts, pilot projects, prototyping initiatives, smart data mining and collaboration among systems), or the joint development of communication actions.

Assumptions

Key assumptions that underline the intervention logic and that need to hold true to move from activities to outputs and beyond:

- *Member States are aware of the Programme in its details, and all relevant officials know about, understand and commit to the Programme and participate in its activities.*
- *Member States are willing to digitalise their tax systems, which encourages them to participate in the activities of the Programme.*
- *The activities engage with the right stakeholders, including taxpayers based on common interests. In particular, the right needs have been identified in terms of IT systems, and it is possible to define systems that meet these needs.*
- *The dependencies between the different tasks related to the development and operation of the European Electronic Systems are well identified to enable effective planning.*

¹² Council Regulation (EU) No 904/2010 of 7 October 2010 on administrative cooperation and combating fraud in the field of value added tax (recast), OJ L 268, 12.10.2010, p. 1–18.

Council Regulation (EU) No 389/2012 of 2 May 2012 on administrative cooperation in the field of excise duties and repealing Regulation (EC) No 2073/2004, OJ L 121, 8.5.2012, p. 1–15.

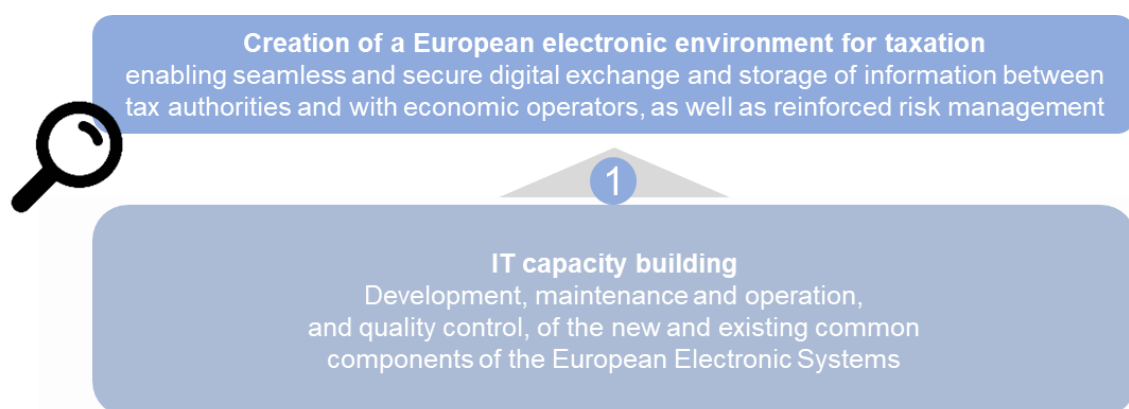
¹³ Council Directive 2010/24/EU of 16 March 2010 concerning mutual assistance for the recovery of claims relating to taxes, duties and other measures OJ L 84, 31.3.2010, p. 1–12

Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC, OJ L 64, 11.3.2011, p. 1–12.

- *Member States do not face insurmountable difficulties/risks of delays due to their lack of resources and to the complexity of the necessary IT infrastructure.*
- *The IT experts/companies involved in developing the systems have the requisite skills and capacities to deliver according to plan and in line with their key performance indicators.*
- *There is effective and timely collaboration between the contractors implementing the IT projects and DG TAXUD's IT units, and with economic operators.*
- *A consistent monitoring system is set up for the IT projects, including the identification of the best key performance indicators, allowing proactive and corrective actions and ensuring a good implementation,*
- *Enough resources, both human and financial, are invested in the activities.*
- *All Member States and participating countries are willing to participate in the different activities of the Programme, and to attend the different meetings and events.*
- *Member States are willing to reduce disparities in their practices and skills.*
- *Staff with the requisite skills and capacities are involved in the activities and there is continuity planning.*
- *Participants are willing to and have the necessary knowledge to engage in intensive discussion on a certain subject.*

3.4. Outputs (specific deliverables of the intervention)

Overall, the two main strands of activities under the Programme should contribute to the creation of an electronic environment in the field of taxation within the MS, as well as to increasing the ability of tax authorities' to perform their functions through common working practices and knowledge.



a) IT capacity building: European Electronic Systems (output 1)

The Commission and Member States will develop and operate new and existing common components of the **European Electronic Systems**, and coordinate their respective interventions, agreeing on all aspects necessary to ensure the operability, interconnectivity and continuous improvement in the establishment and functioning of the European Electronic Systems. The resulting complete set of IT infrastructure, including the maintenance and operation of existing systems, and specifically a highly secured dedicated communication network, for coherent and interoperable European Electronic Systems is expected to improve interactions between tax authorities, and between them and economic operators, and to reinforce risk management. The use of these **European Electronic Systems** is expected to facilitate the exchange and storage of information between tax authorities and with economic operators through more effective IT tools and simplified IT procedures, with efficient and swift communication with and between participating administrations on matters related to those systems. This constitutes the main output of the Programme. For example, the EU system that can check the validity of national Tax Identification Numbers is expected to help identify taxpayers that are engaged in cross-border activity so that tax authorities and businesses can collect and exchange data automatically. Additional illustrative examples of outputs are presented in the box below.

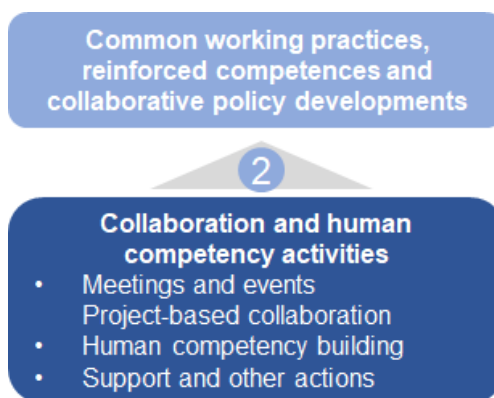
Box 1: Illustrative examples of outputs of the Programme resulting from IT capacity building (developed under previous programmes and maintained/upgraded under the current programme)

Among the 27¹⁴ IT systems currently supported by the Fiscalis programme are the European Information Systems, which:

- Interconnect tax authorities,
 - Allow information to be exchanged rapidly and by secure electronic means,
 - Enable the use of a common format that can be recognised by all Member States.
- The provisions of a closed and secure Common Communication Network/Common Systems Interface (CCN/CSI) enables the exchange of information.
 - The Commission's VAT Information Exchange System (VIES) allows businesses and individuals to check if a business is registered for VAT purposes to trade cross-border within the EU.
 - The **VAT e-commerce package** (including the extension of the **VAT Mini One Stop Shop (MOSS)** to a **One Stop Shop (OSS)** and the introduction of two new simplification measures, namely, the **Import One Stop Shop (IOSS)** and the Special Arrangements) which aim to simplify the declaration and payment of VAT due on distance sales of low value goods imported into the EU

¹⁴ At the end of 2021

b) Collaboration and human competency actions (output 2)



Capacity building actions, such as meetings and events, project-based collaboration or common trainings, are intended to increase tax authorities' abilities to perform their functions through more effective common working practices, necessary professional skills gained, increased expertise and/or knowledge, etc.

Project groups aim at developing proposals for new rules in specific sectors of tax legislation, based on their urgency or importance in the context of evolving business patterns (such as the VAT e-commerce package) or IT developments. Another important product of the project groups is the drafting of guidance documents concerning current or recently introduced legislation.

More broadly, capacity building actions based on collaboration are expected to enable officials to share experiences in the field of taxation and join their efforts to improve their capacity. While project-based structured collaboration is expected to streamline the exchange of good practices and operational knowledge among Member States and other participating countries. More generally, collaboration is expected to lead to recommendations on implementing the EU acquis in a harmonised way.

