

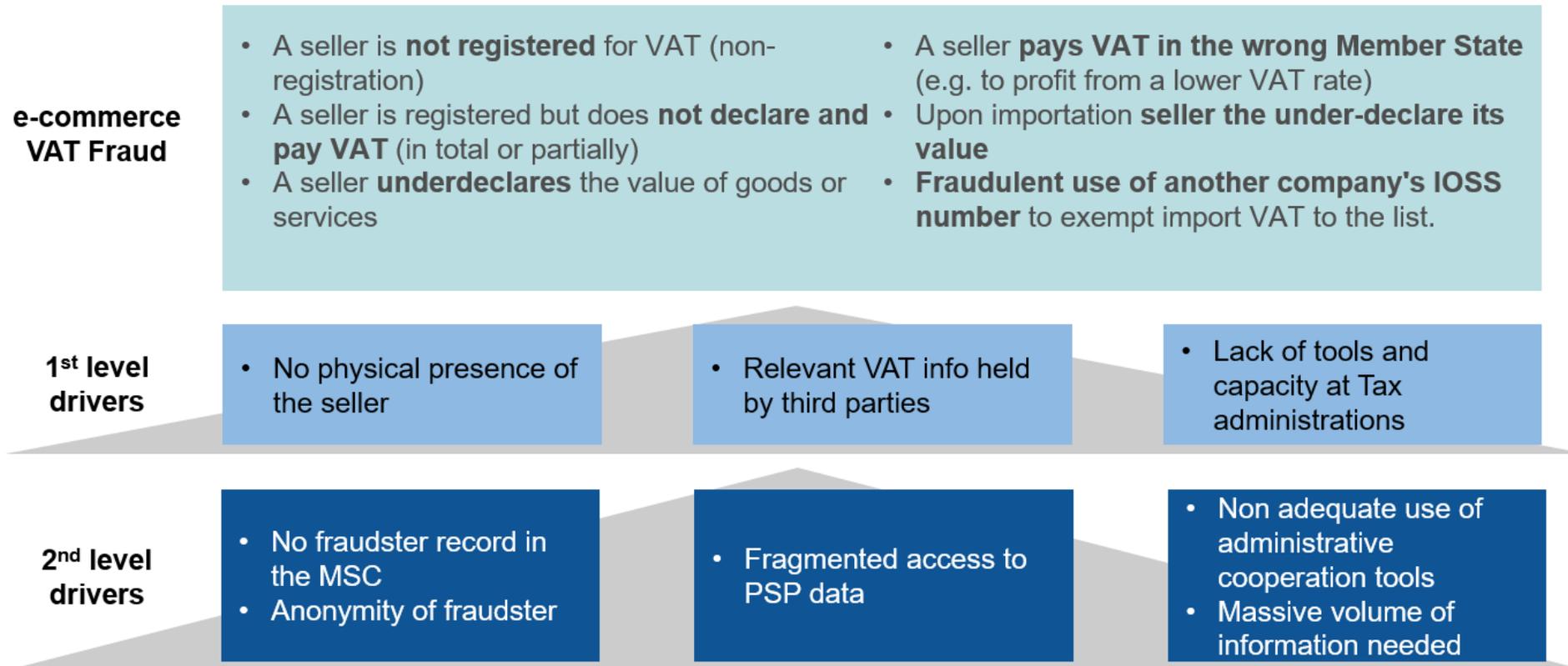


# CESOP

## The use of payment data to fight VAT e-commerce fraud

*OECD Global Forum on VAT – Paris, 28 January 2026*

# E-commerce VAT fraud: Problem tree



# Purpose of the CESOP system

The specific objectives of the Central Electronic System Of Payment information (**CESOP**) are:

- To detect and combat **cross-border VAT fraud in e-commerce** by providing tax authorities with efficient and effective instruments for detecting non-compliant businesses i.e. through **payment data analysis**.
- To offer new or improved channels for EU Member States' tax authorities to access and share third party VAT-related information (**new administrative cooperation tools**)

The general objectives:

- Reduction of VAT fraud, contributing to fiscal consolidation
- Level playing field for businesses

# Payment data reporting

**Quarterly reporting obligations for PSPs established in a MS regarding cross-border payments** i.e. payer in one Member State and payee either in another Member State or in a third country:

## **- Information to be kept on the payee:**

- a) BIC or any other unique identifier of the PSP transmitting the data
- b) Name of payee
- c) VAT N° or National tax N° of payee (if available)
- d) IBAN or any other identifier of the payee
- e) BIC or any other business identifier for PSP (**only when no payment account**)
- f) Address of the payee
- g) Payments (referred to in Article 234b(1))
- h) Payment refunds

