

# Indirect taxation in the internal market: Fiscalis programme 2003-2007

2002/0015(COD) - 29/07/2005 - Follow-up document

**PURPOSE:** A mid-term evaluation of the FISCALIS 2007 programme.

**CONTENT:** The purpose of this evaluation is to analyse the impact of actions financed and organised by the Fiscalis 2007 programme during its first two years of operation. It examines to what extent the objectives of the Programme have been achieved and their effectiveness in terms of a cost/efficiency ratio. Its relevance as a financial programme has also been examined by comparing the Fiscalis programme to the needs of the administrations concerned. To recall, the total budget of the programme was increased in 2004 to EUR 67 250 million with around 70% earmarked for IT applications and the remaining 30% for other related actions, such as seminars, training activities and the exchange of officials.

The conclusions of the mid-term review find that:

- Both financial and human resources are used in an efficient manner. Fiscalis participants also agree that its activities offer value for money.
- The seminars and projects groups appear to be efficiently run. There is widespread satisfaction with seminars and it would appear that the cost per participant to seminars is the lowest of all joint actions. Group exchanges, on the other hand, are sometimes perceived as being too long, while their cost is relatively high.
- Flexible financial arrangements for joint actions continue to give cause for concern. For project groups, funding per participating country has, at times been too limited to permit the attendance of experts needed for the discussion of specialised technical issues.
- MVS and EWSE information is updated on a timely basis and provides accurate data. MVS seems to be a more effective tool to detect irregularity than EWSE.
- VIES appears to offer good value for money, even if the accuracy of information can be further improved upon.
- There have been no major staff changes in the period 2003-2004. Typically, the number of staff involved in the operation and development of VAT applications (VIES) within a participating country seem to be in the range of 3 to 7 persons, devoting roughly half of their time to this work.

Based on its conclusions, the Commission recommends that the organisation of exchanges, particularly group exchanges, should be reviewed for the sake of increased efficiency. Other recommendations include providing interpreters for seminars, running joint activities in smaller groups in order to facilitate individual interaction with similar languages and professional skills and monitoring the selection of participants to ensure that the most qualified people attend the right actions.