



Commission proposes strengthened cooperation to combat tax fraud

Brussels, 14 November 2025

Today, the European Commission proposed an amendment to strengthen cooperation between the European Public Prosecutor's Office ('EPPO'), the European Anti-Fraud Office ('OLAF'), and Member States. The proposal provides a legal basis for the exchange of information and access to VAT data, enhancing the EU's ability to combat fraud against the financial interests of the Union.

By introducing real-time digital reporting of cross-border trade as part of the 'VAT in the digital age' package, Member States will get the valuable information they need to step up the fight against VAT fraud, especially carousel fraud.

This specific type of cross-border VAT fraud alone – the carousel or Missing Trader Intra-Community (MTIC) fraud – is estimated to cost EU taxpayers between €12.5 billion and €32.8 billion annually and is frequently orchestrated by criminal organizations. Carousel fraud is only a part of the overall VAT compliance gap, i.e. the difference between the expected VAT revenues assuming full compliance and the actual VAT revenues collected, which for 2022 was estimated at €89.3 billion for the EU.

This proposal is the next step in the ongoing fight against VAT fraud. It empowers EPPO and OLAF with immediate access to VAT data, enabling a rapid, EU-wide assessment of fraud investigations. By equipping these agencies with timely and comprehensive insights, fraudulent activities can be quickly identified, stopped, and prosecuted. This enhanced collaboration not only strengthens the fight against cross-border fraud but also fosters a fair and just business environment across the EU.

Furthermore, the proposal establishes direct and efficient communication channels between the EPPO, OLAF and Eurofisc – the European network of Member State officials tasked with combating VAT fraud – enhancing their ability to coordinate cross-border investigations and share critical intelligence in real time. The cooperation tools will unleash the potential of existing and new digital solutions regarding secure exchange of tax information for the fight against tax fraud.

Next steps

The proposal will now be submitted to the Council for agreement and to the European Parliament and the Economic and Social Committee for consultation. The changes will enter into force and trigger the implementation phase, once the co-legislators have reached an agreement on the proposal and after publication in the EU Official Journal.

For more information

[Value Added Tax \(VAT\)](#)

[VAT gap](#)

[VAT in the Digital Age \(ViDA\)](#)

[European Commission strengthens cooperation to combat fraud](#)

IP/25/2681

Quote(s):

"Fighting VAT fraud is a priority for me and for the Commission. This proposal will strengthen our ability to safeguard our financial interests and ensure fair play in the Single Market. Those who seek to profit through fraud will be held to account. With digital tools and better information sharing, we're building a stronger, fairer tax system for everyone."
Wopke Hoekstra, Commissioner for Climate, Net Zero and Clean Growth - 14/11/2025

Press contacts:

[Anna-Kaisa ITKONEN](#) (+32 2 29 57501)

[Paula Clara RITTER-MOSCHUTZ](#) (+32 2 29 64083)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)