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COMMISSION STAFF WORKING DOCUMENT

Fiscalis Programme Annual Progress Report 2022

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1. EXECUTIVE SUMMARY

The Fiscalis programme aims at supporting tax authorities to enhance the functioning of the internal market, foster competitiveness, fight tax fraud, tax evasion and tax avoidance and improve tax collection.

In 2022, the programme continued its activities under the Multiannual Work Programme 2021 - 2023, delivering towards the overall Union priorities to support the economic recovery and the digital transition.

During the reporting period, the programme was instrumental in guaranteeing business continuity of the European Electronic Systems for taxation and, more broadly, in supporting developments in the field of digitalisation, as well as in fostering cooperation among the tax authorities. In this regard, the release of the restrictions related to the Covid-19 pandemic and the consequent possibility to travel and meet in person, allowed the return to physical meetings with an increased networking effect. Nevertheless, meetings in virtual or hybrid mode continued to take place.

2. REGULATORY AND POLITICAL CONTEXT

2.1. Regulatory context

The Fiscalis programme is the EU cooperation programme in the field of taxation under the Multiannual Financial Framework 2021-2027 ⁽¹⁾. It has been established by the **Regulation (EU) 2021/847** ⁽²⁾ (the Regulation) to provide national tax administrations with a framework for cooperation and exchanging information and expertise in the field of taxation ⁽³⁾.

2022 was the second year of implementation of the programme under the **Multiannual Work Programme** ⁽⁴⁾ which covers the first three years (2021 - 2023). Since 2021 was a year of transition from the previous Fiscalis 2020 programme ⁽⁵⁾, 2022 can be considered the first year of full implementation of the new Fiscalis programme. Developments ⁽⁶⁾ required an adjustment in the last year of implementation of the work programme (2023) ⁽⁷⁾.

(1) Council Regulation (EU, Euratom) 2020/2093 of 17 December 2020 laying down the Multiannual Financial Framework for the years 2021 to 2027.

(2) Regulation (EU) 2021/847 of the European Parliament and of the Council of 20 May 2021 establishing the 'Fiscalis' programme for cooperation in the field of taxation and repealing Regulation (EU) No 1286/2013.

(3) According to Article 3 Regulation (EU) 2021/847, the **general objectives** of the programme consist of supporting tax authorities and taxation to enhance the functioning of the internal market, foster the competitiveness of the Union and fair competition in the Union, 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. The **specific objectives** of the programme are to support tax policy and the implementation of Union law relating to taxation, to foster cooperation between tax authorities, including exchange of tax information, to support administrative capacity building including as regards human competency and the development and operation of European Electronic Systems.

(4) Commission Implementing Decision C(2021) 4781 of 2 July 2021 on the financing of the Fiscalis programme and the adoption of the work programme for 2021, 2022 and 2023

(5) In 2021, activities took place under both Fiscalis 2020 and the new Fiscalis programme, as described in the Annual Progress Report 2021 (SWD (2022) 127 final, 22 April 2022).

(6) Namely the need to delete the Expert team on EU Cooperative Compliance pilot project for larger companies and the Expert team on Excise Distance Selling, following a change in the supporting and

With regard to the programme performance, building on the lessons from the Performance Measurement Framework of the Fiscalis 2020 programme, a new **Monitoring and Evaluation Framework (MEF)** was adopted. The set of indicators laid down in Annex II of the Regulation was supplemented, establishing a comprehensive framework to monitor and evaluate the programme ⁽⁸⁾. The review of the reporting process resulted in the introduction of a system of national surveys allowing for an increased involvement of countries participating in the programme thus aiming at higher quality of data collected for MEF indicators.

To complete the regulatory framework, **international agreements with third countries** ⁽⁹⁾ who expressed their interest to participate in the programme's activities were signed. In addition to the countries who already joined the Fiscalis 2020, three new countries, Ukraine, Moldova and Georgia requested to participate. Ukraine and Georgia joined the programme in 2022, whereas Moldova joined in early February 2023. During the reporting period, Albania, Kosovo* ⁽¹⁰⁾, Montenegro and North Macedonia had their agreements signed, while Serbia and Bosnia and Herzegovina ⁽¹¹⁾ are in the process to finalise the negotiations ⁽¹²⁾.

Finally, during the reporting period, the final evaluation of the Fiscalis 2020 programme was published ⁽¹³⁾.

2.2. Political context

As part of the EU policies, **tax policies** play an instrumental role in implementing the Commission's political objectives ⁽¹⁴⁾, particularly in supporting **green** and **digital transition**, promoting **social fairness**, reinforcing **social justice** and promoting **economic growth**.

In line with the Commission priorities, notably “**an Economy that works for people**” and the “**European Green Deal**”, along with the specific objectives set out in the **Strategic Plan 2021-2024 of the Commission's Directorate General for Taxation and Customs Union (TAXUD)** ⁽¹⁵⁾, 4 priorities relevant to taxation were identified in the **DG TAXUD**

grounding circumstances as well as the need to provide for a new Expert team to conduct visits to Member States to improve the effective implementation and functioning of the Council Directive 2011/16/EU.

(7) C(2022)9289 Commission Implementing Decision amending Implementing Decision C(2021)4781 as regards the work programme for 2021, 2022 and 2023 for the Fiscalis programme.

(8) 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).

Commission Staff Working Document, SWD (2022) 416 of 6 December 2022 on the monitoring & evaluation framework for the Fiscalis programme (2021-2027).

(9) In line with Article 5 of the Regulation, the programme is open to the participation of third countries on condition that specific agreements are in place.

(10) * - This designation is without prejudice to positions on status and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

(11) Serbia and Bosnia and Herzegovina are planning to effectively join the programme in 2023.

(12) Türkiye informed of its decision not to participate in the Fiscalis programme.

(13) COM/2022/717 final, Report from the Commission to the European Parliament and the Council on the final evaluation of the Fiscalis 2020 programme.

(14) Commission work programme 2022

https://ec.europa.eu/info/publications/2022-commission-work-programme-key-documents_en

(15) https://ec.europa.eu/info/publications/strategic-plan-2020-2024-taxation-and-customs-union_en

Management Plan 2022 ⁽¹⁶⁾, namely: **1) Implementing corporate tax reform, 2) Supporting the EU Green Deal, 3) Protecting the EU’s financial interests, 4) Modernising tax and customs administrations.** The priorities were implemented via a number of legislative initiatives in the field of taxation.

In the field of **corporate taxation**, the EU took an important step forward in reforming corporate tax rules by adopting, in December 2022, a Council Directive on ensuring a **global minimum level of taxation** for multinational enterprise groups and large-scale domestic groups in the Union ⁽¹⁷⁾. This is a major achievement in the efforts to put an end to the shifting of profits by multinationals to jurisdictions with no or very low taxation.

In the context of business taxation ⁽¹⁸⁾, an agreement was reached in 2022 on **the revised Code of Conduct** covering now a broader group of tax measures. In parallel, significant efforts were dedicated to preparing the proposal for a new framework for income taxation for businesses - **Business in Europe: Framework for Income Taxation (BEFIT)** to be presented in 2023. In addition, the Commission proposal for a Council Directive laying down rules to prevent the misuse of shell entities for tax purposes and amending Directive 2011/16/EU, the **“Unshell” proposal** ⁽¹⁹⁾, was negotiated further at technical level at the Council.

In relation to **“Fit for 55”** ⁽²⁰⁾ tax policy related proposals, 2022 was a year of break-through with the political agreement reached by the co-legislators in December on the **carbon border adjustment mechanism (CBAM)** proposal ⁽²¹⁾ which aims at supporting innovation towards a less carbon intensive industry. On the other hand, intense negotiations continued on the proposal ⁽²²⁾ for the restructuring of the **Energy Taxation Directive** ⁽²³⁾. As regards VAT, following the announcement of the legislative package ‘**VAT rules for the digital age**’ in the Commission 2020 Action Plan for fair and simple taxation supporting the recovery ⁽²⁴⁾, a proposal for a Directive amending Directive 2006/112/EC as regards VAT rules for the digital age was adopted by the Commission ⁽²⁵⁾ in December 2022.

With regard to the **administrative cooperation in the field of excise duties**, the Commission adopted in 2022 a proposal ⁽²⁶⁾ to amend the Regulation on administrative cooperation in the field of excise duties, in order to align the procedure for exchanging the data of economic

(16) https://ec.europa.eu/info/system/files/management-plan-taxud-2021_en.pdf

(17) COM/2021/823 final, Proposal for a COUNCIL DIRECTIVE on ensuring a global minimum level of taxation for multinational groups in the Union

(18) COM(2021) 251 final, Business Taxation for the 21st Century

(19) COM (2021) 565: Proposal for a COUNCIL DIRECTIVE laying down rules to prevent the misuse of shell entities for tax purposes and amending Directive 2011/16/EU

(20) https://commission.europa.eu/document/19903c51-aaea-4c6d-a9c9-760f724a561b_en

(21) COM(EU21) 564 final, Proposal for a Regulation of the European Parliament and of the Council establishing a carbon border adjustment mechanism.

(22) COM(2021) 563 final, Proposal for a Council Directive restructuring the Union framework for the taxation of energy products and electricity (recast).

(23) Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity (OJ L 283, 31.10.2003, p. 51).

(24) COM(2020) 312 final.

(25) COM(2022) 701 final, Proposal for a Council Directive amending Directive 2006/112/EC as regards VAT rules for the digital age.

(26) COM(2022) 539 final.

operators moving goods under “duty suspension” with the procedure for “duty paid” goods moved for commercial reasons.

In addition, as regards **administrative cooperation in the field of direct taxation**, the Commission adopted in 2022 a proposal to further revise the Directive on Administrative Cooperation ⁽²⁷⁾, inter alia, by expanding the reporting and exchange of information between tax authorities within the EU to cover crypto-assets ⁽²⁸⁾ (DAC 8).

The end of 2022 also witnessed the **Tax Symposium** which gathered European and other countries’ Finance Ministers, high-level policy makers, academics and civil society to stimulate a broad debate, covering all types of taxes, collected at all levels of governance. It also represented an opportunity to discuss specific aspects of taxation and reflect on the long-term perspective.

Thanks to its financial support, the Fiscalis programme contributed – directly or indirectly - to the EU agenda for economic recovery and long-term growth, fair taxation while advancing in the digital transition.

3. IMPLEMENTATION OF FISCALIS PROGRAMME’S SPECIFIC OBJECTIVES AND PROGRAMME’S ACTIVITIES

The Fiscalis programme provides financial support to a range of actions aimed at delivering towards its **general and specific objectives**. These actions, are divided into three main categories:

- a) **General Collaborative Actions including expert teams** ⁽²⁹⁾
- b) **European Electronic Systems (EES)** ⁽³⁰⁾
- c) **Human Competency Building** ⁽³¹⁾

The contribution of the above-mentioned actions to the achievement of the objectives is further described in the following sections.

(27) 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).

(28) COM(2022) 707 final, Proposal for a Council Directive amending Directive 2011/16/EU on administrative cooperation in the field of taxation.

(29) General collaborative actions include seminars, workshops, project groups, bilateral or Multilateral Controls, Presences in the administrative offices and participation in administrative enquiries, working visits, Expert Teams, capacity building activities, studies, communication projects and any other activity in achieving the programme’s objectives. Expert Teams are a collaboration tool that aims to pool resources across Member States, used in particular to support the development and implementation of IT systems.

(30) IT systems that interconnect tax authorities and allow information to be exchanged rapidly and by secure electronic means for which the largest share of programme funding is devoted for development, implementation, improvement and operation.

(31) These activities include training materials and e-Learning modules to support human capacity building.

