IOTA DIGITAL COLLABORATION LAB
"IT TOOLS AND ANALYTICS FOR TAX FRAUD RISK DETECTION"

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LAUNCH OF DIGITAL COLLABORATION LAB on *"IT Tools and Analytics for Tax Fraud Risk"*

A member-driven platform enabling experts to jointly develop and test analytical approaches to detect and analyse tax fraud risks. It will build on existing work - particularly VAT and APS-related cases - while extending its relevance across different tax domains through shared tools, workflows and methodologies.

SCOPE DOCUMENT

WHY THE DIGITAL COLLABORATION LAB IS NEEDED NOW

Evolution of IOTA Projects

- The Lab builds on milestones from 2023's Project and 2026's digital workshop, showing growing collaboration.

Demand for Practical Collaboration

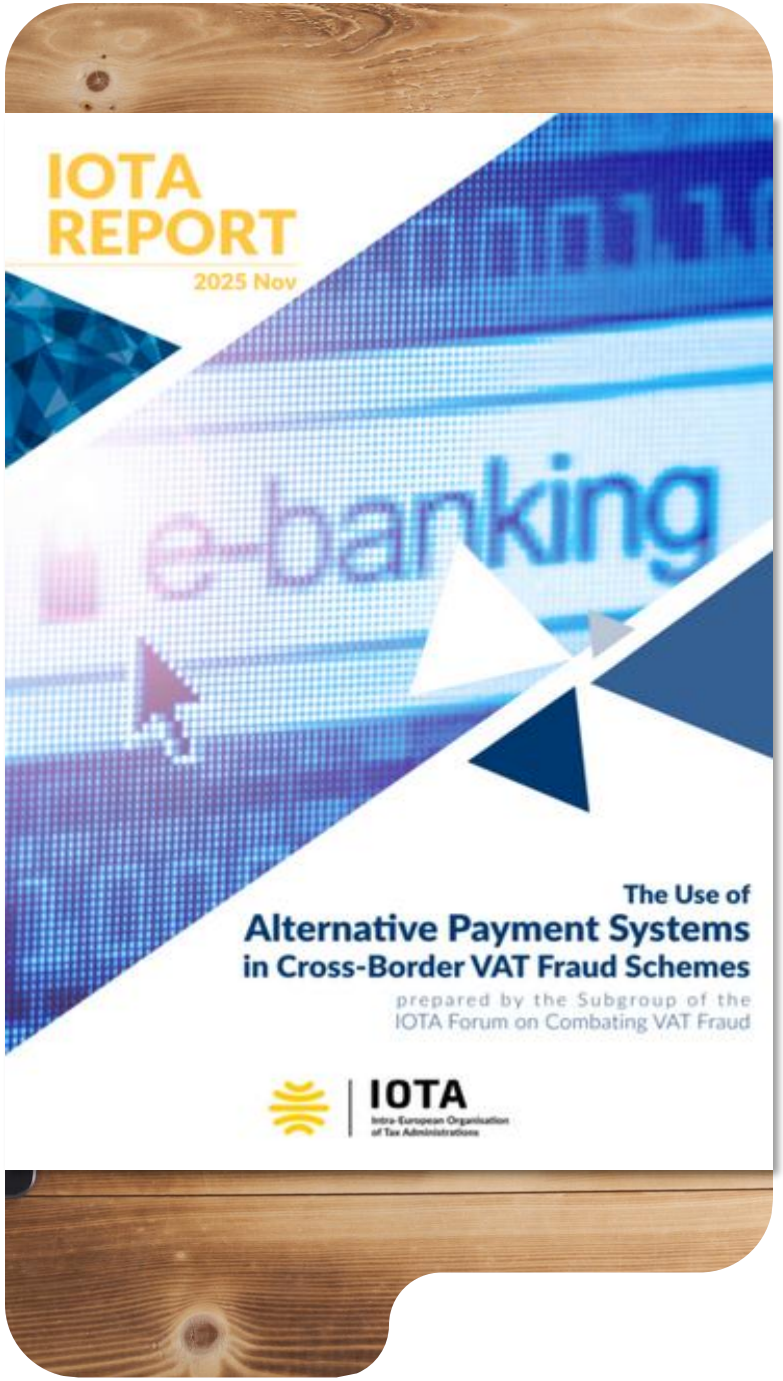
- Member feedback shows a need for hands-on collaboration focusing on workflows, red flags, and training, beyond reports.

Leveraging Existing Knowledge / Practical Testing Environment

- The Lab capitalises on prior investments and institutional knowledge to avoid duplication and enhance impact.

Addressing Urgent Analytical Challenges

- Rapidly evolving tax fraud risks in digital payments require timely, cooperative solution development.