Specific examples of outputs are presented in the box below.

Box 2: Illustrative examples of specific outputs resulting from different types of capacity building actions

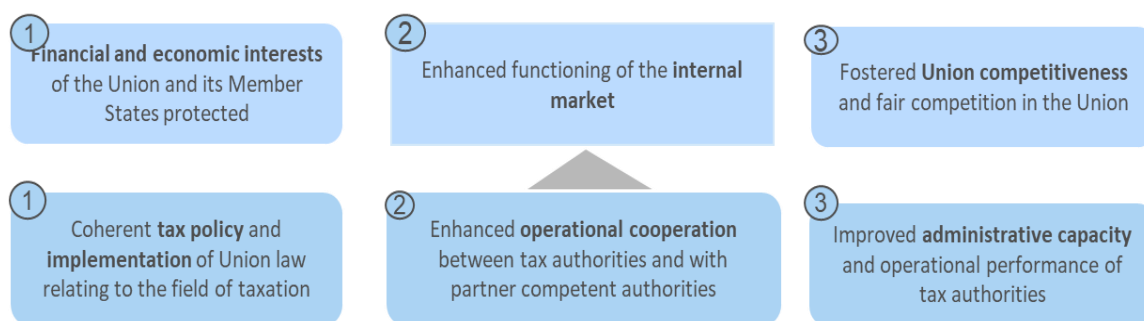
- For seminars and workshops, presentations should be made for participants to engage in intensive discussion on a subject.
- Working visits are expected to enable officials to acquire or increase their expertise and/or knowledge about tax policy.
- Activities such as common trainings or eLearning are expected to support the necessary professional skills and knowledge relating to taxation.
- Technical support is expected to result in sharing good practices.
- In addition, the Programme can also fund support activities (related to innovation for instance) that result in jointly developed communication products or knowledge-based products, such as studies and other relevant written material.

Assumptions

Key assumptions that underline the intervention logic and that need to hold true to move from outputs to specific objectives/results and beyond:

- *Member States are willing to tackle tax fraud, evasion and avoidance together.*
- *No new political initiative adopted between now and 2027 that imposes obligations on taxation leads to a significant delay in the completion of the outputs by the relevant deadlines.*
- *Other external factors beyond Commission control support rather than hinder the achievement of the desired results.*

3.5. Results (direct effects of the intervention)



Based on the above outputs, it is expected that the implementation of the Fiscalis programme will contribute to the following **results** in line with the Programme's specific objectives:

1. Coherent tax policy and implementation of Union law relating to the field of taxation;
2. Fostered operational cooperation between tax authorities;
3. Improved administrative capacity of tax authorities.

These results are expected to be achieved through the following pathways:

Result 1: The use of the European Electronic Systems (output 1) will enable the exchange of information on taxpayers and cross-border transactions between tax authorities, as required under Union law. The recommendations on implementing the EU acquis (output 2) are expected to support the even interpretation implementation of Union law.

Result 2: The seamless and secure exchange of tax information should facilitate cooperation between national authorities and with partner competent authorities. The identification and sharing of good practices and common administrative procedures, and the joint reinforcement of tax competences (output 2), are expected to facilitate operational tax cooperation. Multilateral or simultaneous controls and joint audits should support inquiries on complex cross-border cases.

Result 3: Outputs 1 and 2 are expected to build up the administrative capacity of tax authorities. The use of well-functioning and innovative IT systems (output 1), the adoption of good practices, and the acquisition of professional skills, knowledge and expertise (output 2) should improve the functioning and operations of tax authorities, facilitating and streamlining the collection of taxes. The Programme is expected to support the uptake of innovation and accelerate the digital transformation of tax administrations.

Assumptions

Key assumptions that underline the intervention logic and that need to hold true to move from results to impacts are the following:

- *The different results are achieved simultaneously and support one another.*
- *Other external factors beyond the European Commission's control support rather than hinder the achievement of the desired impacts.*

3.6. Impacts



Based on the above, the following impacts (reflected in the Programme's general objectives) are pursued over the long term.

Impact 1 Coherent tax policy and implementation of EU law relating to taxation (result 1) cooperation between national authorities (result 2) and tax authorities' enhanced administrative capacity (result 3) are intended to protect the financial and economic interests of the Union and its Member States by preventing and fighting tax fraud, tax evasion, aggressive tax planning and double non-taxation, while indirectly facilitating taxpayers' compliance.

Impact 2 Common implementation of EU tax legislation and coherent tax rules (result 1), cooperation between national authorities (result 2) and better-functioning tax authorities (result 3) are expected to remove unnecessary administrative burden and legal obstacles for citizens and businesses engaged in cross-border activities. This should enhance the functioning of the single market.

Impact 3 More efficient tax authorities (result 3) and coherent tax rules (result 1) should reduce the burden on EU companies and attract foreign companies on the EU market. Moreover helping to prevent and combat tax fraud, evasion and avoidance, (results 1 and 3) will contribute to avoid unfair and distorted competition within the Union and with third country operators.

3.7. Coherence with other EU policies and instruments

Synergies at operational level have been identified with the **Customs programme**¹⁵ for cooperation in the field of taxation and customs. The Programmes jointly fund common components, such as the Common Communication Network and share streamlined programme and IT management approaches and tools, improving cost-effectiveness. Moreover, the need for joint activities between customs and tax authorities, is growing in particular in the domain of e-commerce and the customs control of excise duties.

As the Fiscalis programme is designed to facilitate the good functioning of the Single Market, potential synergies with the **Single Market Programme**¹⁶ will be explored and developed.

Additionally, Fiscalis has strong connections with the **EU anti-fraud programme**¹⁷ and the activities carried out by OLAF, by contributing to protecting the financial and economic interests of the Union and its Member States. Synergies may be developed with the new **European Public Prosecutor's office (EPPO)**¹⁸ which, as part of its duties, might need access to tax information.

In recent years, bridges were built between the Fiscalis 2020 programme and the Reform Support Programme, replaced now by the **Recovery and Resilience Facility**¹⁹ and the **Technical Support Instrument**²⁰, which helps specific EU countries to build more efficient public administrations by providing tailor-made assistance, complementing the focus of taxation on common challenges. Finally, by contributing to the digital transformation of tax authorities through new IT systems and working practices, Fiscalis supports the digital priorities of the Union together with interventions like the **Digital Europe Programme** or **Connecting Europe Facility**.

4. INDICATORS FOR MONITORING AND EVALUATION

The Programme should be monitored and evaluated based on information collected in accordance with specific requirements, while avoiding an administrative burden. In this regard, Articles 14 and 15 of Regulation (EU) 2021/847, lay down provisions on monitoring/reporting and evaluation of the Programme towards the achievement of its specific objectives. In addition, the Regulation empowers the Commission to adopt delegated acts to supplement the Regulation with provisions on the establishment of a monitoring and evaluation framework (MEF) in order to respond appropriately to changes in policy priorities.

The MEF of the Fiscalis programme is built on a comprehensive set of indicators. These are used for multiple reporting purposes, and primarily the Annual Progress Reports and the Programme's interim and final evaluations. The financial reporting and the interim and final reports for the grants and procurement exercises are complementary sources used in the MEF.

¹⁵ Regulation (EU) No 444/2021

¹⁶ Regulation (EU) 2021/690

¹⁷ Regulation (EU) 2021/785

¹⁸ Regulation (EU) 2017/1939

¹⁹ Regulation (EU) 2021/241

²⁰ Regulation (EU) 2021/240

The **complete list of indicators** (detailed further in the following section of this document) includes:

- The indicators laid down in Regulation (EU) 2021/847 Annex II,
- The indicators stemming from the reporting requirements of this Regulation, and
- The additional indicators set out in the Commission Delegated Regulation (EU) 2022/2300²¹.