3.1 Support tax policy and the implementation of Union law relating to taxation; foster administrative cooperation and exchange of tax information between tax authorities

3.1.1. General collaborative actions (excluding Expert Teams)⁽³²⁾

Networks and communities played a crucial role by ensuring, through their overarching structure, coordination, consistency and exchange of best practices among national tax administrations as well as between them and the Commission services. In this regard, three examples can be more specifically highlighted:

- By providing strategic direction, the **Tax Administration EU Summit (TADEUS)** helps engaging EU tax administrations in reinforcing administrative cooperation in order to improve tax collection and fight against tax fraud. TADEUS is also the governance body for the implementation of the Multi-Annual Strategic Plan for Taxation (MASP-T).
During the autumn plenary session, the network agreed upon three new areas for cooperation: 1) improved use of DAC data, 2) digital security and 3) use of artificial intelligence for tax purposes (e.g. improving risk analysis and taxpayer services). In each of these areas, new project groups are expected to be initiated under the Fiscalis programme.
- The **Advanced International Administrative Cooperation (EU AIAC) Community**⁽³³⁾, established in March 2022, provides guidance on the specific administrative cooperation tools available⁽³⁴⁾, relevant training and a platform to share best practices.
During its first year of operation, it delivered 105 guidelines (for example, practical guidelines on the use of AIAC instruments), which have been adopted by its members in different fields of competence.
- **EUROFISC**⁽³⁵⁾ is the network of VAT fraud experts from tax administrations that work on the swift exchange, processing and analysis of targeted information on cross border fraud between Member States as well as the coordination of any follow-up actions. The network notably develops new methods to identify VAT fraud and provides audit guides.
2022 witnessed the release of the updated Missing Trader in Intra-Community trade guide constituting the basis for VAT cross border audits in this field. Moreover, the

(32) Expert teams are described separately from the other general collaborative actions due to their specific nature that requires dedicated grant agreement and a long-term commitment of the experts involved.

(33) The EU AIAC Community covers existing, new and future administrative cooperation tools. In addition, these cooperation tools are available for all tax areas such as Value Added Tax (VAT), excise duties, direct taxation and recovery of claims. The AIAC Community provides Member States with a common approach towards an increased need to fight against cross-border tax fraud and evasion and promotes the use of advanced administrative cooperation instruments.

(34) The main administrative cooperation tools consist of Multilateral Control (MLC), Simultaneous Control (SC), Joint Audit (JA), Presence in administrative office and participation in administrative enquiries (PAOE).

(35) As set out in the Council Regulation (EU) Nr 904/2010 on administrative cooperation and fight against fraud in the field of VAT.

network provided detailed statistics on cross border VAT fraud in 2022, enabling the discovery of important VAT frauds across the EU.

In parallel to the ongoing networks and communities, an impressive number (110) of collaborative actions took place targeting specific topics ⁽³⁶⁾. Collaborative actions aiming at **fostering cooperation between tax authorities, including exchange of tax information**, represented the most significant part of activities with 73 actions. Amongst these actions, five are particularly worthwhile to mention for 2022.

- In the field of **direct taxation for companies**, a pilot project was created within the *EU Cooperative compliance programme* ⁽³⁷⁾, to implement the *European Trust and Cooperation Approach (ETACA)*, aiming more specifically to increase collaboration between tax authorities and to gain a common interpretation and application of international tax principles in the area of transfer pricing. As part of the project, a forum for the exchange of best practices was organized in 2022, which was extensively used by Member States to share their experience with the implementation of cooperative compliance. The forum allowed to build awareness on cooperative compliance and a better understanding of what can be done in terms of cross-border cooperation and preventive resolution of conflicts. This project, for which the next activities include the delivery of an evaluation report and a survey, forms an instrumental part to assess the feasibility of a legal framework.
- Within the field of **tax gaps, two project groups** were particularly **fruitful in 2022**:
 - The first one, in the area of **VAT**, supported a study on **the VAT GAP** ⁽³⁸⁾ identifying measures designed to combat VAT fraud by providing systematic and comparable VAT gap estimates for each Member State and the EU. With regard to estimating the VAT gap in the future, **new methodological paths** were outlined by the project group, following the discontinuation of own resource submissions (ORS) by Member States, which were one of the main sources of information for estimating the VAT gap.
 - The second one ⁽³⁹⁾, focusing on “**Estimations of tax gap on Personal Income Tax (PIT) / Social Security Contribution (SSC)** ⁽⁴⁰⁾, **Corporate Income Tax (CIT)** ⁽⁴¹⁾, **missing trader intra-community (MTIC)** ⁽⁴²⁾ **fraud**

(36) See OP 2.1. Sub-indicator 1: Number of collaborative actions organised - Annex 2.

(37) The aim of the EU Cooperative compliance programme is to facilitate and promote tax compliance by taxpayers based on greater cooperation, trust and transparency between taxpayers and tax administrations.

(38) https://taxation-customs.ec.europa.eu/taxation-1/value-added-tax-vat/vat-gap_en.

(39) The activity aims to facilitate mutual learning between Member States and allows to get additional insights in the VAT gap problematic at EU level.

(40) For the PIT/SSC gap, the report aims to lay the foundation for the development of a unified methodological framework to estimate the PIT/SSC gap by describing existing methodologies tested and implemented by the participating Member States to estimate the PIT/SSC gap.

(41) The CIT gap report describes existing methodologies tested and implemented by the participating Member States to estimate the CIT gap report and aims to lay the foundation for the development of a unified methodological framework to estimate the CIT gap.

(42) The MTIC fraud related report lays the foundation for the development of a unified methodological framework to estimate the MTIC fraud gap, by describing existing methodologies developed by tax administrations, researchers and international organisations in this context to estimate the size of the tax gap due to MTIC fraud.

and VAT e-commerce⁽⁴³⁾, delivered four interim reports, which were endorsed by participants at the plenary session in October 2022. All the reports contributed to the development of common methodologies to estimate tax gaps caused by fraud. Based on these interim results, trends at national and EU levels that went previously undetected, could possibly be identified, allowing tax administrations and the EU to develop targeted measures to combat tax fraud, tax evasion and tax avoidance.

- In the domain of **administrative cooperation in the field of direct taxation, a project group carried out preparatory work and delivered analysis** instrumental for the establishment of an Expert Team in 2023 to improve the effective implementation of the Directive on administrative cooperation⁽⁴⁴⁾.
- In line with DG TAXUD priority of **modernising tax administrations**, the works on **measuring the performance of administrative cooperation in the field of taxation** continued. A final report prepared by the project group “**Measuring the performance of administrative cooperation in the field of taxation**”, identifying 24 Key Performance Indicators (KPIs), was presented at the TADEUS plenary meeting prompting a discussion among participants. On that occasion, the Commission services encouraged Member States to adopt a common methodology by the next evaluation of the DAC planned for early 2024. To that end, further work is required, and the programme will provide support to the Member States to develop a common methodology by means of a new dedicated project group.

Finally, the end of Covid-19 restrictions enabled the organisation of physical meetings facilitating networking and increasing cooperation opportunities. A total of 295 meetings⁽⁴⁵⁾ were held under the general collaborative activities in 2022, of which 163 were virtual, 124 were physical and 8 were hybrid, for a total number of 3 886 participants⁽⁴⁶⁾. Multilateral Controls and Presences in the administrative offices and participation in administrative enquiries were the activities that most turned to physical.

This intense collaboration led to a high number of outputs being produced in Programme activities in 2022, as reflected by the 641 working practices, guidelines and recommendations issued⁽⁴⁷⁾.

3.1.2. *Expert Teams*

In 2022, **four Expert Teams** operated⁽⁴⁸⁾, of which two achieved key milestones:

(43)As for the VAT e-commerce, the report dissects the concept of e-commerce and maps various methodological approaches that could be deployed to estimate the tax gap due to VAT e-commerce fraud, while aiming to set the scope for identifying the type of e-commerce VAT fraud.

(44) Namely the effective implementation and functioning of the automatic exchange of information elements of DAC1, DAC2, DAC3 and DAC4.

(45) See OP 2.1. Sub-indicator 2: Number of face-to-face and virtual meetings – Annex 2.

(46) More than 80% of participants deemed the activity they took part in represented a good networking opportunity. See RES 2.2. Sub-indicator 6 – Annex 2.

(47) See OP 2.1. Sub-indicator 3: Number of working practices, guidelines or recommendations issued following actions organised under the programme – Annex 2.

(48) Two Expert Teams, TNA II and CESOP were established under the Fiscalis 2020 programme, while the Expert Team DATANA and MANITC 5 were established in 2022. The list of Expert Teams operational in 2022 and their objectives is detailed in table 2 of Annex 2 of this report.

- During the reporting period, the **CESOP Expert Team** provided technical input to the Commission services for the creation of a central electronic system of payment information (CESOP) and for the preparation of Guidelines for the reporting of payment data. Moreover, in the area of detection of suspicious cases of VAT fraud, this Expert Team allowed the Commission services to progress on the development of an IT system aiming at the creation of a European database of payment data related to cross-border B2C e-commerce transactions. The central components are expected to be deployed in operation by April 2024 ⁽⁴⁹⁾.
- The **TNA Expert Team** ⁽⁵⁰⁾ enabled EUROFISC to generate detailed statistics on cross border VAT fraud, including monetary values. Worth of notice of the activities in 2022, is the extension of TNA to VAT fraud involving customs procedure 42 ⁽⁵¹⁾. Moreover, in 2022, web services for the automated retrieval of networks, traders and relationships became fully operational, and work continued on extending TNA to fraud related to cars, boats and planes. The feedback received from the Member States confirmed that TNA has provided valuable support in the detection of suspicious cases of VAT fraud and has lowered the administrative burden on the side of the Member States while delivering good results in swift exchange of targeted information on VAT fraud.

During the reporting period, following a change in the supporting circumstances, two planned Expert Teams, namely the Expert Team for the **EU Cooperative Compliance pilot project for larger companies** and the Expert team on **Excise distance selling**, were cancelled and replaced with project groups.

3.2. Develop, implement and operate the European Electronic Systems for taxation

In 2022, the Commission continued operating an important portfolio of European Electronic Systems (EES), aimed at supporting tax authorities to protect the financial and economic interests of the Union and its Member States, **fight against tax fraud, tax evasion and tax avoidance**. IT systems play a central role in ensuring **secure exchange of information** between Member States' tax administrations, enhancing administrative cooperation between them and improving their administrative capacity. In addition, IT systems are key enablers for the **digitalisation of public administrations** and the improvement of their services.

During the reporting period, **28** systems and related applications funded by the programme were in operation. As shown in table 1 of Annex 2 of the present report, the majority of the programme funding in 2022 (94 %) covered the cost of acquisition, development, installation,

(49) Although the entry into force of the legal base is January 1st 2024, Member States must collect the information from the payment service providers during April 2024 and transmit it to the central CESOP during May, as per Article 24b of Regulation 2020/283.

(50) Transaction Network Analysis. The TNA II Expert Team started in 2020 and was heavily impacted by Covid-19 as well as the departure of key members of the team. These issues affected the overall progress of the work. To address the delay, the duration of the Expert Team was extended in 2022 until the end of 2023. The Expert Team is now progressing with the implementation of the foreseen work plan and a report has been delivered in December 2022.

(51) Customs Procedure No 42 is a customs procedure that allows for a VAT-free importation of goods in a Member State if it is followed by a B2B VAT exempted supply to another Member State. The scheme is often abused and it happens that the goods are diverted to the black market free of VAT.

maintenance and the day-to-day operation of the Union components of EES. The functioning of the EES is allowed by a closed and secure **Common Communication Network** ⁽⁵²⁾ which serves as the underlying infrastructure.

With regard to new IT systems, an important achievement was the launch of the **Central Register application** related to **DAC7** ⁽⁵³⁾, enabling Member States to register Foreign and Excluded digital Platform Operators. Moreover, linked to DAC7, the **AEOI schema and specifications** were delivered to the Member States for use in 2023 in the implementation of the AEOI message exchanges about the income of sellers on digital platforms.

Complementing and supporting the IT systems' deployment and development, several related **IT collaborative actions** took place. For example, dedicated **sessions on the use of CCN2, CCN/CSI and EMCS** were organised for tax officials.

In 2022, in the field of indirect taxation, the Commission continued improving the implementation of the **VAT e-commerce package** ⁽⁵⁴⁾ also with the support of Fiscalis programme. To maximise impact and outreach, several tools were used: 1) **project groups** aimed at implementing and testing in each Member State the initiative, 2) a **communication campaign** and 3) **e-learning activities** aimed at providing information on the functioning of the One Stop Shop to businesses as well as to national tax officials.

Moreover, related to IT systems, the programme supported the **finalisation of the IT implementation** of the **One Stop Shop (OSS)** and the **Import One Stop Shop (IOSS)**. By simplifying the declaration and the collection of VAT, the OSS and IOSS ensure the principle of fair taxation, protect and generate new VAT revenue and contribute to simplify the obligations of taxable persons, in particular the Small and Medium-sized Enterprises (SMEs). The statistics provided by Member States for the first 6 months of entry into application indicate that a VAT revenue of almost EUR 8 billion was collected against an estimated implementation cost of EUR 72 million ⁽⁵⁵⁾.