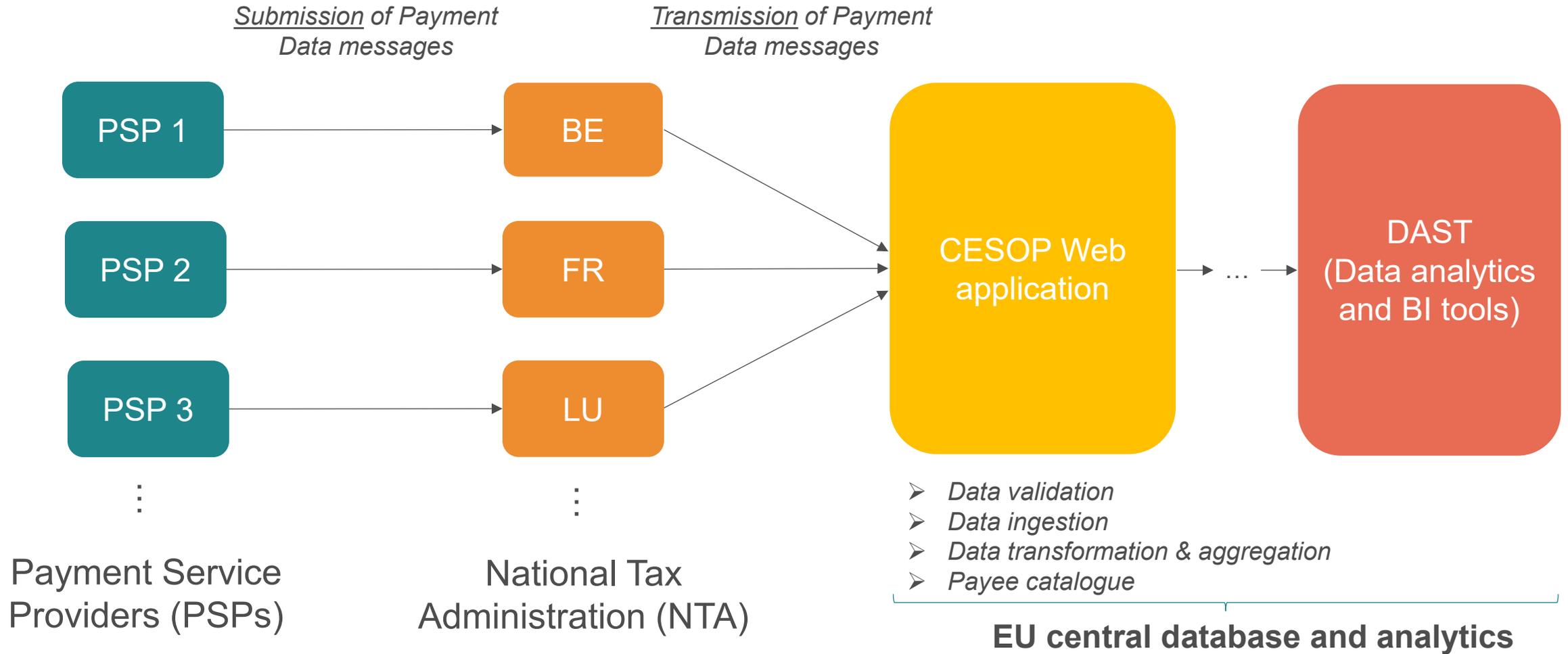
## **- Information to be kept on the payments:**

- a) Date and time
- b) Amount and currency
- c) MS of origin of the payment and destination of refund (+ method)
- d) Any unique payment reference
- e) Info that payment is initiated at physical premises of merchant (**for cards**)

## **No information on the payer**

*! Data protection: proportionality and necessity*

# Business Flow: EU central database



# Timing and challenges

## Go live schedules:

- System went into operation in January 2024
- First data submitted in Q1/2024
- Full data were available for MSs anti-fraud experts in Q1/2025

## Data volumes:

Number of payees # <b>42,358,207</b>	Payments € €76,519,683,682,957.64
Number of transactions # <b>41,572,262,060</b>	Refunds € €568,888,694,054.87

## Data quality issues:

- Part of data sets submitted by PSPs incomplete or incorrect
- Unique identification of payees: payee catalogue
  - Cleaning of data ongoing

# EU Joint Risk Analysis

- EU central database and analytics with a high degree of automation
- All CESOP information made available to Member States' anti-fraud experts via EUROFISC, the EU's network of anti-fraud experts from the 27 Member States

## Objective: improve detection of risky payees (sellers)

- CESOP to identify fraud risk criteria and make potential fraudsters list;
- Risk listings to be confirmed by EUROFISC anti-fraud experts ("qualification").

## Methodology:

- 1st step - "Data aggregation": Aggregate payment data per individual payee
  - 2nd step - "Data enrichment": Enrich payment data with:
    - Cross-checks with other European databases (VIES, OSS, SURV3, TNA)
    - MSs "intelligence"
- Next steps: Investigations / Joint controls by a group of Member States

# Legal Base and Guidance

- [Council Regulation \(EU\) 2020/283 of 18 February 2020 amending Regulation \(EU\) No 904/2010](#) as regards measures to strengthen administrative cooperation in order to combat VAT fraud
- [Council Directive \(EU\) 2020/284 of 18 February 2020 amending Directive 2006/112/EC](#) as regards introducing certain requirements for payment service providers
- [Commission Implementing Regulation \(EU\) 2022/1504 of 6 April 2022](#) laying down detailed rules for the application of Council Regulation (EU) No 904/2010 as regards the creation of a central electronic system of payment information (CESOP) to combat VAT fraud

## **EU Guidelines and support documents**

- [CESOP - Guidelines for the reporting of payment data](#) and [Frequently Asked Questions \(FAQ\)](#)
- [XSD and XSD User Guide package](#) and [CESOP Validation Module v1.3.0 and corresponding User Manual v2.01](#)

# Thank you!

[Valerie.ledure@ec.europa.eu](mailto:Valerie.ledure@ec.europa.eu)