The indicators are grouped by their relevance for **output, result and impact**. All indicators are quantitative, whilst they also require a narrative description to enable the assessment of the numerical values.

Second, as part of the monitoring, and evaluation framework, **annual progress reports** are issued to monitor the implementation of the Programme. These reports that need to be presented to the Parliament and the Council, shall provide information on the implementation of the policy priorities laid down in the multi-annual work programme. Annual progress reports are supported with indicators' data collected from various sources, including participating officials, Member States' national administrations, and European IT systems (see following sections 4.1. and 5.1 for further details). The annual progress reports include a summary of the lessons learnt and, where appropriate, of the obstacles and shortfalls encountered in the context of the activities of the Programme that took place in the year in question.

Finally, an **interim evaluation** of the Programme shall be carried out by the Commission once there is sufficient information available about its implementation, but no later than four years after the start of that implementation. In its interim evaluation, the Commission shall assess the performance of the Programme, including aspects such as its effectiveness, efficiency, coherence and relevance, as well as the synergies within the Programme and its Union added value. At the end of the implementation of the Programme, but no later than four years after the end of the period specified in Article 1 of Regulation (EU) 2021/847, a **final evaluation** of the Programme shall be carried out by the Commission. The evaluations of the Programme should contribute to the efficient decision-making process concerning cooperation in the field of taxation under the next multiannual financial frameworks. It is therefore of the utmost importance that the interim and final evaluations include satisfactory and sufficient information and that those evaluations are delivered in due time.

4.1. List of indicators covered in the legal basis

4.1.1. Output (OP) indicators and sub-indicators

OP 1.3. Reliability of the European Electronic Systems

Name	OP 1.3. Sub-indicator 1: Availability of the Common Communication Network (CCN)/CCN2
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²¹ Commission Delegated Regulation (EU) 2022/2300 of 30 August 2022 supplementing Regulation (EU) 2021/847 of the European Parliament and of the Council with provisions on the establishment of a monitoring and evaluation framework for the Fiscalis programme for cooperation in the field of taxation OJ L 305, 25.11.2022, p. 1.

Legal Base	Regulation (EU) 2021/847 – Annex II, A.4
Definition	Measures the availability of the Common Communication Network (CCN) and CCN2 (the next iteration of the network), which allows national authorities to connect to the European Electronic Systems and with each other. Reliance on its availability is a precursor for other systems – including contributing to the EU internal market as a whole – to function smoothly. Ensuring the Common Communication Network’s continuity is a major responsibility under the Programme since this secure dedicated network forms the IT architecture and backbone of cooperation between authorities.
Unit of measurement	Percentage and narrative description of the significant perturbations/disruptions of service, including hours of cumulative downtime.
Disaggregation	Results to be disaggregated by: <ul style="list-style-type: none"> • CCN • CCN2
Source, method and responsibility	European Commission (CCN/CCN2)
Frequency of measurement	Measured on a monthly basis and reported on an annual basis
Other issues	N.A.
Baseline	99.8%
Target	99.8% to ensure business continuity

Name	OP 1.3. Sub-indicator 3: Availability of the European Electronic Systems
Legal Base	Regulation (EU) 2021/847 – Annex II, A.3
Definition	Measures the availability of the common (components of the) EES against the value that should be ensured according to the category of the specific EES (Gold/Silver/Bronze/Best Effort).
Unit of measurement	Percentage and narrative description of the significant perturbations/disruptions of service, including hours of cumulative downtime.
Disaggregation	By Fiscalis systems critical to the functioning of the internal market: <ul style="list-style-type: none"> • The VAT Information Exchange System (VIES), a mean of validating VAT-identification numbers of economic operators registered in the EU for cross border transactions on goods or services. • The Excise Movement and Control System (EMCS), a crucial tool for information exchange and cooperation between Member States.
Source, method and responsibility	European Commission
Frequency of measurement	Measured on an annual basis
Other issues	Not applicable
Baseline	99.5%
Target	Aggregated target: 99.65%. Availability of the systems is measured according to the categories: <ul style="list-style-type: none"> - Gold – 99.8% - Silver – 99.6% - Bronze – 99.4% - Best Effort – 98.0%

OP 2.1. Level of capacity building support provided through collaborative actions

Name	OP 2.1. Sub-indicator 1: Number of collaborative actions organised
Legal Base	Regulation (EU) 2021/847 – Annex II, A.1 and B.7
Definition	Measures the number of collaborative actions organised under the Programme
Unit of measurement	Number and narrative description of the actions.
Disaggregation	Results to be disaggregated by area (an action can contribute to several areas): <ul style="list-style-type: none"> • Union law and policy application and implementation; • Best practices and guidelines; • Other. Results to be disaggregated by type of collaborative action: <ul style="list-style-type: none"> • Meetings and similar ad hoc events; • Project-based structured collaboration.
Source, method and responsibility	European Commission.
Frequency of measurement	Measured on an annual basis
Other issues	Stable annual value or increase compared to the first two years of measurement. A decrease in the number of collaborative actions would not necessarily mean a decrease in the performance of the Programme but could be linked to more significant actions involving more participants and more budget for instance. The key information is whether participants in the actions collaborate actively and regularly (see for example OP 2.1, sub-indicator 2). As recommended by the mid-term evaluations of Fiscalis 2020, the Programme, compared to the previous programming period, will rely on a smaller number of broader and longer-lasting actions.
Baseline	0 (zero)
Target	Stable value or an increase compared to the first two years of measurement.

Name	OP 2.1. Sub-indicator 2: Number of face-to-face and virtual meetings
Legal Base	Regulation (EU) 2021/847 – Annex II, B.6
Definition	Measures the number of face-to-face and virtual meetings that have taken place, as encoded in the Activity Reporting Tool.
Unit of measurement	Number and narrative description of participation in the meetings.
Disaggregation	Results to be disaggregated by: <ul style="list-style-type: none"> • Area (Union law and policy application and implementation/Best practices and guidelines/Other) • Face-to-face/virtual meetings • Number of participants (relevant ranges will need to be established)
Source, method and responsibility	European Commission.
Frequency of measurement	Measured on an annual basis

Other issues	A decrease in the number of face-to-face meetings would not necessarily mean a decrease in the performance of the Programme but could be linked to the new setup resulting from the COVID-19 pandemic, with more virtual meetings for example, which is why it is important to consider these as well. This could also increase the overall number of meetings, as these are less costly and burdensome.
Baseline	0 (zero)
Target	73 meetings on an annual basis, based on based on the results achieved in 2020 under the previous programme. This target is subject to revision following the first two years of implementation of the Programme.

Name	OP 2.1. Sub-indicator 3: Number of working practices, guidelines or recommendations issued following actions organised under the Programme
Legal Base	Regulation (EU) 2021/847 – Annex II, A.1.
Definition	Measures the number of working practices, guidelines or recommendations issued following collaborative actions. The number of outputs here is defined as the number of individual guidelines, recommendations or best practices/ administrative procedures included in a given document (rather than the number of documents produced in which these outputs could be included).
Unit of measurement	Number and narrative description of the working practices, guidelines, recommendations and documents issued
Disaggregation	Disaggregated by: <ul style="list-style-type: none"> • Recommendations in connection with the application and implementation of Union law and policy relating to taxation • Recommendations in connection with other areas
Source, method and responsibility	Action managers
Frequency of measurement	Measured on an annual basis
Other issues	The data will need to be contextualised as various factors can affect its evolution.
Baseline	91 working practices, guidelines or recommendations annually, based on the results achieved in 2020
Target	91 -Stable annual value or increase compared to the first two years of measurement. The target value is subject to revision following the first two years of implementation.