With regard to **the SME Special Scheme**, the programme funded the specifications of the **IT systems** through the **IT Systems Development Group (ITSD) for taxation**. In addition, the programme promoted a **pilot project** which delivered a solution architecture template (SAT) ⁽⁵⁶⁾ for the national implementation of the VAT scheme for Small Businesses based on the eGovERA Tax and Business Agnostic (BA) reference architectures ⁽⁵⁷⁾. Another initiative

(52) Including both CCN/CSI and CCN2.

(53) Council Directive (EU) 2021/514 of 22 March 2021 amending Directive 2011/16/EU on administrative cooperation in the field of taxation (OJ L 104, 25.3.2021, p. 1).

(54) These measures aim to simplify the declaration and payment of VAT due on distance sales of low value goods imported into the EU. In addition, the VAT e-commerce package also provided for the deemed supplier liability of marketplaces and platforms, in cases where they facilitate distance sales of goods imported into the EU with an intrinsic value not exceeding €150 and where they facilitate intra-EU cross border supplies when the supplier is not established in the EU. Individual sellers on marketplaces do not have to register for VAT, as the platform will be responsible for paying the VAT due on sales from its platform.

(55) E-commerce evaluation - Annex 6 of the impact assessment of the VAT in the Digital Age proposal - <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022SC0393&from=EN>

(56) The success of the Solution Architecture Template, SAT, approach followed for the SME Special Scheme is an innovation which provides support to Member States in implementing their IT applications as required by EU legislation.

(57) The long-term goal is to produce a methodology based on European Interoperability Framework (EIF), European Interoperability Reference Architecture (EIRA) and eGovERA to help Member State Tax

in this field, concerns a **project group** collaborating with the aforementioned pilot project, analysing the registration and the VAT return process and identifying best practices for monitoring transactions covered by the SME Special Scheme. Finally, in the area of risk management, the electronic tool complementing the **Compliance Risk Management Maturity Model (CRMMM)**, aiming to measure and develop compliance risk management in tax administration, was delivered during the reporting period.

3.3. Support administrative capacity building including human competency

With the aim to provide a multiplier effect and maximise its impact, the programme continued funding human competency-building actions which accompanied the implementation of EES and complemented the general collaborative activities.

During the reporting year, three new **eLearning courses** were developed for the e-Commerce programme with modules on OSS/IOSS Schemes Basics, IOSS Scheme Advanced and Taxes in Europe Database (TEDB). In addition, 36 new eLearning linguistic versions were produced ⁽⁵⁸⁾.

Three new **NanoLearnings** ⁽⁵⁹⁾ were delivered on topics such as Harmonisation of VAT rates, OSS and IOSS registrations processes, OSS and IOSS on roles and benefits.

Within the **Common Learning Event Programme (CLEP)**, **EU Webinars** were organised on the initiative of some Member States to respond to the need to adapt to new working methodologies. In addition, dedicated training was prepared within the scope of the recently established **EU AIAC community** to enable it to deploy a full-scale training programme to all participants at the beginning of 2023 with the objective to harmonise the approach to administrative cooperation instruments across Member States.

Following the end of the Action Plan ‘Boosting customs and tax performance in the EU through training and staff development’ ⁽⁶⁰⁾ for 2017-2020, the programme’s training team and participating countries assessed collectively all training initiatives listed in the Action Plan ⁽⁶¹⁾. The final objective of this comprehensive review was to **prioritise the training activities** with the higher impact and Union added value, as well as to identify the most efficient and effective operational modalities for their implementation. The assessment concluded that the Commission should continue to manage the activities with the highest Union added value, namely the eLearning courses & localization, the new Customs & Tax EU Learning Portal which supports among other CLEP activities and webinars, as well as the Training Support Group which is a well-established collaboration platform for the Commission and national administrations to jointly drive training initiatives. On the other hand, other activities such as EU TaxEdu ⁽⁶²⁾ supporting taxpayers’ education, as well as any

Administrations in the implementation and maintenance of new and existing national components of Trans European Taxation Systems.

(58) More precisely, there were 36 language versions of the following courses: 16 of IOSS Scheme Advanced, 13 of OSS/IOSS Schemes Basics and 7 eFCA Direct Taxation.

(59) Small learning courses of not more than 5 minutes.

(60) Commission Staff Working Document, SWD (2018) 34 final/2.

(61) Minutes of the 11-12 May 2022 meeting of the Training Support Group (TSG) in Customs and Fiscalis programmes:

<https://ec.europa.eu/transparency/expert-groups-register/core/api/front/document/84671/download>

(62) The EU Tax Education portal (EU TaxEdu) is a project developed by the European Commission in cooperation with Member States, at the request of the European Parliament, to support education of the next

maintenance, update or development of the tax competency framework, are left to Member States to decide if they wish to pursue these initiatives.

Finally, in 2022, **the Customs & Tax EU Learning Portal** ⁽⁶³⁾ continued gaining users and was interconnected with several national portals. In line with this trend, three Member States requested the Commission to explore the possibility to use the portal as their own.

More information on the capacity building activities can be found in tables 3, 4 and 5 of Annex 2.

4. COMPLEMENTARITIES WITH OTHER POLICIES AND PROGRAMMES

4.1. With other DG TAXUD initiatives

In 2022, the programme continued to support the implementation of wider DG TAXUD initiatives. In addition to contributing through collaborative activities and IT systems, the programme supported **communication activities**, notably concerning **green taxation and the Tax Symposium**.

Synergies with the **Customs programme** ⁽⁶⁴⁾, identified as one of the areas for improvement in the Fiscalis Programme Annual Progress Report 2021, were enhanced through joint activities in 2022. For example, a workshop involving customs and tax authorities in VAT related matters was carried out with the objective to reinforce their cooperation in the areas of risk management linked with the VAT aspects of e-commerce or customs procedure 42. In the field of IT Collaboration, the network of EU Customs and Taxation Administrations' Chief Information Officers (CIO) was set up to promote collaboration initiatives and foster synergies. The identified activities are planned to be implemented in coordination and through joint efforts by the Fiscalis MANITC (Managed IT Collaboration) Expert Team and the ETCIT (Expert Team on new approaches to develop and operate Customs IT systems) under the Customs programme.

4.2. With other policies

Taxation has a recognised impact on socio-economic development and can be a powerful tool to encourage consumers and businesses to make more sustainable and healthier choices. In addition, EU taxation policy is highly integrated in the EU Recovery plan Next Generation EU and the Green Deal and is an important factor to promote digital transition.

generations of European taxpayers. It promotes tax awareness and fosters tax morale, by explaining to younger generations the meaning of taxes and how taxes affect their daily life. EU TaxEdu portal is available in 22 national languages.

<https://taxedu.campaign.europa.eu>.

(63) The Customs & Tax EU Learning Portal is a portal that contains more than 600 e-learning courses on a vast range of topics of taxation and customs in 21 languages. The Customs and Tax EU Learning Portal is addressed to the customs and tax professionals, as well as available to economic operators, academia and general public.

<https://customs-taxation.learning.europa.eu>

(64) Regulation (EU) No 444/2021.

During the reporting period, the programme contributed to addressing the **Commission** key priorities “**An economy that works for people**” and “**A Europe Fit for the Digital Age**”.

With regard to the priority “**An economy that works for people**”, (i) **digitalisation**; (ii) **tax compliance** and (iii) **implementation** of EU legislation, including administrative cooperation were identified by TADEUS as the priority fields of intervention. In this context, TADEUS Heads agreed on three imminent needs requiring a joint approach: a) **Digital security**, b) **Improved use of DAC data**, c) **Use of artificial intelligence for tax purposes**.

In support to EU’s **digital agenda** ⁽⁶⁵⁾, the programme proved to be instrumental by funding relevant **IT projects** such as **TNA** and **CESOP** which testified a clear correlation between IT improvements and the performance as regards increases in VAT revenues and decreases in the VAT gap.

In line with the Fiscalis Regulation ⁽⁶⁶⁾ synergies and complementarities with other EU programmes were explored ⁽⁶⁷⁾. The **Technical Support Instrument** ⁽⁶⁸⁾ provided in 2022 technical assistance to some Member States in the field of tax compliance in the area of personal income tax ⁽⁶⁹⁾ or corporate income tax ⁽⁷⁰⁾. This technical assistance complemented the activities funded by the Fiscalis programme, namely the “**Estimations of Tax Gap on PIT/SSC, CIT, MTIC fraud and VAT e-commerce**”.

5. CONCLUSIONS AND LESSONS LEARNED

5.1 Strengths identified and confirmed by indicators

As observed in section 4.2, the Fiscalis programme continued supporting the implementation of key EU policy priorities in 2022, despite the complex macroeconomic situation with persistent high inflation rates and geopolitical instability. The programme showed its capacity to quickly identify and adapt its planning to new projects and needs, such as the new Expert Team, as well as to manage the risks generated by high inflation on the programme’s budget to support the functioning and maintenance of European Electronic Systems. More specifically, the programme contributed to the fight against tax fraud, tax evasion and aggressive tax planning through several actions.

In the light of collaborative activities, the **EUROFISC network** obtained in 2022 significant results in analysing and detecting fraud schemes. This success was enabled by TNA, which allowed for a quick assessment and the reporting of potential cases of Missing Trader Intra-Community (MTIC) fraud. In the field of **tax gaps**, the programme funded a number of activities that helped identifying problem areas for tax gaps and trends. Their relevance in

(65)The programme is also at the disposal to support the VAT in the Digital Age (ViDA). The initiative consists of three inter-related elements, namely of 1) Digital Reporting Requirements (DRR), 2) VAT treatment of the platform economy and 3) single VAT registration in the EU.

(66) Recital 11 of Regulation (EU) 2021/847.

(67)Potential synergies have been identified by the Regulation with the Union Anti-Fraud Programme Regulation (EU) 2021/785, the Single Market Programme Regulation (EU) 2021/690, the Recovery and Resilience Facility.

(68) Regulation (EU) 2021/240.

(69) TSI project: Developing tools to increase tax compliance in the area of personal income tax in Romania.

(70) TSI project: Improving the administration of corporate income tax in Slovenia.

terms of tax policy has been widely acknowledged at the TADEUS plenary as useful indicators for strategy building and designing appropriate policy tools.

With regard to the different options for collaboration offered by the programme, the benefits of Expert Teams were highlighted for projects which require long term assignments of experts. Experience has shown that results achieved by Expert Teams, such as the TNA tool used by EUROFISC, could not have been delivered through other collaborative activities (such as project groups, seminars, workshops etc.), which do not require the same level of dedication.

In the area of EES, new IT tools such as the **Central Register application related to DAC7**, were delivered in time, while the business continuity of existing IT systems was ensured in 2022. In addition, the programme contributed to fight against tax fraud through other systems supporting the **automatic exchange of information**, as it is confirmed by the indicator on the use of key EES aimed at increasing interconnectivity and exchanging information ⁽⁷¹⁾.

In addition, by ensuring uninterrupted continuity and new developments, the programme provided substantial support to tax authorities in dealing with an **increased volume of data** thanks to dedicated project groups for developing frameworks, best practices and IT tools to improve the use of available data. As explained in section 3.2, the IT implementation of the e-commerce package, including the **One Stop Shop (OSS)** as well as the new simplification measures, namely the **Import One Stop Shop (IOSS)** and the **Special Arrangements**, are clear examples of the contribution of the programme to the digital transition, reducing administrative burden for tax administrations and facilitating businesses' compliance. Moreover, a cost benefit analysis carried out within the context of the impact assessment report accompanying the proposal for VAT rules for the digital age ⁽⁷²⁾, measured the real added value and the extra revenue generated as a direct result of the implementation of the e-commerce package reforms, showing an impressive return of investments. Based on the inputs provided by the tax and customs administrations, the total implementation costs are estimated to be EUR 72 million across all the Member States, which represent approximately only 0.01% of the total amount of VAT collected via the new OSS and IOSS schemes.

5.2 Weaknesses identified by indicators and areas to improve

Some weaknesses were identified in relation to the use of the programme, the commitment of Member States and dissemination of outputs.