FOUR THEMATIC FOCUS AREAS
FOR STRUCTURED DELIVERY



Data, Tools, and Infrastructure

- Practical use of analytical tools and environments (for example KNIME, Python, SQL, BI tools), data integration, data quality and preparation for tax fraud risk detection.

Risk Indicators, scoring and Pattern Detection

- Development and testing of risk indicators, red flags, scoring models and pattern detection methods for tax fraud risks.

Workflow Automation and Operationalisation of analytics

- Design of ready-to-deploy solutions. Workflows, automation of analytical processes, and practical support for auditors and investigators in cases.

Governance and Responsible Analytics (including AI)

- Practical approaches to anonymisation and pseudonymisation, the use of synthetic data, data protection and confidentiality considerations, governance of shared tools and models, and responsible use of AI assisted techniques in tax fraud risk analytics.

CLEAR OWNERSHIP AND MEMBER-DRIVEN ROLES



Project Ownership by IOTA

- IOTA sets strategic direction and ensures alignment with organisational goals and external partnerships.

Operational Role of Coordinator

- Coordinator manages daily operations, work plans, meetings, and maintains collaboration tools for continuity.

Lead Experts Driving Focus

- Lead Experts guide thematic areas, develop outputs, and provide expert technical leadership.

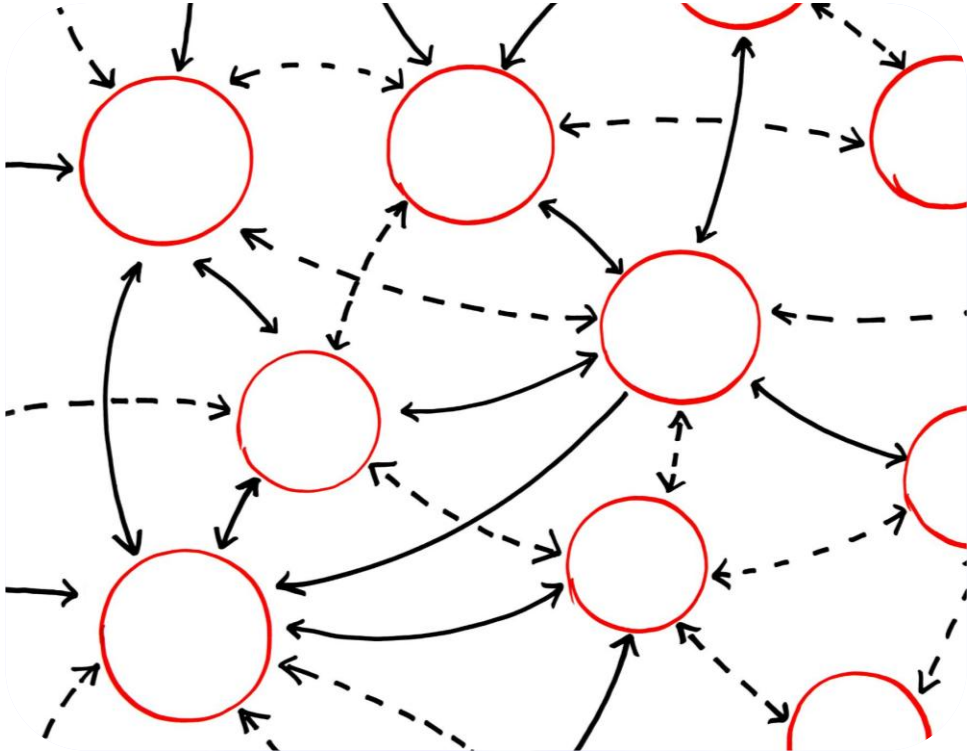
Contributing Experts' Participation

- Contributing Experts share experiences, test outputs, and offer valuable feedback for improvement.

Step 1 *Formation of the Lead Experts Group*

Step 2 *Call for Contributing Experts*

METHODOLOGY FOR OPERATING THE DIGITAL COLLABORATION LAB



Starting from the 4 thematic focus areas:

Co-Creation Cycles

- Each work stream works in short cycles. It follows steps from problem definition to design, testing, refinement, and documentation of outputs.

Practical Time-Bound Methodology

- Use of synthetic and/or anonymised data. Short cycles ensure momentum, accountability, and adaptability to emerging risks and participant feedback.

Continuous Interaction and Support

- Scheduled online meetings and ad-hoc group practice facilitate troubleshooting and peer learning throughout the project.

Realistic Time Commitment

- Lead Experts allocate a manageable monthly time, ensuring the feasibility and sustainability of the Lab's work.