OP 2.2. Learning index

Name	OP 2.2. Sub-indicator 1: Number of learning modules used
Legal Base	Regulation (EU) 2021/847 – Annex II, A.2.
Definition	Measures the number of EU learning modules used by participating countries.
Unit of measurement	Number and narrative description of the different types of learning modules.
Disaggregation	Results to be disaggregated by participating countries and types of learning modules, if relevant.
Source,	European Commission Customs and Tax EU Learning Portal

method and responsibility	
Frequency of measurement	Measured on an annual basis
Other issues	The evolution of this indicator depends on whether new modules are released. An increase of the number of modules used would show a better coverage of learning needs. Modules are developed based on demand. While their number may grow it is important to stress a slowdown could be justified by a lack of need. The evolution will need to be explained with more qualitative information about how demand has been met.
Baseline	218
Target	1 683 throughout the Programme cycle (2021-2027). The number of eLearning courses in the portfolio and in use should increase by three depending on annual basis since current courses should have 3-4 more years of use and then they will need to be deleted from portfolio or replaced by new ones in the same topic or different ones.

Name	OP 2.2. Sub-indicator 2: Number of professionals trained
Legal Base	Regulation (EU) 2021/847 – Annex II, A.2.
Definition	Measures the number of professionals trained.
Unit of measurement	Number and narrative description of the different types of participants and developments in terms of release of modules during the reporting period.
Disaggregation	Type of training (formal training): - IT training workshops - E-learning - Common learning events programme (CLEP) Type of professionals: - Tax officials - Economic operators
Source, method and responsibility	European Commission Customs and Tax EU Learning Portal
Frequency of measurement	Measured on an annual basis
Other issues	The evolution of this indicator depends on whether new modules are released, which should be tracked and mentioned in the narrative
Baseline	0(zero)
Target	102 400 tax officials trained throughout the Programme cycle(2021-2027) Any evolution will have to be contextualised with more qualitative/contextual information.

Name	OP 2.2. Sub-indicator 3: Quality of e-learning courses
Legal Base	Regulation (EU) 2021/847 – Annex II, A.2.
Definition	Measures the average quality score given by e-learning participants, based on the extent to which the action was relevant to their work and met their expectations.
Unit of measurement	Notation: From “not at all satisfied” (0%) to “very satisfied” (100%) and narrative description of participants’ feedback
Disaggregation	Results to be disaggregated by policy field: • Tax officials • Economic operators

Source, method and responsibility	European Commission (eLearning evaluation form) integrated in the Customs and Tax EU Learning Portal
Frequency of measurement	Measured and reported on an annual basis
Other issues	N.A.
Baseline	0 (zero)
Target	75% average quality score.

4.1.2. Results (RES) indicators and sub-indicators

RES 1. Level of coherence of tax legislation and policy and their implementation

Name	RES 1. Sub-indicator 1: Percentage of national officials reporting that their authorities made use of a working practice, guideline or recommendation developed with the support of the Programme
Legal Base	Regulation (EU) 2021/847 – Annex II, B.7.
Definition	Measures the percentage of respondents within national authorities that indicate that their authority made use of a working practice, guideline or recommendation developed with the support of the Programme. These include recommendations, guidelines, common working practices, etc.
Unit of measurement	Percentage and narrative description of national authorities' feedback on whether they are using working practices, guidelines or recommendations developed with the support of the Programme (through collaborative actions), and of the ways in which collaborative and human competency actions' outputs contributed to facilitate a more uniform implementation of EU law and policy, with specific examples.
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	This indicator depends on whether working practices, guidelines or recommendations are issued and shared, and to knowledge and skills gained, which are difficult to gauge and depend on interpretation. This highlights the importance of the narrative.
Baseline	70% of national officials.
Target	70% A positive contribution of collaborative actions' outputs to coherent implementation of Union law would confirm that the Programme is directly making tax policy and implementation of Union law more coherent. Yet, this depends on the type of actions organised and the type of outputs produced. The target is subject to revision following the two first years of implementation of the Programme.

RES 2.1. Use of key EES aimed at increasing interconnectivity and exchanging information

Name	RES 2.1. Sub-indicator 1: Number of consultations carried out in the different common components of the European Electronic Systems
Legal Base	Regulation (EU) 2021/847 – Annex II, A.5
Definition	Measures the number of consultations carried out in the different EES on an annual basis
Unit of measurement	Number and narrative description of the evolution
Disaggregation	Results to be disaggregated by new/existing common (components of the) European Electronic Systems. Results to be disaggregated by the following Fiscalis systems: <ul style="list-style-type: none"> • VIES-on-the-WEB • System for Exchange of Excise Data (SEED) • "Taxes in Europe" database (TEDB)
Source, method and responsibility	European Commission
Frequency of measurement	Measured on an annual basis
Other issues	A consultation in VIES-on-the-WEB is a request for validation of VAT number; A consultation in SEED is a verification request for Excise number; Note that a change in the number of consultations can be caused by different external factors. (trade trends, number of IT systems, etc.).
Baseline	0 (zero)
Target	5. 58 billion throughout the programming cycle (2021-2027). The target is subject to revision following the two first years of implementation of the Programme.

RES 2.2. Level of operational cooperation between national authorities

Name	RES 2.2. Sub-indicator 2: Number of online collaboration groups on the collaborative platform that are active
Legal Base	Regulation (EU) 2021/847 – Annex II, B.6.
Definition	Measures the number of online collaboration groups and sub-groups that are active on the online collaboration platforms supported by the Programme on an annual basis. For an online collaboration group (or sub-group) to be considered as active, it should have a minimum of two active users and interactions should have taken place.
Unit of measurement	Number and narrative description of the groups in terms of participants (e.g. participating countries, variety of users, etc.), topic, etc.
Disaggregation	N.A.
Source, method and responsibility	Online collaborative platform(s) Groups with 0 or 1 active users will have to be removed from the count and groups with no interactions as well. Groups with one interaction or more but one active user only for example should be removed as well.
Frequency of measurement	Measured on an annual basis

measurement	
Other issues	The number will have to be qualified through the type and number of participants and interactions for example, including country of origin. An increase over time in the number of online collaboration groups that are active on the collaboration platforms could show greater operational cooperation between national authorities. However, as the new set-up of collaboration activities will lead to the creation of broader, longer-lasting groups, the number of active groups may decrease compared to the baseline.
Baseline	0 (zero)
Target	244. The migration to a new platform will impact the number of groups. This target will be revised in 2024 on the basis of the experience from the first two years of implementation of the Programme

Name	RES 2.2. Sub-indicator 6: Degree of networking generated
Legal Base	Regulation (EU) 2021/847 – Annex II, B.6.
Definition	Measures <ul style="list-style-type: none"> • The extent to which participants consider that the Programme activities they took part in provided good networking opportunities; • The frequency of contact between tax officials from different participating countries who met during programme activities on other subjects than the Programme action itself.
Unit of measurement	<ul style="list-style-type: none"> • Percentage of agreement with the statement “the programme generated networking opportunities” for colleagues in the national administrations of respondents (from “not at all agree”/0% to “fully agree” /100%); • Percentage of respondents reporting “occasion”, “frequent” or “very frequent” contacts
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	N.A.
Baseline	85.2% average agreement that the Programme provided networking opportunities.
Target	90% average agreement that the Programme provided networking opportunities 70% of respondents reporting occasional, frequent or very frequent contacts The target is subject to revision following the two first years of implementation of the Programme.