With regard to the use of the programme, during the second year of implementation, it emerged that **the programme**, despite the variety of opportunities it offers, **has not been used to its full potential to support the preparation of some of the key initiatives** in the area of taxation such as Carbon Border Adjustment Mechanism (CBAM) and the Energy Tax Directive (ETD) Nevertheless, funds from the Fiscalis and the Customs programmes' budget were dedicated to preparatory work for the developments of the IT systems required for the implementation of CBAM. Moreover, the programme could be better utilised to assist

(71) See the result indicator "Number of consultations carried out in the different common components of the European Electronic Systems" - RES 2.1. Sub-indicator 1.

(72) E-commerce evaluation - Annex 6 of the impact assessment of the VAT in the Digital Age proposal - <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022SC0393&from=EN>

Member States in implementing **tax reforms** that support the green transition, incentivise innovation, safeguard EU's competitiveness and generate revenues.

When it comes to the commitment of Member States, as was already signalled in the Fiscalis Programme Annual Progress Report 2021, there is still a need to increase their buy-in in specific activities. The cancellation of the Expert teams **EU cooperative compliance larger companies** and **Excise distance selling** highlighted this issue as there was a complete discrepancy between the initial planning and lack of commitment at the stage of implementation, resulting in a missed opportunity.

Concerning the dissemination, the experience gathered since the beginning of the implementation of the programme (in 2021) has shown that late and poor dissemination of the outputs hampers continuity and consistency. This potentially limits the impact of the programme and could result in reduced relevance of the outcomes of the activities, in particular when they concern tax fraud investigations.

On the practical side, post Covid-19 working conditions, such as reduced traveling abroad ⁽⁷³⁾, still represent a challenge for an optimal use of networks. While virtual meetings are sufficient for mere reporting or gathering feedback, some participants recognise that they do not allow for a broader exchange of views that is essential for networks which are based on cooperation between participants. In addition, the current use of fixed unit rates ⁽⁷⁴⁾, often resulting in lower reimbursement than the real cost, has been highlighted by several participating countries as a limitation on traveling abroad.

ANNEXES:

- Annex 1 - Acronyms and abbreviations
- Annex 2 - Fiscalis programme's budget, performance indicators and supplementary information

(73) See OP 2.1. Sub-indicator 2: Number of face-to-face and virtual meetings. In 2022 there were 132 face-to-face meeting (including 8 hybrid meetings) and 163 virtual meeting.

(74) COMM (2021) 35 final – Commission Decision of 12.1.2021 authorising the use of unit costs for travel, accommodation and subsistence costs under an action or work programme under the 2021-2027 multi-annual financial framework.

Annex 1: Acronyms and abbreviations

Abbreviation	Meaning	Description
AEOI DACs	Automatic Exchange of Information	<p>IT Systems that allow Member States to share information in the field of taxation via bilateral exchanges.</p> <p>Member States exchange information automatically upon availability on identified categories of income and capital.</p> <p>Co-operation between tax administrations is critical in the fight against tax evasion and protecting the integrity of tax systems. A key aspect of that co-operation is exchange of information.</p>
AIAC community	EU Advanced International Administrative Cooperation community	<p>The EU AIAC Community will cover the advanced international administrative cooperation instruments (AIAC) that involve the operational activities of conducting of controls and administrative enquiries with a cross-border dimension.</p>
AFF	Action Follow up Form	<p>Outputs and results of actions are monitored through action follow up forms (AFF). The action managers complete these forms yearly, over the duration of an action.</p>
ART	Activity Reporting Tool	<p>IT tool used to manage activities carried out under the Customs and Fiscalis programmes.</p>
CCN/CSI	Common Communications Network - Common Systems Interface	<p>Member State tax administration gateway to secure and fast exchange of data and information.</p>
CLEP	Common Learning Event Programme	<p>Training programme to support participating</p>

Abbreviation	Meaning	Description
		countries to provide training events to other participating countries in the Fiscalis programme. IT Trainings are not included.
DAC	Directive on Administrative Cooperation	<p>Mandatory Automatic Exchange of Information under the Council Directive 2011/16/EU on Administrative Cooperation in the field of taxation in relation to specific categories:</p> <ul style="list-style-type: none"> – income from employment, pensions, directors fees, income and assets from immovable property and life insurance (DAC1), – income and assets on financial accounts (DAC2), as well as advance tax rulings and advance pricing arrangements (DAC3), – country-by-country reporting of multinational enterprise groups (DAC4) – information in the UBO-registers currently established in all Member States (DAC 5) – for reporting of potentially aggressive cross-border tax planning schemes (DAC6).
EAF	Event Assessment Form	Follow-up at the level of the participants for the joint actions is done through event assessment forms (EAF) distributed at a specific interval after the end of the activity or for long lasting activities, yearly, during the activity itself.
eFCA	e-Forms Central Application	Common application to support the exchange

Abbreviation	Meaning	Description
		of information between Member States for VAT, recovery and direct taxation through a central portal.
EES	European Electronic systems	IT systems supported by the Fiscalis programme to interconnect tax authorities and allow information to be exchanged rapidly and by secure electronic means.
EIS	European Information Systems	European Information systems supported by the Fiscalis 2020 programme interconnect tax authorities and allow information to be exchanged rapidly and by secure electronic means.
EMCS	Excise Movement Control System	Computerised system for monitoring the movement of excise goods under duty suspension within the EU. It records, in real-time, the movement between authorised consignors and consignees, of alcohol, tobacco, and energy products for which excise duties have still to be paid.
ET	Expert Team	Tool funded under the Fiscalis 2020 and the Fiscalis programme supporting enhanced operational collaboration, either on a geographic or on a thematic basis.
FPG	Fiscalis Project Group	Eligible action under the Fiscalis Regulation (EU) 2021/847 composed of representatives of a limited number of participating countries. It is operational during a limited period of time for the purpose of pursuing a predefined objective with a precisely defined outcome, including coordination or benchmarking.
F2020	Fiscalis 2020 programme	EU cooperation programme providing national

Abbreviation	Meaning	Description
		tax administrations with the possibility to create and exchange information and expertise established by Regulation (EU) No 1286/2013, covering the period 2013-2020.
Fiscalis programme	Fiscalis programme	EU cooperation programme established by Regulation (EU) 2021/847, which allows the participating countries to develop and operate major trans-European IT systems together as well as establishing networks by bringing together national tax administration officials from across Europe to create and exchange information and expertise, covering the period 2021-2027.
General collaborative action	General collaborative action	Any programme activity under the Fiscalis programme that is used to bring officials from Tax administrations together to realise the objectives of the programmes. A general collaborative action consists of meetings and similar ad hoc <u>events</u> such as <u>seminars</u> and <u>workshops</u> , <u>working visits</u> , <u>presence in administrative offices and participation in administrative enquiries</u> and project-based structured collaboration such as <u>project groups</u> , <u>task forces</u> , <u>Multilateral</u> or <u>Simultaneous Control</u> , joint audits, any other form of administrative cooperation.
JA	Joint Action	Joint Actions refer to any programme activity under the Fiscalis 2020 programme that is used to bring officials from Tax administrations together to realise the objectives of the programmes. Joint actions consist of seminars, workshops, working visits, project groups, Expert Teams, actions for public administration

Abbreviation	Meaning	Description
		capacity building, Multilateral Controls, administrative cooperation actions, studies, communication projects.
MANITC Expert Team	Managed IT Collaboration	Expert Team launched in order to pool EU Member States resources to strategically and efficiently manage and implement the IT Collaboration initiatives in the field of taxation.
MAWP	Multiannual Work Programme	The Multiannual Work Programme (MAWP) for 2021, 2022 and 2023 constitutes the operational framework for the implementation of the Fiscalis programme and the expected results in relation to the Union policy projects, a breakdown of the budget per type of action and the co-financing rate of grants.
MFF	Multiannual Financial Framework	The multiannual financial framework (MFF) is the financial planning tool of the European Union (EU) and gives an overview of its priorities from a budgetary perspective.
MLC	Multilateral Controls	Multilateral Controls or MLC actions consist of coordinated controls of the tax liability of one or more related taxable persons, organised by two or more Member States with common or complementary interests.
MOSS	Mini-One-Stop-Shop	Mini One Stop Shop (MOSS) system contributes to reducing the administrative burden on tax administrations and compliance costs for those taxpayers active in the telecommunications, broadcasting and

Abbreviation	Meaning	Description
		electronic services and established within the Union, as it allows fulfilling their VAT obligations in a single place of compliance instead of in each country of the economic activity.
N/A	Not available	Data not available
PAOE	Presences in the administrative offices and participation in administrative enquiries	PAOEs consist of one Member State requesting to be present in another Member States' offices and/or during administrative enquiries carried out in the territory of the requested Member State.
PICS	Programmes Information and Collaboration Space	Collaboration platform for tax and customs professionals working in administrations across Europe.
PMF	Performance Measurement Framework	Results based monitoring system as part of the performance reporting system It focusses on progress of the Programme towards the achievement of the specific objectives in terms of outputs and results.
Registry messages	Registry Messages	The trader VAT number is checked against the construction rule of the destination Member State.
SEED	System for Exchange of Excise Data	Register of economic operators, which traders can consult in part, to check whether a given excise number is valid and what categories of goods the operator in question is authorised to trade. It is a core component of the EMCS, as it allows Member States' administrations to validate authorisations of traders before giving them permission to move any excise goods under duty suspension.
TADEUS	Tax Administration EU Summit	Network which brings together the heads of

Abbreviation	Meaning	Description
		Member States' tax administrations on a regular basis to develop their cooperation.
TEDB	Taxes in Europe Database	Database publicly available and searchable online containing information on the main taxes in the EU Member States. It is intended to act as a single reference point for harmonised and comparable taxation information on taxation.
TNA	Transaction Network Analysis	Custom-built software that interconnects Member States' tax IT platforms under which cross-border transaction information can be quickly and easily accessed and suspicious VAT fraud can be reported nearly in real time whose core software was developed by the Commission.
TNA II expert team	Taxation Identification Number II Expert Team	Follow up of the first TNA Expert Team expected to carry out studies and perform technical and development tasks that require specific business knowledge or access to EUROFISC operational data.
TOD messages	Turnover Data messages	Each Member State must collect on a monthly basis (or less frequently) the recapitulative statements issued by intra-community suppliers on its territory. The monthly recapitulative statement of a given supplier corresponds to the total value of his supplies to each of his purchasers in any other Member State, together with their intra-community VAT identification numbers.
VAT	Value Added Tax	Indirect tax on consumption imposed on the value added of goods and services established by Council Directive 2006/112/EC.
ToW	TIN-on-the-Web	System providing a web-enabled interface

Abbreviation	Meaning	Description
		allowing end-users to verify Taxes Identification Number (TIN) via the Internet for any Member States. It is operational since 2012.
VIES	VAT Information Exchange System	Search engine (not a database) owned by the European Commission. The data is retrieved from national VAT databases when a search is made from the VIES tool.
VoW	VIES-on-the-Web - VIES (VAT Information Exchange System) on the web	The On-the-web electronic mean of validating VAT-identification numbers of economic operators registered in the European Union for cross border transactions on goods or services.

Annex 2: Fiscalis programme’s budget, performance indicators and supplementary information

2022 is the first full year of implementation of the new Fiscalis programme. ⁽⁷⁵⁾

As explained in section 2.1 of the report, the monitoring and evaluation framework (MEF) of the Fiscalis programme is composed of the core indicators in Annex II of the EU Regulation 2021/847, and the additional indicators adopted with a delegated act procedure in compliance with Article 14 and 17 of the Fiscalis Regulation.

1. Budget Fiscalis programme

Table 1: Committed expenses per year and main action categories under the programme (in euros).

	2022
European Electronic Systems	34.654.053,32
Collaboration activities (including Expert Teams)	500.000,00
Other service contracts ⁽⁷⁶⁾	1.485.807,68
External experts	0
TOTAL	36.639.861,00
MAWP- Financing Decision ⁽⁷⁷⁾	36.639.861,00

2. General collaborative actions (excluding Expert Teams and countries not registered in the Activity Reporting Tool, all data extracted on 30 January 2023, figures in the Activity Reporting Tool might slightly differ due to national updates in registered data after this date).

Figure 1: Overview of participants per country in 2022

The total number of participants in general collaborative actions: 3 886

⁽⁷⁵⁾ The overall budget allocated for the period 2021-2027 amounts to EUR 269 000 000.

⁽⁷⁶⁾ Including training, studies, communication, information support, programme management support and IT collaboration support (as per section 3.2 of the MAWP).

⁽⁷⁷⁾ The Multiannual Work Programme for Fiscalis covers the period 2021-2023. The budgetary figures have been split per year based on the data provided for adopting the related Financing Decision.

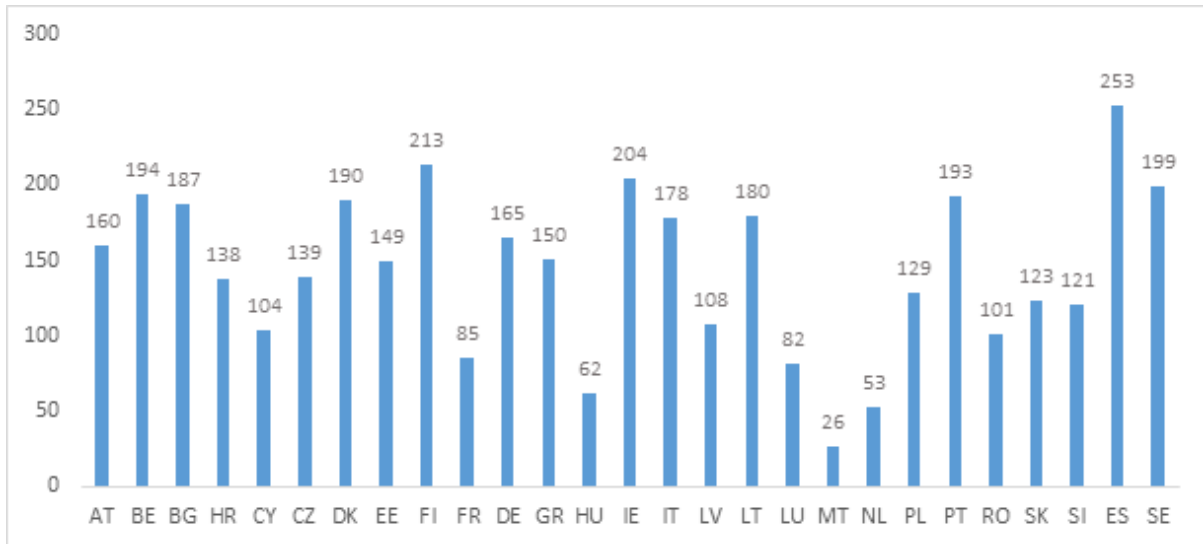
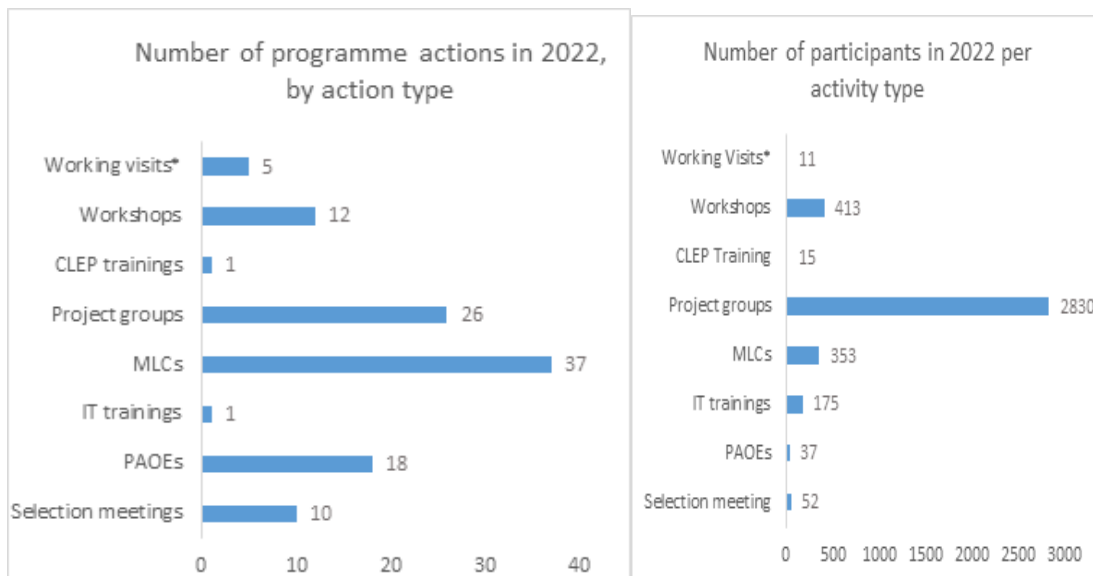


Figure 2: Overview of activity types and number of participants per activity type

The number of active programme actions in 2022 is 110.



*Including 1 host-initiated working visit with 2 participants.

Figure 3: Number of new programme actions submitted during 2022

Total number of new programme actions: 75

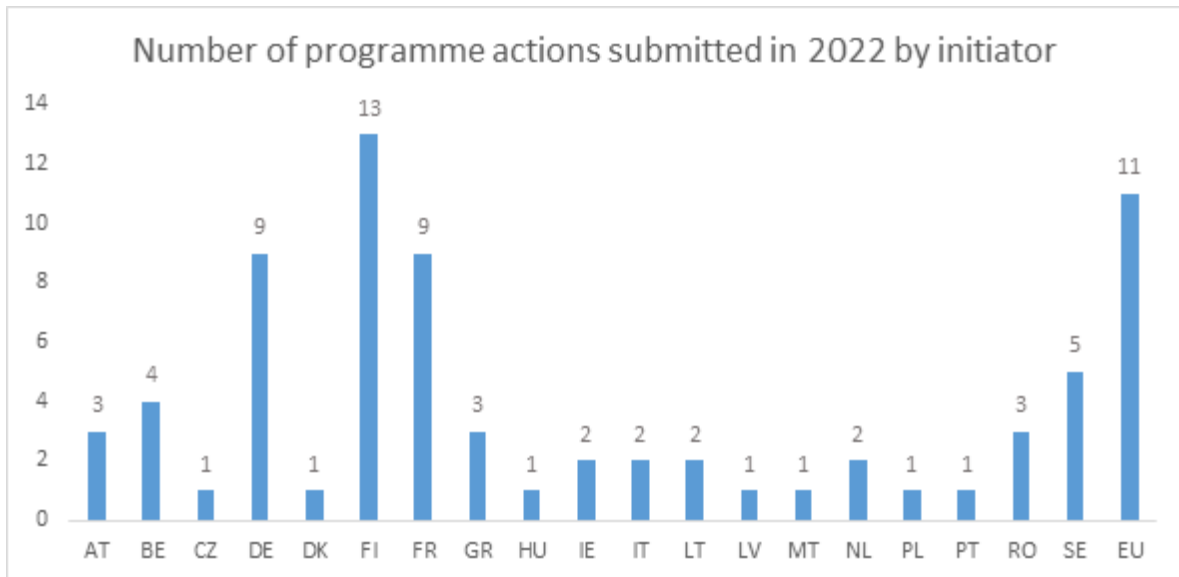
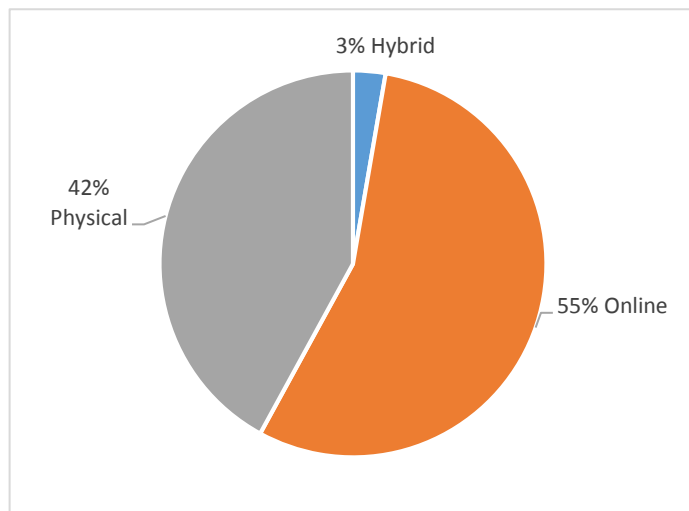


Figure 4: Overview of meetings held in 2022 in general collaboration activities, by format

The total number of meetings held in 2022 is 295 (excluding meetings of expert teams)

Format of the meeting	Number of meetings
Online	163
Physical	124
Hybrid	8
Total	295



3. Training activities highlights (data extracted from Customs & Tax EU Learning Portal on 25 January 2023)

Figure 5: Overview of meetings held in 2022 in general collaboration activities, by format

The number of tax officials and other tax professionals in 2022 is 77 153.

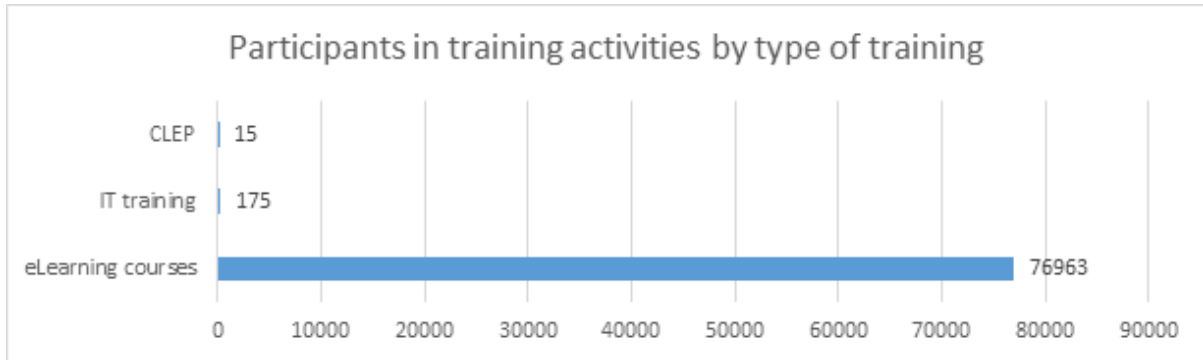
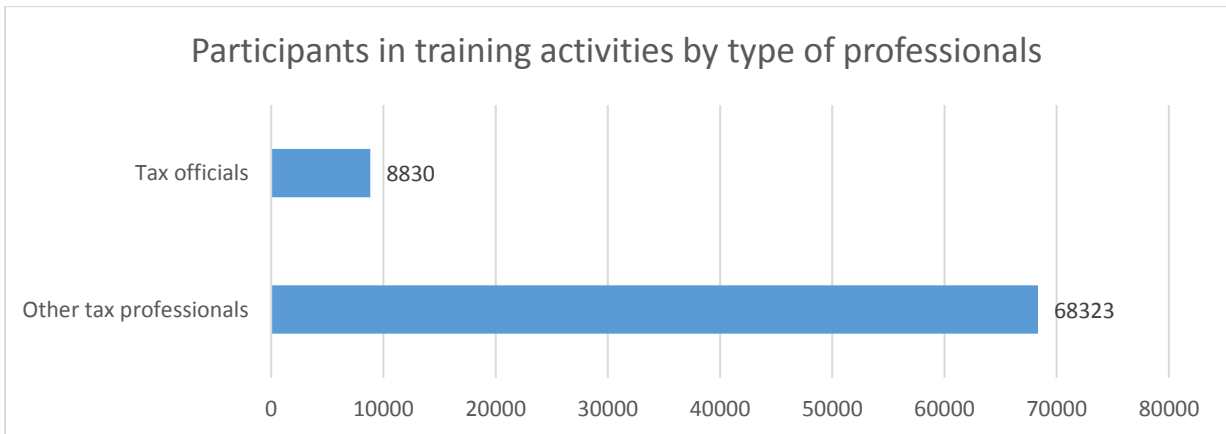


Figure 6: Overview of tax professionals trained by type of professionals



4. IT systems highlights

Figure 7: Overview of number of consultations carried out in 2022 in the different common components of the European Electronic Systems

The total number of consultations carried out in 2022 is 5 318 567 960.