RES 3.1. Simplified e-procedures for economic operators

Name	RES 3.1. Sub-indicator 1: Number of registered economic operators
Legal Base	Regulation (EU) 2021/847 – Annex II- A.5
Definition	Measures the number of registered economic operators in the relevant European Electronic Systems on an annual basis. Several European Electronic Systems are used by economic operators for simplified administrative procedures. This indicator suggests whether these systems are being

	used, overall simplifying procedures for more economic operators than previously.
Unit of measurement	Number and narrative description
Disaggregation	Fiscalis: One-Stop-Shop (OSS) VIES
Source, method and responsibility	European Commission
Frequency of measurement	Measured on an annual basis
Other issues	Note that a change in the number of registered economic operators can be caused by different external factors. As an example, it is difficult to know how many economic operators will register from the launch of a new system, but an increase can be expected in the beginning as people will become aware of it. Yet, this also depends on the Legal Base – if the system is easy to use or not for instance. Most of these movements (increase or decrease) can only be explained through specific studies. In addition, these schemes are optional, so what could be interesting is to show the move from the normal scheme to one of the special schemes, but this would need to come from evaluations.
Baseline	0 (zero)
Target	41 373 250. The target is subject to revision following the two first years of implementation of the Programme.

Name	RES 3.1. Sub-indicator 2: Number of applications
Legal Base	Regulation (EU) 2021/847 – Annex II- A.5
Definition	Measures the number of applications in the relevant European Electronic Systems on an annual basis.
Unit of measurement	Number Narrative description of the type of economic operators applying and of the type of refund
Disaggregation	VAT refund
Source, method and responsibility	European Commission
Frequency of measurement	Measured on an annual basis
Other issues	An increase or a decrease in the number of applications for VAT refunds for cross-border transactions (where the VAT is incurred by people or businesses not based in the EU Member State concerned) would simply reflect economic reality. Nonetheless, a big amount of applications may indicate that the Directive is fit for purpose and a reduced number of incidents (OPX) may show that the IT system is not brake for the operators to apply.
Baseline	0 (zero)
Target	5 616 778

	The target is subject to revision following the two first years of implementation of the Programme
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4.2. List of indicators added by the Delegated Act²²

4.2.1. Output indicators

OP 1.1. Development of the common components of the European Electronic Systems (EES)

Name	OP 1.1. Sub-indicator 1: Number of information technology (IT) projects in initiating phase
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the number of IT projects in Initiating phase, before starting them as concrete projects.
Unit of measurement	Number and narrative description of the IT projects, whether they concern key systems for the operation of core procedures, crucial for the efficient functioning of the internal market.
Disaggregation	N.A.
Source, method and responsibility	European Commission (MASP-T dashboard)
Frequency of measurement	Measured on an annual basis
Other issues	Such calculation is based on the development of the common (components of the) EES, not taking into consideration national components.
Baseline	0 (zero)
Target	- 2021 – 4 projects ; - 2022 – 2 projects.

Name	OP 1.1. Sub-indicator 2: Number of IT projects in executing phase
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the number of IT projects in Executing phase.
Unit of measurement	Number and narrative description of the IT projects, whether they concern key systems for the operation of core procedures, crucial for the efficient functioning of the internal market.
Disaggregation	N.A.
Source, method and responsibility	European Commission (MASP-T dashboard)
Frequency of measurement	Measured on an annual basis
Other issues	Such calculation is based on the development of the common (components of the) EES, not taking into consideration national components.

²² Commission Delegated Regulation (EU) 2022/2300 of 30 August 2022 supplementing Regulation (EU) 2021/847 of the European Parliament and of the Council with provisions on the establishment of a monitoring and evaluation framework for the Fiscalis programme for cooperation in the field of taxation, OJ L 305, 25.11.2022, p. 1.

Baseline	0 (zero)
Target	- 2021 – 13 projects ; - 2022 – 9 projects ; - 2023 – 5 projects ; - 2024 – 3 projects ; - 2025 – 1 project.

Name	OP 1.1. Sub-indicator 3: Proportion of IT projects whose actual cost is as planned
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the percentage of the projects related to the common (components of the) European Electronic Systems whose actual cost of developing do not exceed the planned cost of the project with more than 25%. As such, this indicator provides relevant information on the relationship between the planned cost of projects and the actual cost of the outputs.
Unit of measurement	Percentage and narrative description of whether the development of the different common (components of the) European Electronic Systems is on budget, with an explanation of any significant variances.
Disaggregation	N.A.
Source, method and responsibility	European Commission
Frequency of measurement	Measured on an annual basis
Other issues	Such calculation is based on the development of the common (components of the) EES, not taking into consideration national components.
Baseline	0 (zero)
Target	90%

Name	OP 1.1. Sub-indicator 4: Proportion of IT projects with ‘green’ status in line with the requirements provided for in the Multi-Annual Strategic Plan for Taxation (MASP-T)
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the proportion of IT projects with ‘green’ status, which means that they are in line with the requirements provided for in the Multi-Annual Strategic Plan for Taxation (MASP-T), to the total number of IT projects.
Unit of measurement	Percentage and narrative description of all IT projects that have ‘green’ status, to allow for an early detection of delays, including explanations, whether they concern key systems for the operation of core procedures, crucial for the efficient functioning of the internal market.
Disaggregation	N.A.
Source, method and responsibility	European Commission (MASP –T) dashboard
Frequency of measurement	Measured on an annual basis
Other issues	Such calculation is based on the development of the common components of the EES, not taking into consideration national components. The feasibility of the timelines for delivering the IT projects should be assessed by all stakeholders immediately after the key planning documents are adopted. The Commission should report on delays in the delivery of the IT systems and risk of failure to deliver the systems according to plan as soon as possible, to inform all stakeholders concerned with implementing IT systems at EU and Member State

	level, in a timely and transparent manner.
Baseline	0 (zero)
Target	Target: 100% Lower limit: 70%

OP 1.2. Delivery of the common components of the European Electronic Systems

Name	OP 1.2. Sub-indicator 1: Number of IT projects released to production as required under Union law
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the number of IT projects released in production as required under Union law.
Unit of measurement	Number and narrative description of the IT projects, whether they concern key systems for the operation of core procedures, crucial for the efficient functioning of the internal market.
Disaggregation	N.A.
Source, method and responsibility	European Commission (MASP-T dashboard)
Frequency of measurement	Measured on an annual basis
Other issues	Such calculation is based on the development of the common (components of the) EES, not taking into consideration national components. The list of systems will evolve as new legislation with IT implications gets adopted.
Baseline	0 (zero)
Target	1. SME scheme by 2025; 2. CESOP by 2024; 3. EMCS4 by 2023; 4. DAC7 by 2024.

Name	OP 1.2. Sub-indicator 2: Proportion of the common components of the EES delivered according to the MASP-T's timeline
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the percentage of common (components of the) European Electronic Systems delivered on time as per the timeline established in the Multi-Annual Strategic Plan for Taxation.
Unit of measurement	Percentage (of common components of the EES delivered on time) and narrative description of delayed projects, including reasons for the delay and whether they concern key systems for the operation of core tax-related procedures, crucial for the efficient functioning of tax authorities, or their upgrades.
Disaggregation	Results to be disaggregated by: <ul style="list-style-type: none"> • new common (components of) EES • upgrades to existing common (components of) EES
Source, method and responsibility	European Commission (MASP-T dashboard)
Frequency of measurement	Measured on an annual basis

Other issues	Such calculation is based on the delivery of the common (components of the) EES, not taking into consideration when the systems will be ready for use throughout the EU.
Baseline	100% by the end of 2020
Target	100%

Name	OP 1.2. Sub-indicator 3: Number of revisions made to the timelines for delivery of the common components of the EES
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the number of revisions made to the delivery dates of the projects within the Multi-Annual Strategic Plan for Taxation
Unit of measurement	Number and narrative description of revisions, including reasons for the revisions, and whether they concern key systems for the operation of core tax-related procedures, crucial for the efficient functioning of tax authorities. Amendments to legislation would have to be mentioned in the narrative.
Disaggregation	Results to be disaggregated by: <ul style="list-style-type: none"> • new common (components of) EES • upgrades to existing common (components of) EES
Source, method and responsibility	European Commission (MASP-T dashboard)
Frequency of measurement	Measured on an annual basis
Other issues	N.A.
Baseline	0 (zero) at the start of the Programme. The versions of the MASP-T as they are on 1st January 2021 should constitute the basis of the Programme.
Target	Political initiatives might need to be translated into IT projects and will lead to new versions of the MASP. The objective of this indicator is to track where the MASP has been revised accordingly, or where it has been revised because of delays.

OP 1.3. Reliability of the EES

Name	OP 1.3. Sub-indicator 2: Capacity of the Common Communication Network (CCN/CCN2)
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the traffic evolution, in data volumes, of the Common Communication Network/CCN2 to demonstrate its capacity, which is necessary for the system to be reliable.
Unit of measurement	Tbytes (data volumes) and narrative description of the traffic evolution
Disaggregation	Results to be disaggregated by: <ul style="list-style-type: none"> • CCN • CCN2
Source, method and responsibility	European Commission (CCN/CCN2)
Frequency of measurement	Measured on an annual basis

measurement	
Other issues	N.A.
Baseline	0 (zero)
Target	The traffic evolution should grow compared to the previous year, if new systems using CCN/CCN2 are launched. However, there could be factors that could influence the evolution and lead to a stable value or decrease.

OP 1.4. Reliability of IT support services

Name	OP 1.4. Sub-indicator 1: Proportion of ‘incident’ tickets resolved on time
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the proportion of ‘incident’ tickets for which the resolution time is lower than, or equal to, the maximum resolution time.
Unit of measurement	Percentage of the tickets resolved on time and narrative description of the tickets that did not respect the incident resolution time where the proportion is below the lower limit (< 95%).
Disaggregation	The solving time depends on the incident type and the category (gold/bronze/silver/best effort)
Source, method and responsibility	European Commission
Frequency of measurement	Collected on a monthly basis by the Commission. It should be reported to the MEF on an annual basis.
Other issues	N.A.
Baseline	0 (zero)
Target	Target – 98%, lower limit – 95%.

Name	OP 1.4. Sub-indicator 2: User satisfaction with the support services provided
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures users’ satisfaction with the services provided by ITSM3 Operations, to identify requirements/opportunities for improvement.
Unit of measurement	Notation: <ul style="list-style-type: none"> • Very satisfied (value = 5) • Somewhat satisfied (value = 4) • Neither satisfied nor dissatisfied (value = 3) • Somewhat dissatisfied (value = 2) • Very dissatisfied (value = 0) Narrative description of justifications provided, and improvements suggested.
Disaggregation	N.A.
Source, method and responsibility	European Commission
Frequency of measurement	Measured and reported on an annual basis
Other issues	N.A.
Baseline	0 (zero)

Target	Value equal or superior to 4.
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OP 2.1. Level of capacity building support provided through collaborative actions

Name	OP 2.1. Sub-indicator 4: Quality of the collaborative actions
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the average quality score given by participants in the collaborative actions funded by the Programme, based on the extent to which the action was relevant to their work and met their expectations.
Unit of measurement	Notation: From “not at all satisfied” (0%) to “very satisfied” (100%) and narrative description of participants’ feedback
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	N.A.
Baseline	0 (zero)
Target	An average quality score 70%

OP 3. Degree of awareness of the Programme

Name	OP 3. Sub-indicator 1: Degree of awareness of the Programme
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the share of national officials the survey that are aware of the Fiscalis programme
Unit of measurement	Percentage
Disaggregation	Results to be disaggregated by: <ul style="list-style-type: none"> • Degree of awareness (not aware, very basic, basic, advanced) • Participating administration
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	N.A.
Baseline	End 2019: 45% awareness
Target	Intermediary target: 50% by 2024 Final target: 60% by 2027

4.2.2. Result indicators

RES 1. Level of coherence of tax legislation and policy and their implementation

Name	RES 1. Sub-indicator 2: Contribution of new common components of the EES to facilitating coherent implementation of Union law and policy
Legal Base	Delegated Regulation (EU) 2022/2300
Type of indicator	Mixed
Definition	Measures the contribution of common (components of the) EES to facilitating coherent implementation of Union law and policy, through national authorities' view on them. This refers to the extent to which authorities manage to overcome difficulties and bottlenecks such as lacking knowledge, expertise, organisational or any other deficiencies in the implementation of Union law through the EES for example. More broadly, this indicator measures the contribution of the Programme to the business objectives of the systems. The purpose of this indicator is to provide direct feedback from national authorities on their perception of the role selected EES play in facilitating coherent implementation of Union law and policy.
Unit of measurement	Percentage (national authorities' approval rating from "fully disagree/0% to "fully agree"/100%) and narrative description of the ways in which the selected EES contribute to facilitating a more uniform implementation of EU law and policy.
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	N.A.
Baseline	0 (zero)
Target	The average level of agreement should be at least 70%.

RES 2.1. Use of key EES aimed at increasing interconnectivity and exchanging information

Name	RES 2.1. Sub-indicator 2: Number of system-to-system messages exchanged
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the number of system-to-system messages exchanged, not including web exchanged messages, on an annual basis
Unit of measurement	Number and narrative description of the evolution of system-to-system messages exchanged.
Disaggregation	Results to be disaggregated by new/existing common (components of the) European Electronic Systems. Results to be disaggregated by the 3 schemes under Fiscalis: <ul style="list-style-type: none"> • VIES • VAT refund • One-Stop-Shop (OSS) • EMCS
Source, method and	European Commission

responsibility	
Frequency of measurement	Measured and reported on an annual basis
Other issues	A change in the number of system-to-system exchanges can be caused by different external factors (trade flows, number of IT systems, etc.).
Baseline	0 (zero)
Target	1 440 million per year. The target is subject to revision following the two first years of implementation of the Programme.

RES 2.2. Level of operational cooperation between national authorities

Name	RES 2.2. Sub-indicator 1: Contribution of new common components of the EES to facilitation of operational cooperation between national authorities
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the contribution of common components of the EES to facilitating operational cooperation between national authorities, based on their approval. More broadly, this indicator measures the contribution of the Programme to the business objectives of the systems. The purpose of this indicator is to provide direct feedback from national authorities on their perception of the role specifically selected EES play in facilitating operational cooperation between them.
Unit of measurement	Percentage (National authorities' approval rating from "fully disagree"/0% to "fully agree"/100%) and narrative description of the ways in which the EES contribute to facilitating operational cooperation between national authorities, with specific examples.
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	One system can contribute to several results.
Baseline	0 (zero)
Target	The average level of agreement should be at least 75%.