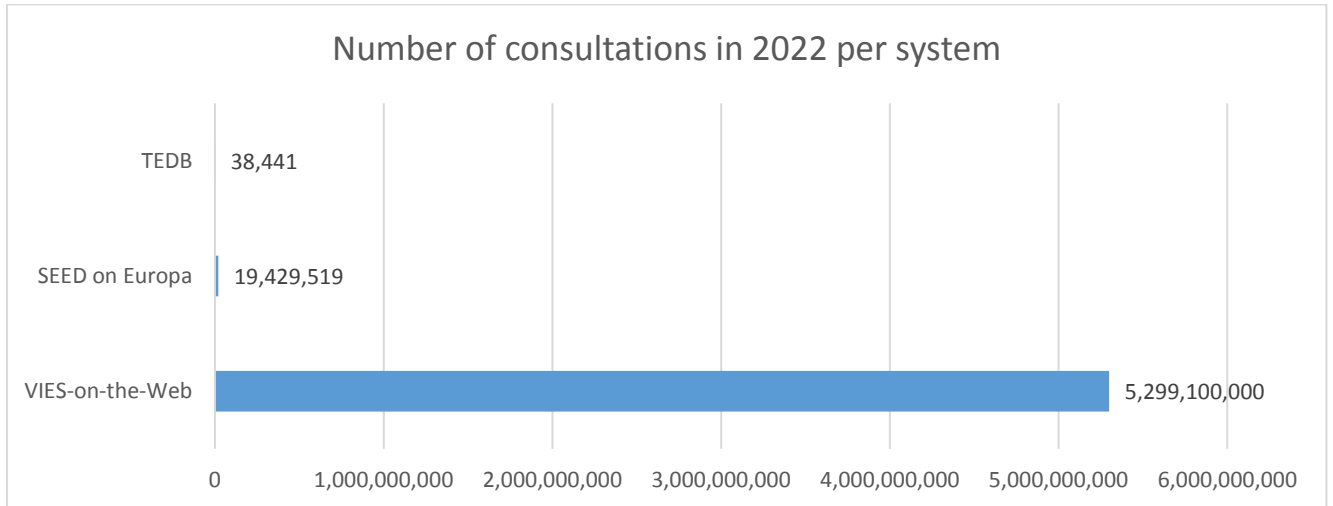
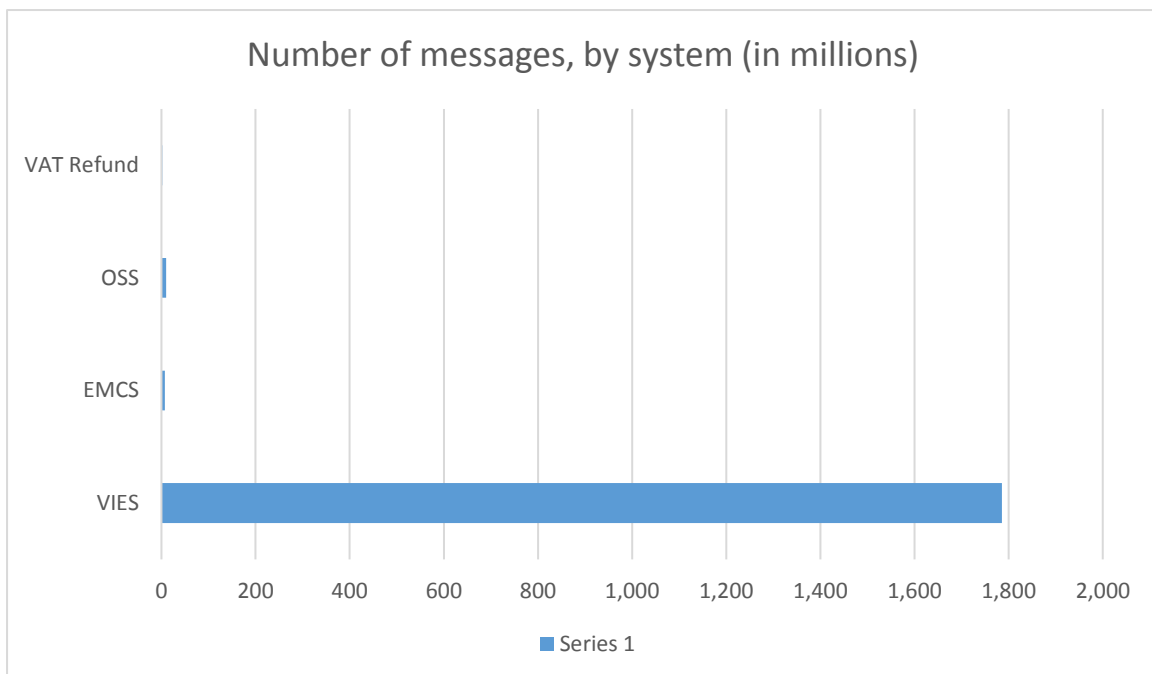


Figure 8. Overview of number of system-to-system messages exchanged in 2022

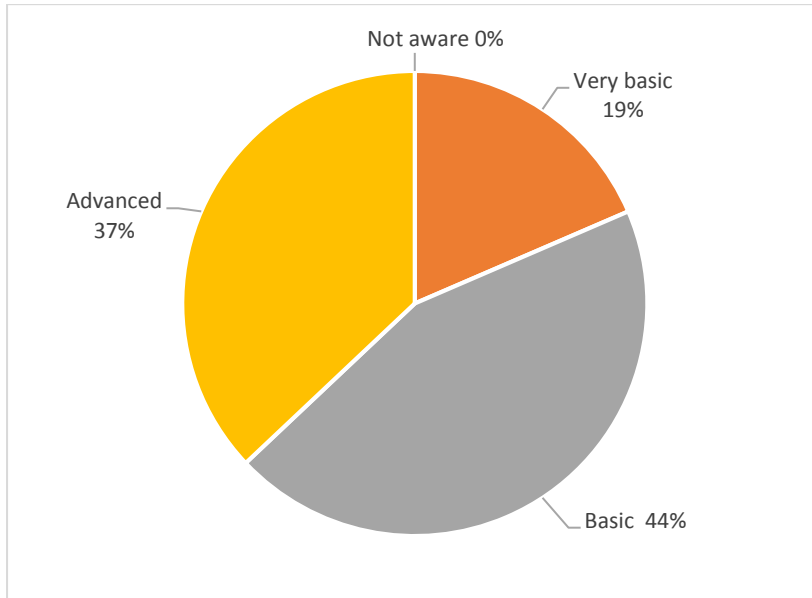
The total number of messages exchanged in 2022 is 1 805 million.



5. Awareness of the Programme in national administrations highlights

The average level of awareness reported in the national administrations in 2022 was 72.5%.

Figure 9. Overview of awareness of the Programme in national administrations participating in the Programme as reported in the 2022 survey by degree of awareness



6. Expert Teams

Table 2: Expert Teams

Expert Team	Objective	Duration	Participating countries	Main outputs
Expert team of managed IT collaboration in taxation V (MANITC V)	The Expert Team MANITC V continued the activities of MANITC IV activities aiming to support the tax authorities of the participating countries, to implement enhanced operational cooperation in the area of IT collaboration and by promoting, to advise and to support ongoing and new IT Collaboration initiatives.	Started in December 2021 - 24 months	Croatia Romania, Ireland, Italy, Latvia, Portugal	Quarterly progress reports, Final Report, Quarterly IT Collaboration Newsletters, Lifecycle of IT Collaboration, WiKi page on IT Collaboration in Taxation, Lessons learnt, Support of ongoing projects (upcoming actions)
Expert Team for the EU Cooperative Compliance pilot project for larger companies	The Commission launched an initiative for an EU Cooperative Compliance Programme. The Programme would provide a clear framework for a preventive dialogue between tax administrations for the common resolution of complex cross-border tax issues in the area of corporate income tax, in particular transfer pricing (TP) risks of larger enterprises in the Union. The Expert Team will work to assess and assure TP risks of some large enterprises in the Union during a pilot phase (2021-2022). The Expert Team would gather officials from the tax administrations of the Member States participating to the pilot project. The work will consist in: 1) identifying and selecting potential companies interested to participate in the pilot project, 2) endeavour to reach a common risk assessment of the transactions covered by the pilot project and commit to deliver a single outcome letter on the tax risk profile of said transactions, and 3) evaluate the pros and cons of the pilot project for a potential scaling-up of the project.	12 months		Expert Team cancelled
Central System Of Electronic Payment data exchange	Within the context of the legislative package for the mandatory transmission of payment data. The Commission has proposed the creation of a European database of	Began to operate in February 2021. Extension of duration	Belgium, Denmark, Germany,	Users requirement for CESOP, XML schema definition for

(CESOP) Expert Team I	<p>payment data related to cross-border B2C e-commerce transactions – CESOP (Central Electronic System Of Payment data exchange) – where payment data collected by Member States will be centralised, processed and then made available to Member States’ EUROFISC liaison officials.</p> <p>The objective of the Expert Team are:</p> <ul style="list-style-type: none"> - The development and implementation of business rules and algorithms during the development phase of CESOP; - Supporting the Commission in the development of CESOP’s functionality; - Supporting the Commission in the development of CESOP’s risk criteria for automated risk analysis; - Supporting the Commission in other key areas. 	until 31 May 2023	Finland, France, Hungary, Malta, Sweden	CESOP
Transaction Network Analysis II (TNA II)	<p>The objective of this second TNA Expert Team, covering the period from 2020 to 2022, is to continue the TNA development and to enlarge the competences of the new TNA Operational Team in supporting EUROFISC. TNA2 is a follow-up of the first TNA Expert Team and is expected to carry out studies and perform technical and development tasks that require specific business knowledge or access to EUROFISC operational data. An indicative example is the development of algorithms to be applied to EUROFISC operational data. In addition, the TNA2 will perform testing of TNA software with real or realistic data as well as other technical tasks like data management, system configuration, user management, usage supervision and user support. The overall objective is to study and implement an extension of TNA to other fraud types, covered by EUROFISC working fields (WF).</p>	<p>Started in May 2020 for 24 months Amendment in- May 2022. Extension until December 2023</p>	Belgium, Croatia, France, Hungary, Poland, the Netherlands Italy	<p>A Feasibility study on TNA improvements for MTIC,</p> <p>First proposals on TNA extension to fraud with cars, boats and planes and to fraud by abusing Customs procedure 42,</p> <p>Annual operations report,</p> <p>External communication material</p>
Expert Team is for DAC AEOI data analysis and enhanced use of data with data	<p>DATANA Expert Team aims to improve the use of the data received and exchanged by enhancing data analytics. The Expert Team will identify the needs of Member States in this field and design an IT tool that would allow the analysis</p>	24 months, began to operate in January 2022	Austria, Belgium, Czech Republic,	Practical solutions and tools for enhancing the analysis and use of DAC AEOI data (and possibly other relevant data) with data

analytics approach (DATANA)	of unmatched DAC data.		Finland, Hungary, Lithuania, Malta, Portugal, Romania	analytics approach
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7. Fiscalis indicators for monitoring and evaluation ⁽⁷⁸⁾

Table 3: Output indicators

Indicator	Level of disaggregation of data to be collected	Data for 2022	2022 data narrative (e.g. interpretation of the value, key developments to explain value and its positive/negative result, etc.)
OP 1.1. Development of the common components of the European Electronic Systems (EES)			
OP 1.1. Sub-indicator 1: Number of information technology (IT) projects in initiating phase	N/A	2	Special scheme for SMEs Transaction Network Analysis (TNA)
OP 1.1. Sub-indicator 2: Number of IT projects in executing phase	N/A	9	ECOM-EFCA VIES-on-the-Web (VoW) Special scheme for SMEs Transaction Network Analysis (TNA) CESOP

(78) Indicators OP 2.1. Sub-indicator 4, OP 3. Sub-indicator 1, RES 1. Sub-indicator 1, RES 2.2. Sub-indicator 1, RES 2.2. Sub-indicator 5, RES 2.2. Sub-indicator 6, RES 3.2. Sub-indicator 1, RES 3.2. Sub-indicator 2 are based on input from the national tax administrations of Member States except for BE and IE who had failed to provide input, and of Georgia and Serbia associated or being associated to the Fiscalis programme.

			EMCS 4.0 EMCS 4.1 National System Implementation by IT Collaboration Projects –m-EMCS High Availability DG TAXUD Operational capabilities
OP 1.1. Sub-indicator 3: Proportion of IT projects whose actual cost is as planned	N/A	100%	
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)	N/A	100%	The projects listed and taken into account for OP 1.1 Sub-indicator 1 and OP 1.1 Sub-indicator 2 are all delivered as expected. CESOP encountered some delays with the Vision document, but the planning is not affected and as of December 2022 it is on track.
OP 1.2. Delivery of the common components of the European Electronic Systems			
OP 1.2. Sub-indicator 1: Number of IT projects released to production as required under Union law	N/A	0	No IT projects released to production in 2022. The target for this indicator is: 1. SME scheme by 2025; 2. CESOP by 2024; 3. EMCS4 by 2023; 4. DAC7 by 2024.

<p>OP 1.2. Sub-indicator 2: Proportion of the common components of the EES delivered according to the MASP-T's timeline</p>	<p>Results to be disaggregated by:</p> <ul style="list-style-type: none"> - new common (components of the) EES - upgrades to existing common (components of the) EES. 	<ul style="list-style-type: none"> • New components: 100% (DAC7) • Upgrade existing components 100% (eFCA) 	<p>The CCN components followed up under the MASP-T are not included, the report is only for Taxation Configuration Items.</p>
<p>OP 1.2. Sub-indicator 3: Number of revisions made to the timelines for delivery of the common components of the EES</p>	<p>Results to be disaggregated by:</p> <ul style="list-style-type: none"> - new common (components of the) EES - upgrades to existing common (components of the) EES. 	<p>0</p> <p>new common (components of the) EES: 0</p> <p>upgrades to existing common (components of the) EES: 0</p>	
<p>OP 1.3. Reliability of the European Electronic Systems</p>			
<p>OP 1.3. Sub-indicator 1: Availability of the Common Communication Network (CCN)/CCN2</p>	<p>Results to be disaggregated by:</p> <ul style="list-style-type: none"> - CCN - CCN2 	<p>Average: 99.49%</p> <p>CCN: 99.98%</p> <p>CCN2: 99%</p>	<p>Values are slightly lower than the target (set at 99.8%), due to the following:</p> <ul style="list-style-type: none"> • Many planned unavailability for installing patching/fixing problems; • Some unplanned unavailability due to network issues.
<p>OP 1.3. Sub-indicator 2: Capacity of the Common Communication Network (CCN/CCN2)</p>	<p>Results to be disaggregated by:</p> <ul style="list-style-type: none"> - CCN - CCN2 	<p>Total volume: 103.2 TB</p> <p>CCN: Nr of messages-11.4 million</p> <p>CCN: Volume – 91 TB</p> <p>CCN2: nr of messages – 760 million</p>	

		CCN2: Volume – 12.2 TB	
OP 1.3. Sub-indicator 3: Availability of the European Electronic Systems	The IT systems taken into account in this average are: <ul style="list-style-type: none"> - The VAT Information Exchange System (VIES) - The Excise Movement and Control System (EMCS) 	The average availability: 99.97% VIES: 99,93% EMCS: 100%	The values for 2022 are above the set target (99.5%).
OP 1.4. Reliability of IT support services			
OP 1.4. Sub-indicator 1: Proportion of ‘incident’ tickets resolved on time	The solving time depends on the incident type and the category (gold/bronze/silver/best effort)	97.62%	The value for 2022 is above the lower limit of 95%.
OP 1.4. Sub-indicator 2: User satisfaction with the support services provided	N/A	4.16	The value for 2022 is above the target in terms of satisfaction level (between somewhat satisfied and very satisfied with the services).
OP 2.1. Level of capacity building support provided through collaborative actions			
OP 2.1. Sub-indicator 1: Number of collaborative actions organised	Results should be reported disaggregated by area by filtering the results extracted from ART (to be noted: an action can contribute to several areas so the overall total of disaggregated values may be above the total number of actions for the reporting period): <ul style="list-style-type: none"> - Union law and policy application and implementation; - Best practices and guidelines; - Other. 	Total: 110 By area of action (an action can contribute to several areas): <ul style="list-style-type: none"> - Union law and policy application and implementation: 21 - Best practices and guidelines: 5 - Other: 86 	

	<p>In addition, results should be disaggregated by type of collaborative action:</p> <ul style="list-style-type: none"> - Meetings and similar ad hoc events; - Project-based structured collaboration; 	<p>Meetings and similar ad hoc events: 84 Project based structured collaboration: 26</p>	
OP 2.1. Sub-indicator 2: Number of face-to-face and virtual meetings	<p>Results to be disaggregated by:</p> <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) 	<p>Total: 295 By area:</p> <ul style="list-style-type: none"> • Union law and policy application: 68 meetings • Best practices and guidelines: 45 meetings • Other: 208 <p>By type of meeting:</p> <ul style="list-style-type: none"> • 8 hybrid meetings • 124 physical meetings • 163 virtual meetings <p>Number of participants: 3886</p>	<p>To be noted: an action can contribute to several areas so the overall total of disaggregated values may be above the total number of actions for the reporting period.</p> <p>Data from ART on participants was extracted on 30 January 2022. Figures in ART may evolve depending on Member States updated registrations.</p>
OP 2.1. Sub-indicator 3: Number of working practices, guidelines or recommendations issued following actions organised under the programme	<p>Disaggregated by:</p> <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 	<p>Total 641</p> <p>Recommendations produced by type of action:</p> <p>Collaborative activities: 626</p> <p>Expert Teams: 15</p>	<p>Action managers providing feedback explained their difficulties to quantify the number of working practices/guidelines and recommendations, given the wide range of activities supported by the Programme and their specificities. The numbers reported can thus be explained given the broad interpretation of the indicator, where each practice included in a given guideline document produced or exchanged during an activity has been accounted for as an individual</p>

			<p>recommendation (rather than only counting the number of documents produced in which these recommendations are included). Orally exchanged best practices/recommendations were also counted in the total.</p> <p>Given the wide variety of technical topics addressed in these recommendations, action managers could not provide a disaggregation of the number of recommendations issued in their group according to whether these are linked to Union law implementation or other areas.</p>
OP 2.1. Sub-indicator 4: Quality of the collaborative actions	N/A	Quality score of 84%	The value for 2022 is above the target of 70%. The main reasons for satisfaction reported by participants in the survey were the relevance of the activity to their work and the good preparation and organisation of the activity.
OP 2.2. Learning index			
OP 2.2. Sub-indicator 1: Number of learning modules used	Results disaggregated by language.	<p>Total: 292</p> <p>By language:</p> <p>English versions: 22</p> <p>National languages: 270</p>	The value for 2022 is on track to attain the target of 1 683 modules used throughout the whole Programme cycle.
OP 2.2. Sub-indicator 2: Number	Type of training (formal training): - IT training workshops	<p>By type of training:</p> <ul style="list-style-type: none"> • IT training: 175 	The target is to have 102 400 tax

<p>of professionals trained</p>	<ul style="list-style-type: none"> - E-learning - Common learning events programme (CLEP) <p>Type of professionals:</p> <ul style="list-style-type: none"> - Tax officials - Economic operators 	<ul style="list-style-type: none"> • CLEP: 15 • eLearning courses: 76 963 <p>By type of professional:</p> <ul style="list-style-type: none"> • tax officials trained= 8.640 (portal) + 175 (IT) + 15 (CLEP) = 8 830 • economic operators trained= 68 323 	<p>officials trained throughout the Programme cycle (2021-2027). The values for 2022 are below the expected figures of this target, as the method of collection of data has changed compared.</p> <p>From 2022, the data provided for eLearning courses is based only on information collected through the Customs & Tax EU Learning portal. Member States do not provide data anymore. Therefore, the data includes from now on only the number of professionals that followed the courses in the EU portal, together with the number of tax officials who participated in CLEP activities (Common Learning Event Programme) and IT training sessions supported by the Programme, as recorded in the Activity Reporting Tool.</p> <p>Data from ART on CLEP and IT training was extracted on 30 January 2022. Figures in ART may evolve depending on Member States updated registrations.</p>
<p>OP 2.2. Sub-indicator 3: Quality of e-learning courses</p>	<p>Results to be disaggregated by policy field:</p> <p>Tax officials</p> <p>Economic operators</p>	<p>74.3%</p> <p>By specific aspects:</p> <p>Content=68.7</p>	<p>The value for 2022 is slightly below the target of 75% quality score. The tax courses in the portfolio need to be updated and the foreseen update of some modules for 2022 has been postponed to 2023. The content</p>

		Methodology=73.6 Technology=80.5	has made the total indicator to decrease. The disaggregation of the data by type of professional (tax officials and economic operators) is not possible, as many courses target both audiences.										
OP 3. Degree of awareness of the Programme													
OP 3. Sub-indicator 1: Degree of awareness of the programme	Results to be disaggregated by: - Level of awareness (not aware, very basic, basic, advanced) - Participating administration	Average degree of awareness among beneficiary administrations: 72% (between Basic and Advanced) By level of awareness: Advanced: 37% Basic: 44% Very basic: 19% Not aware: 0%	The degree of awareness reported in the survey varies widely among administrations (e.g. depending on their historical level of participation in the Programme). Within an administration, wide gaps were reported in the level of awareness between officials taking part in Programme activities and those who do not.										
		<table border="1"> <thead> <tr> <th>Participating administration</th> <th>Awareness</th> </tr> </thead> <tbody> <tr> <td>Austria</td> <td>Basic</td> </tr> <tr> <td>Bulgaria</td> <td>Advanced</td> </tr> <tr> <td>Croatia</td> <td>Very basic</td> </tr> <tr> <td>Cyprus</td> <td>Advanced</td> </tr> </tbody> </table>	Participating administration	Awareness	Austria	Basic	Bulgaria	Advanced	Croatia	Very basic	Cyprus	Advanced	
Participating administration	Awareness												
Austria	Basic												
Bulgaria	Advanced												
Croatia	Very basic												
Cyprus	Advanced												

		Czechia	Basic
		Denmark	Basic
		Estonia	Basic
		Finland	Basic
		France	Very basic
		Georgia	Very basic
		Germany	Basic
		Greece	Advanced
		Hungary	Basic
		Italy	Advanced
		Latvia	Advanced
		Lithuania	Advanced
		Luxembourg	Advanced
		Malta	Basic
		Netherlands	Very basic
		Poland	Advanced
		Portugal	Basic
		Romania	Advanced

		Serbia	Basic	
		Slovak Republic	Very basic	
		Slovenia	Basic	
		Spain	Basic	
		Sweden	Advanced	

Table 4: Result indicators

Indicator	Level of disaggregation of data to be collected	Data for 2022	2022 data narrative (e.g. interpretation of the value, key developments to explain value and its positive/negative result, etc.)
RES 1. Level of coherence of tax legislation and policy and their implementation			
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	N/A	79%	<p>The percentage of participants that reported that their authorities made use of a working practice in 2022 is with 79% well above the target for 2027.</p> <p>The most common reason to make use of a working practice or guidelines was to increase knowledge of colleagues in the field and share best practices in the administration.</p> <p>Most respondents indicating that they did not make use of these outputs noted that the reason was that the activities they took part in did not</p>

			produce recommendations yet (48% of those replying they did not use them).
RES 1. Sub-indicator 2: Contribution of new common components of the European Electronic Systems to facilitating coherent implementation of Union law and policy	N/A	64%	<p>The value for 2022 is lower than the target of 70%. It should be noted that the responses in the Survey of third countries participating to the programme are included in this percentage, while they do not use the EES and hence reported that there is 'no contribution'.</p> <p>The EES that contribute the most to the specific objectives of the Fiscalis programme is the VAT Information Exchange System (VIES).</p>
RES.2.1 Use of key EES aimed at increasing interconnectivity and exchanging information			
RES 2.1. Sub-indicator 1: Number of consultations carried out in the different common components of the European Electronic Systems	<p>Results to be disaggregated by new/existing common (components of the) European Electronic Systems. Results to be disaggregated by the following Fiscalis systems:</p> <ul style="list-style-type: none"> - VIES-on-the-WEB - System for Exchange of Excise Data (SEED) - "Taxes in Europe" database (TEDB) 	<p>Total: 5 318 567 960</p> <p>By system:</p> <p>Vies-on-the-Web: 5 299,10 (in millions)</p> <p>SEED on Europa: 19 429 519</p> <p>TEDB: 38 441</p>	<p>The target is to reach 5,58 billion throughout the Programme cycle (2021-2027). Therefore, with the 2022 values, the cumulative target is already nearly achieved (e.g. the target translates in approximately 800 million consultations per year).</p>