Name	RES 2.2. Sub-indicator 3: Number of active users on the online collaboration platform
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the number of active users on the online collaboration platforms on an annual basis. Active users are those who have connected at least once during the past 6 months.
Unit of measurement	Number and narrative description of the users, in terms of their activity.
Disaggregation	Results to be disaggregated by: <ul style="list-style-type: none"> • Tax officials • Customs officials • Commission officials • International organisation representatives • External contractors

	<ul style="list-style-type: none"> Economic operators Other Results to be disaggregated by participating countries where applicable.
Source, method and responsibility	European Commission
Frequency of measurement	Measured on an annual basis
Other issues	The number will have to be qualified through the type of users for example, including country of origin.
Baseline	0 (zero)
Target	Considering that the migration to the new platform, foreseen in 2022, is likely to temporarily lower the number of users the target for the end of 2022 (6 months after the launch of the platform) is 1 775 (i.e. 50% of the 2020 value). After this date, the target is an annual increase to reach at least 5 000 active users in 2027.

Name	RES 2.2. Sub-indicator 4: Number of interactions on the collaborative platform
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the number of interactions on the online collaboration platforms on an annual basis. Until the launch of the new platform, the number of files uploaded will be used as a proxy. After the launch of the new platform, interactions will include the publications of news, discussions, comments, likes, direct messages exchanged, mentions and files uploaded. This list may evolve based on the set-up of the new platform. An increase in the number of interactions on the collaboration platforms is an indicator of operational cooperation between national authorities.
Unit of measurement	Number and narrative description of the interactions, in terms of most frequent, etc.
Disaggregation	N.A.
Source, method and responsibility	European Commission
Frequency of measurement	Measured on an annual basis
Other issues	The number will have to be qualified by type of interaction for example.
Baseline	0 (zero)
Target	The target increase per year is 10%. After the launch of the new platform, , the figure will differ significantly, depending on what interactions are measured on the platform, which will depend of the solution chosen for the PICS replacement. The target will be updated after the first measurement.

Name	RES 2.2. Sub-indicator 5: User satisfaction with the online collaboration platform
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the users' satisfaction with the online collaboration platform(s)
Unit of	Percentage (National authorities' satisfaction rating from "not at all" satisfied/0% to

measurement	“completely” satisfied/100%). Narrative description of the reasons for using the online collaboration platform, such as ease of use, multi-functionalities in one tool, security, etc., challenges faced and areas for improvement.
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	N.A.
Baseline	0 (zero)
Target	The launch of the new platform, may lower user satisfaction during the transition phase. For this reason, the targeted satisfaction is 50% in 2023, 60% in 2024 and >75% starting from 2025.

RES 3.2. National authorities’ operational performance

Name	RES 3.2. Sub-indicator 1: Contribution of new common components of the EES to improving the operational performance of national authorities
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the contribution of new common components of the EES to improving national authorities’ operational performance, based on the opinion of officials in participating administrations. For the purpose of this framework, operational performance can refer to an improved productivity, use of resources, as well as simplified, digitalised and/or more efficient procedures and processes. The purpose of this indicator is to provide direct feedback from national authorities on their perception of the role EES play in improving their operational performance.
Unit of measurement	Percentage rating from “fully disagree”/0% to “fully agree”/100%) and narrative description of the ways in which EES contribute to improving national authorities’ operational performance, with examples.
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	N.A.
Baseline	0 (zero)
Target	The average level of agreement should be at least 70%.

Name	RES 3.2. Sub-indicator 2: Contribution of collaborative and human competency actions’ outputs to improving operational performance of national authorities
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the contribution of collaborative and human competency actions’ outputs to improving the operational performance of national authorities. For the purpose of this framework, operational performance can refer to an improved productivity, use

	of resources, as well as simplified, digitalised and/or more efficient procedures and processes.
Unit of measurement	Percentage (rating from “fully disagree”/0% to “fully agree”/100%) and narrative description of the ways in which collaborative and human competency actions’ outputs contributed to improving operational performance of national authorities, with specific examples.
Disaggregation	N.A.
Source, method and responsibility	Survey
Frequency of measurement	Measured on an annual basis
Other issues	This indicator is mainly related to outputs including recommendations, and therefore depends on whether some are issued and shared, and to knowledge and skills gained, which are difficult to gauge and depend on interpretation. This highlights the importance of the narrative
Baseline	0 (zero)
Target	The average level of agreement should be at least 70%.

4.2.3. Impact indicator and sub-indicators

IMP 1. Evolution of the protection of the financial and economic interests of the Union and its Member States

Name	IMP 1. Fiscalis - Sub-indicator 1: Estimated value added tax gap
Legal Base	Delegated Act Regulation (EEC, Euratom) n° 1553/89
Definition	Measures the estimates of the Value Added Tax (VAT) gap share of the VAT total tax liability (VTTL), as an element of effective tax collection. The VAT gap is also referred to as the compliance gap. It is understood as the difference between the expected and actual VAT revenues and represents more than just fraud and evasion and their associated policy measures. The VAT Gap also covers VAT lost due to, for example, insolvencies, bankruptcies, administrative errors, and tax optimisation. It is defined as the difference between the amount of VAT collected and the VAT Total Tax Liability (VTTL) – namely, the tax liability according to tax law. The VAT Gap can be expressed in absolute or relative terms, commonly as a ratio of the VTTL or gross domestic product (GDP). The losses from VAT fraud impact the Member States’ contributions to the EU budget, and therefore their financial and economic interests. Indeed, VAT-based contribution to the EU’s own resources would be larger and resulting total national contributions to the EU budget fairer, if fraud in this area were tackled more efficiently.
Unit of measurement	Euro Percentage and narrative description of the evolution of the estimated VAT gap as percentage of the VTTL in the EU27, and in specific Member States, including the biggest declines, and the smallest and largest gaps for example.
Disaggregation	Results to be disaggregated by Member State
Source, method and responsibility	European Commission
Frequency of	Reported on every two years

measurement	
Other issues	This sub-indicator collects data that are a partial indication of the evolution of the environment the Fiscalis programme is intended to have an influence on, in terms of protecting the financial and economic interests of the Union and its Member States. Many external factors also influence this environment, including other EU programmes, such as the EU Anti-fraud programme and Hercule III. The interim and final evaluations of the Programme will provide insights on how the Programme has – among other factors – contributed to protecting the financial and economic interests of the Union and its Member States
Baseline	11.0% in 2018 (EU-28) Note that based on current forecast, the VAT gap may raise in 2020 because of the COVID crisis.
Target	Decrease over time.

Name	IMP 1 Fiscalis – Sub-indicator 2: Contribution of administrative cooperation to protecting the financial interests of Member States
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Use of DAC data – In the Yearly Assessment of AEOI (YA) Member States are asked to indicate which (ex-ante and ex-post) actions they undertake for the purpose of applying the provisions based on the DAC; Outcomes of the Key Performance Indicators (KPI's) – In the YA Member States are asked to estimate the monetary values for ex-ante and ex-post actions for the use of DAC data. For DAC3 and 4 this would be the number of rulings/Country By Country reports used for risk assessment/audit purposes.
Unit of measurement	For DAC1 and 2 it would be EUR ²³ . For DAC3 and 4 it would initially be the number of items exchanged and later on, in the form of a value in EUR ²⁴ . DAC5 is not assessed while DAC6 and DAC 7 ²⁵ have not yet been subject to assessment.
Disaggregation	EU level aggregated data
Source, method and responsibility	Yearly assessment questionnaire filled in by Member States administrations using methods such as the KPIs ²⁶ defined by previous programme activities.
Frequency of measurement	Yearly
Other issues	N/A
Baseline	DAC2 additional revenue due to risk assessment/audit was assessed as 325 million EUR in 2020 for the EU. This was based on data provided by 7 Member States. No data was available on benefits of improved tax compliance. For the other DACs it is not possible to define a baseline at this point in time. The revamped YA and the finalised KPIs based on the work of FPG/119 are expected to allow for better definition.
Target	Overall target would be a decrease over time as a result of the deterrent effect.

²³ This far only some Member States provide this data, which means that the information is not going to be complete.

²⁴ In the future KPIs developed by the FPG/119 could potentially be used to provide a value in EUR.

²⁵ DAC5 – DAC7 will be subject to assessment in the future.

²⁶ As defined by the FPG/119 “Project group Measuring the performance of administrative cooperation in the field of taxation” under the Fiscalis programme.

IMP 2. Contribution to enhancing the functioning of the internal market

Name	IMP 2. Fiscalis - Sub-indicator 1: Number of pre-infringement and infringement cases in relation to taxation
Legal Base	Delegated Regulation (EU) 2022/2300 and Articles 45;49;56;63 and 258-270 of TFEU; Council Directive 2006/112/EC on VAT, Council Directive 2008/118/EC on Excise duties, Directive (EU) 2016/1164 on rules against tax avoidance practices, Council Directive 2017/1852 on tax dispute mechanisms, Council Directive 2003/123/EC on taxation applicable in the case of parent companies and subsidiaries of different Member States; Council Directive 2009/133/EC on mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States, Council Directive 2003/49/EC on interest and royalty payments, Council Directive 2011/16/EU “DAC1” and subsequent amendments.
Definition	Monitors the overall trends and the balance between the number of newly opened and closed infringement cases and EU Pilot dialogues in relation to taxation. By supporting coherent tax policy and implementation of Union law relating to the field of taxation by Member States, the Fiscalis programme should contribute to removing legal obstacles limiting the freedom of citizens and businesses to move, operate and invest across national borders.
Unit of measurement	Number of cases
Disaggregation	Results to be disaggregated by opened/closed cases.
Source, method and responsibility	European Commission
Frequency of measurement	Reported on annual basis
Other issues	Multiple factors can influence the evolution of this indicator. It will not be possible to isolate the causal effect of the Programme on its variation. The interim and final evaluation of the Fiscalis programme will provide evidence on how the Programme has contributed to enhancing the functioning of the internal market. Not all obstacles that hamper the proper functioning of the internal market can be addressed via infringement procedures or EU Pilot dialogues. Other actions than infringement procedures contribute to enhancing the functioning of the internal market.
Baseline	Average for 2019-2020-2021: Newly opened EU Pilot dialogues and infringements: 75; closed EU PILOT dialogues and infringements: 85
Target	No target. The indicator provides context concerning the enforcement of the internal market rules in the area of taxation.

IMP 3. Fiscalis - Evolution of Union competitiveness and fair competition within the Union

Name	IMP 3. Fiscalis - Sub-indicator 1: Pre-filling of tax returns or assessments
Legal Base	Delegated Regulation (EU) 2022/2300
Definition	Measures the share of EU Member States whose administration pre-fill tax returns of assessments, and the average number of categories of third-party information used to pre-fill returns of assessments. In addition to promoting spontaneous compliance by taxpayers in a timely manner,

	pre-filing can reduce the administrative burden for individual taxpayers and result in time savings. To the extent that it can be associated to more efficient tax administrations, reduced compliance costs for taxpayers and lower incentives for tax avoidance and evasion, this indicator can be linked to fostering Union competitiveness and fair competition.
Unit of measurement	Two variables measured: <ul style="list-style-type: none"> • Share of Member States pre-filing returns of assessments; • Average number of categories of third-party information
Disaggregation	N/A
Source, method and responsibility	OECD publication “Tax Administration – Comparative Information on OECD and Other Advanced and Emerging Economies”, http://www.oecd.org/tax/forum-on-tax-administration/database/ European Commission
Frequency of measurement	Reported on every two years.
Other issues	The frequency of measurement and delay in reporting will only allow measuring the evolution of this indicator several years after the Programme activities. It will be mainly useful to follow longer-term trends. Citing the source will be systematically required when using the data. Other factors may contribute to the evolution of this indicator. The interim and final evaluation of the Fiscalis programme will provide evidence on how the Programme has contributed to the evolution of Union competitiveness and fair competition within the Union.
Baseline	21 Member States pre-filing tax returns or assessments in 2017 3,5 categories of third-party information used on average in 2017
Target	Increase compared to the baseline

5. MFF DATA MANAGEMENT

The data collection for monitoring and evaluation purposes as well as for the assessment of the Programme results, is designed to be efficient, effective and timely. It relies on electronic databases and readily available data as much as possible, and aims to ensure proportionate reporting requirements, and minimal administrative burden on all involved parties. Information on the Programme’s performance and the results achieved is shared by default as widely as possible. To ensure the smooth data collection and the distribution of information, the Programme has several tools available, such as online collaboration tools, databases and reports.

For the collaboration actions pillar of the Programme, the **Activity Reporting Tool (ART)** and its future iterations/upgrades or replacements represent the central database to manage collaborative activities carried out under the Programme. This IT tool, developed and managed by DG TAXUD, includes data and allows for data extraction regarding all collaborative actions under the Programme.

In addition, the Commission collects relevant information for the MEF from Member States by the means of surveys and studies. The Commission and the national administrations are responsible for the data input based on the Programme indicators defined in the Programme’s basic act and the supplementing delegated act(s). The national administrations are responsible for ensuring in particular the contribution to the surveys and studies essential for the monitoring of the indicators under the MEF and for the overall programme monitoring and evaluation.

Regarding IT on **European Electronic Systems (EES)**, data is extracted from different sources. Some of the information is coming from the systems owners or from the Multi-Annual Strategic Plan for Taxation (MASP-T) Baseline, Dashboards and Change Management data, projects documentation (e.g. Project Charter) and internal financial management of TAXUD, internal monitoring, as well as from the Common Communication Network (CCN/CCN2) monitoring systems. The availability of the systems is coming mainly from the IT Service Management (ITSM) Operations contractor **who performs the systems' monitoring** and the ITSM Trans-European Systems (TES) contractor who collects the information from the Member States. The ITSM Operations contractor also provides the data on reliability of IT Support Services. As regards the interconnectivity and exchanging information and economic operators, data is extracted by both IT Operations and TES contractors from reporting tools associated to the EESs. No personal data is handled.

Training activities are managed through the **Customs & Tax EU Learning portal**. This learning management system provides data regarding the use of the training material or training activities organised. Data regarding the quality of the training material or other relevant information is collected through specific surveys targeted to the final users, in the portal as well.

The Programme's online collaboration platform, the **Programme Information and Collaboration Space (PICS)** and its successor, enables the communication and collaboration with parties outside the European Commission, including the dissemination of programme results. It represents a daily operational information channel for all stakeholders and provides an interactive space for online collaboration groups and communities, which has become particularly relevant in the context of the COVID-19 pandemic preventing physical meetings.

A summary of the main output and result indicators and an assessment of the overall progress achieved during the preceding calendar year are presented in the publicly available **Annual Progress Report** of the Programme. This report includes an updated list of the IT systems funded by the Programme.

Finally, when processing personal data, the following fundamental principles of data protection are respected in the Programme, according to which personal data must be fairly and lawfully processed; only processed for limited and explicit purposes; accurate, relevant and not excessive; kept no longer than necessary; processed in accordance with the data subject's rights; secure and not transferred to third parties without adequate precautions and in line with the General Data Protection Regulation²⁷ and the Regulation on data processing by the EU Institutions²⁸.

²⁷Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation), OJ L 119, 4.5.2016, p. 1.

²⁸ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC; OJ L 295, 21.11.2018, p. 39.