<p>RES 2.1. Sub-indicator 2: Number of system-to-system messages exchanged</p>	<p>Results to be disaggregated by new/existing common (components of the) European Electronic Systems. Results to be disaggregated by the 3 schemes under Fiscalis:</p> <ul style="list-style-type: none"> - VIES - VAT refund - One-Stop-Shop (OSS) - EMCS 	<p>Total: 1 804 642 742</p> <p>VIES: 1 786 million</p> <p>EMCS: 7 029 252</p> <p>OSS: 9 937 731</p> <p>VAT Refund: 1 675 759</p>	<p>The target is 1 440 million messages per year, so the value of 2022 is well on track.</p> <p>VIES: The increase was mainly attributed due to the higher number of Registry VIES messages (1.014 million in 2021 compared to 1.118 million in 2022; 9,3%).</p> <p>The value for EMCS is excluding national movements for EMCS</p> <p>For OSS: including all three schemas for OSS</p>
<p>RES 2.2. Level of operational cooperation between national authorities</p>			
<p>RES 2.2. Sub-indicator 1: Contribution of new common components of the EES to facilitation of operational cooperation between national authorities</p>	<p>N/A</p>	<p>64%</p>	<p>The value for 2022 is below the target of 70%. However, it should be noted that the responses in the Survey of third countries participating to the programme are included in this percentage, while they do not use the EES and hence reported that there is 'no contribution'.</p> <p>The EES that were identified by the survey respondents as contributing the most to the specific objectives of the Fiscalis programme is the VAT Information Exchange System (VIES).</p>

RES 2.2. Sub-indicator 2: Number of online collaboration groups on the collaborative platform that are active	N/A	263 collaboration groups	In 2022 there were 224 taxation groups and 39 other groups active on the platform. The clean-up exercise of groups in the system did not significantly impact the number of active groups, so the value remained stable and even increased slightly compared to last year, as new groups were created.
RES 2.2. Sub-indicator 3: Number of active users on the online collaborative platform	Results to be disaggregated by: <ul style="list-style-type: none"> - Tax officials - Customs officials - Commission officials - International organisation representatives - External contractors - Economic operators - Other Results to be disaggregated by participating countries where applicable.	564 active users	In 2022, 459 users were active in the taxation groups and 105 users in the other groups. Most of the users are tax officials. Economic operators do not have access to this platform. No further disaggregation is available from the current platform.
RES 2.2. Sub-indicator 4: Number of interactions on the collaborative platform	N/A	6 555	6 555 content items were created in the reporting period in PICS.
RES 2.2. Sub-indicator 5: User satisfaction with the online collaboration platform	N/A	69%	The 2022 value corresponds to the user's level of satisfaction with the old PICS platform, to be replaced in 2023. Many users requested a more user-friendly environment.
RES 2.2. Sub-indicator 6: Degree of networking generated	N/A	81% agreement that the programme provides networking opportunities 76% percentage of respondents	In 2022, the average agreement of participants with the statement that the programme generated networking opportunities was 81%. An issue

		reporting ‘occasionally’, ‘frequently’ or ‘very frequently’ contacts.	<p>highlighted was that online sessions, provided less networking opportunities than physical meetings. Striking the right balance after the pandemic between virtual and physical activities will be key to continue improving values of this indicator to achieve the target of 90% agreement by the end of the Programme cycle.</p> <p>In addition, 76% of the participants had contact with tax officials from a different country who they met during programme activities. Operational matters in the field of taxation were the most common reason to contact other officials.</p>
RES 3.1. Simplified e-procedures for economic operators			
RES 3.1. Sub-indicator 1: Number of registered economic operators	To be disaggregated by: <ul style="list-style-type: none"> - One-Stop-Shop (OSS) - VIES 	Total: 7 399 972 By system: VIES: 7 278 593 ⁽⁷⁹⁾ OSS: 121 379 ⁽⁸⁰⁾	The target is to have 41 373 250 registered operators at the end of the Programme cycle. The value for 2022 is well on-track (e.g. the target translates into approximately 5.9 million registered operators per year).
RES 3.1. Sub-indicator 2: Number of applications	VAT refund	837 476	The target is to have 5 616 778 applications at the end of the Programme cycle. The value for 2022 is well on-track (e.g. the target

(79) The presented data, from 2021, is the most recent available value, reported by the Member States in 2022. The data referring to 2022 will be available in Q2 2023.

(80) Refers to the taxable payer or trader and it includes all 3 schemas (non-Union, Union and Import)

			translates into approximately 802 000 applications per year).
RES 3.2. National authorities' operational performance			
RES 3.2. Sub-indicator 1: Contribution of new common components of the EES to improving the operational performance of national authorities	N/A	60%	<p>The value for 2022 is below the 70% target. However, it should be noted that the responses in the Survey of third countries participating to the programme which responded to the survey are included in this percentage, while they do not use the EES and hence reported that there is 'no contribution'.</p> <p>The EES that were identified by the survey respondents as contributing the most to the specific objectives of the Fiscalis programme is the VAT Information Exchange System (VIES).</p>
RES 3.2. Sub-indicator 2: Contribution of collaborative and human competency actions' outputs to improving operational performance of national authorities	N/A	57%	<p>The value of 2022 is below the 70% target. Taking into account that 2022 is the first year of full implementation of this Programme cycle, particular attention will be paid in order to reach the target in the coming years.</p> <p>According to Survey respondents, the most important contributions of collaborative and human competency building activities under the Fiscalis programme to the national administration's operational performance were to improve existing procedures and to implement new ones.</p>

Table 5: Impact indicators

Indicator	Level of disaggregation of data to be collected	Data for 2022	2022 data narrative (e.g. interpretation of the value, key developments to explain value and its positive/negative result, etc.)
IMP 1. Evolution of the protection of the financial and economic interests of the Union and its Member States			
IMP 1. Fiscalis - Sub-indicator 1: Estimated value added tax gap	Results to be disaggregated by Member State	<p>At EU27 level ⁽⁸¹⁾:</p> <p>2018: EUR 121 860 mill – 11.2% of VTTL</p> <p>2019: EUR 123 894 mill – 11.0% of VTTL</p> <p>2020: EUR 92 732 mill – 9.1% of VTTL</p> <p>For results at Member State level, please see Table 6 below.</p>	<p>The data presented refers to the VAT compliance gap. While there are other measures of the VAT gap (VAT policy gap, VAT rate gap, VAT exemption gap), the VAT compliance gap is the most appropriate indicator as estimate for the loss of VAT revenues due to non-compliance.</p> <p>The statistical analysis of the shifts in the VAT compliance gap and other developments following the outbreak of the COVID-19 pandemic indicates that the main driving forces of the increased compliance were government policies. The largest decline of the VAT compliance gap in the VAT compliance gap from 2019</p>

(81) The presented estimates are from the most recent report on “[VAT gap in the EU – report 2022](#)”, published in December 2022. Due to the time lag in the underlying data sets, the most current estimates of the VAT compliance gap refer to 2020.

			to 2020 was observed for Member States that implemented the most far-reaching support measures, which were often contingent on paying taxes, and Member States where the VAT burden significantly dropped.
IMP 1 Fiscalis – Sub-indicator 2: Contribution of administrative cooperation to protecting the financial interests of Member States	EU level aggregated data	<p>Overall (2021):</p> <p>Increase in tax assessed ex ante: 346 120 996 €</p> <p>Increase in tax base assessed ex ante: 190 641 344 €</p> <p>Increase in tax assessed ex post: 906 437 022 €.</p> <p>Increase in tax base assessed ex post: 905 431 522 €</p> <p>For the results of DAC 1, DAC 2, DAC 3 and DAC 4, please see table 7 below.</p>	<p>The presented information is from the most recent annual survey. The underlying data is from 2021. The information for 2022 is not yet available as the data is submitted by the Member States upon an annual questionnaire in April every year. For 2021 (reported in 2022) the overall increase in direct tax assessed ex ante is over EUR 345 million and the increase in tax base assessed ex ante is nearly EUR 191 million. The increase in tax and tax based assessed ex post are both estimated at over EUR 905 million.</p> <p>It does not take into account consequences of audits or tax assessment led after receiving information from DAC3, DAC4 and DAC6 exchanges.</p>
IMP 2. Contribution to enhancing the functioning of the internal market			
IMP 2. Fiscalis - Sub-indicator 1: Number of pre-infringement and infringement cases in relation to taxation	Results to be disaggregated by opened/closed cases.	<p>Opened cases 70</p> <p>Closed cases 71</p>	<p>Opened pre-infringement cases (EUP) total 21 (12 indirect/9 direct taxation)</p> <p>Opened infringement cases (INFR)</p>

			<p>total 49 (43 indirect/6 direct taxation) ALL Opened - 70</p> <p>Closed pre-infringement cases (EUP) total 25 (22 indirect/3 direct taxation) Closed infringement cases (INFR) total 46 (30 indirect/16 direct taxation) ALL Closed - 71</p>
IMP 3. Fiscalis - Evolution of Union competitiveness and fair competition within the Union			
IMP 3. Fiscalis - Sub-indicator 1: Pre-filing of tax returns or assessments	N/A	<p>21 Member States ⁽⁸²⁾</p> <p>3 categories of third-party information:</p> <ul style="list-style-type: none"> • Employers • Financial institutions • Pension providers 	<p>The most recent data is from an external report published in 2021, with underlying data from 2019.</p> <p>Source: OECD (2021), Tax Administration 2021: Comparative Information on OECD and other Advanced and Emerging Economies, OECD Publishing, Paris, https://doi.org/10.1787/cef472b9-en.</p>

(82) Including UK which at the time of the data collection was still an EU Member State.

Table 6: IMP 1 Fiscalis - Sub-indicator 1: Estimated value added tax gap – by Member States

Member State	VAT gap in EUR million			VAT gap as % of VAT total tax liability (VAT due)		
	2018	2019	2020	2018	2019	2020
BE	4 194	4 766	4 784	11.9%	13.1%	14.0%
BG	654	606	379	11.3%	9.7%	6.3%
CZ	2 628	2 809	2 164	14.1%	14.2%	11.9%
DK	2 748	2 785	1 643	8.6%	8.5%	5.0%
DE	24 462	24 065	11 076	9.4%	9.0%	4.8%
EE	97	84	45	4.0%	3.3%	1.8%
IE	785	1 755	1 947	5.3%	10.3%	12.5%
EL	5 261	4 705	3 178	25.6%	23.4%	19.7%
ES	4 504	5 164	3 396	5.5%	6.1%	4.7%
FR	15 545	16 419	13 962	8.5%	8.6%	8.0%
HR	553	65	466	7.4%	0.9%	6.9%
IT	31 888	31 085	26 217	22.6%	21.8%	20.8%
CY	76	30	122	3.7%	1.4%	6.4%
LV	312	204	95	11.3%	7.2%	3.6%
LT	1 115	1 015	952	24.0%	20.9%	19.3%
LU	266	396	240	7.0%	9.7%	6.0%
HU	1 468	1 515	720	10.2%	9.8%	5.1%
MT	239	328	270	20.6%	26.0%	24.1%
NL	4 028	4 337	1 714	7.1%	6.9%	2.8%
AT	2 849	2 533	2 660	8.9%	7.7%	8.6%

Member State	VAT gap in EUR million			VAT gap as % of VAT total tax liability (VAT due)		
	2018	2019	2020	2018	2019	2020
PL	6 151	6 189	5 320	13.2%	12.7%	11.3%
PT	1 792	1 679	1 460	9.1%	8.2%	8.0%
RO	6 411	7 599	7 421	33.2%	35.5%	35.7%
SI	169	231	206	4.3%	5.5%	5.5%
SK	1 264	1 202	1 101	16.7%	15.0%	13.9%
FI	1 068	826	281	4.8%	3.6%	1.3%
SE	1 331	1 502	915	3.0%	3.3%	2.0%
UK	19 737	14 728	-	10.5%	7.7%	-
EU28	141 597	138 623	-	11.2%	11.0%	9.1%
EU27	121 860	123 894	92 732	11.1%	10.5%	-

Source: [VAT gap in the EU – Report 2022](#), published in December 2022

Table 7: IMP 1 Fiscalis – Sub-indicator 2: Contribution of administrative cooperation to protecting the financial interests of Member States

DAC1	
Increase in tax assessed ex ante	10.480.167 €
Increase in tax base assessed ex ante	170.688.280 €
Increase in tax assessed ex post	613.923.161 €
Increase in tax base assessed ex post	662.705.926 €

DAC2	
Increase in tax assessed ex ante	335.640.829 €
Increase in tax base assessed ex ante	19.953.064 €
Increase in tax assessed ex post	292.513.861 €
Increase in tax base assessed ex post	242.725.596 €

DAC3	
Number of ACBR/APA's in the DAC3 CD where your Member State has been indicated	1.764

DAC4	
Number of CBRs received in 2021	24.462