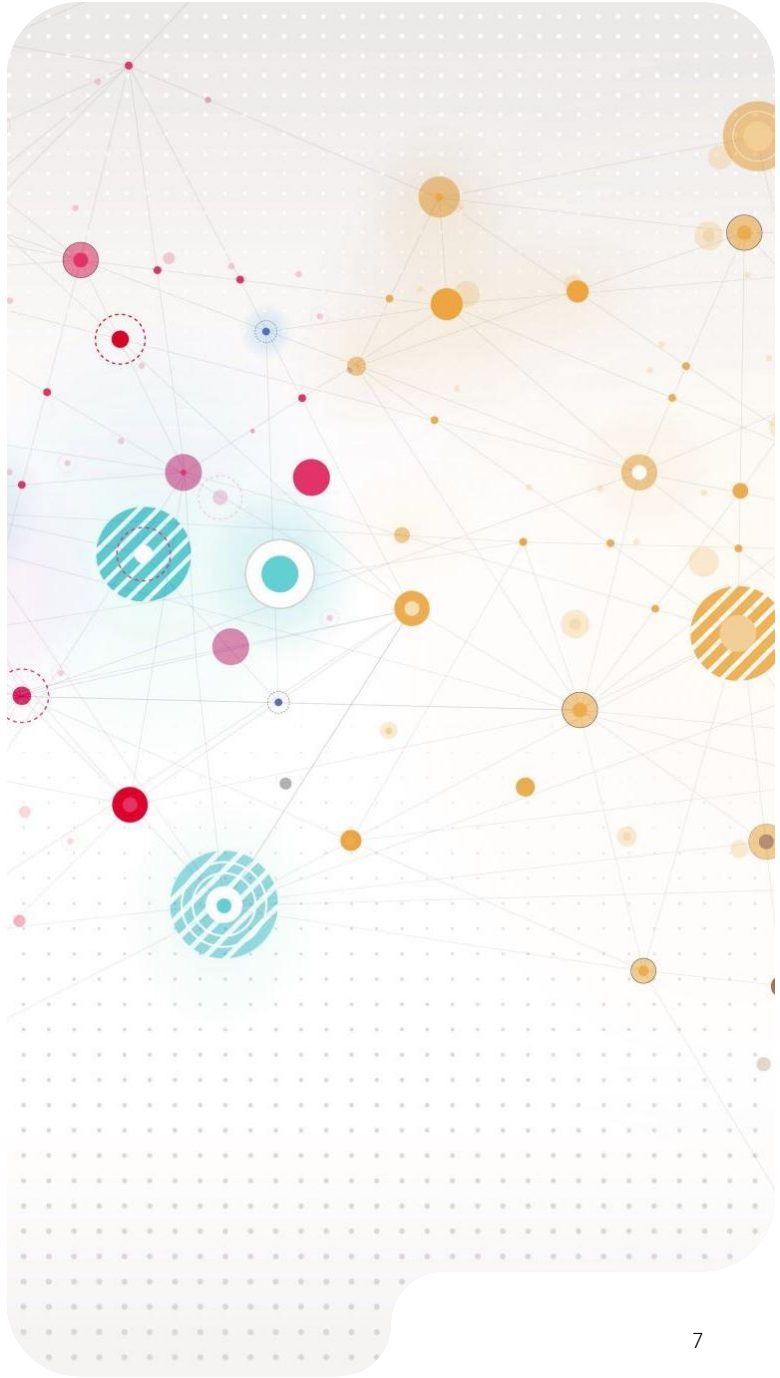
INITIAL 18-MONTH DELIVERY TIMELINE

Months 1-3 Launch and planning
Introduction to the Lab's scope, confirmation of the Lead Experts Group; launch of the call for Contributing Experts.

Months 4-12 Experience and knowledge gathering
Collection of national experiences, case studies and good practices; joint development and testing of workflows.

Months 12-15 Drafting outputs
Preparation of initial draft deliverables (good practices, practical recommendations, documented workflows, indicators and scripts) based on the experience gathered and the results of testing and co creation.

Months 15-18 Feedback and refinement
Review, refinement and finalisation of draft outputs, including structured feedback from participating administrations.



CONCRETE OUTPUTS FOR MEMBER ADMINISTRATIONS



Tangible Deliverables

- Deliverables include documented good practices, practical recommendations, and consolidated reports for member administrations.

Operational Reuse Focus

- Outputs are designed for direct operational reuse to accelerate implementation in national contexts.

Dissemination Event

- An event to showcase results, demonstrate tools, and discuss next steps to enhance visibility and uptake.

SUCCESS INDICATORS AND KPIs

Outputs

- Digital Collaboration Lab launched and action plan approved. Core deliverables (Good Practices, Practical Recommendations, Final Report) completed on time. Tools description; synthetic (or anonymised) datasets, risk indicators, workflows and training materials developed and shared.

Participation and engagement

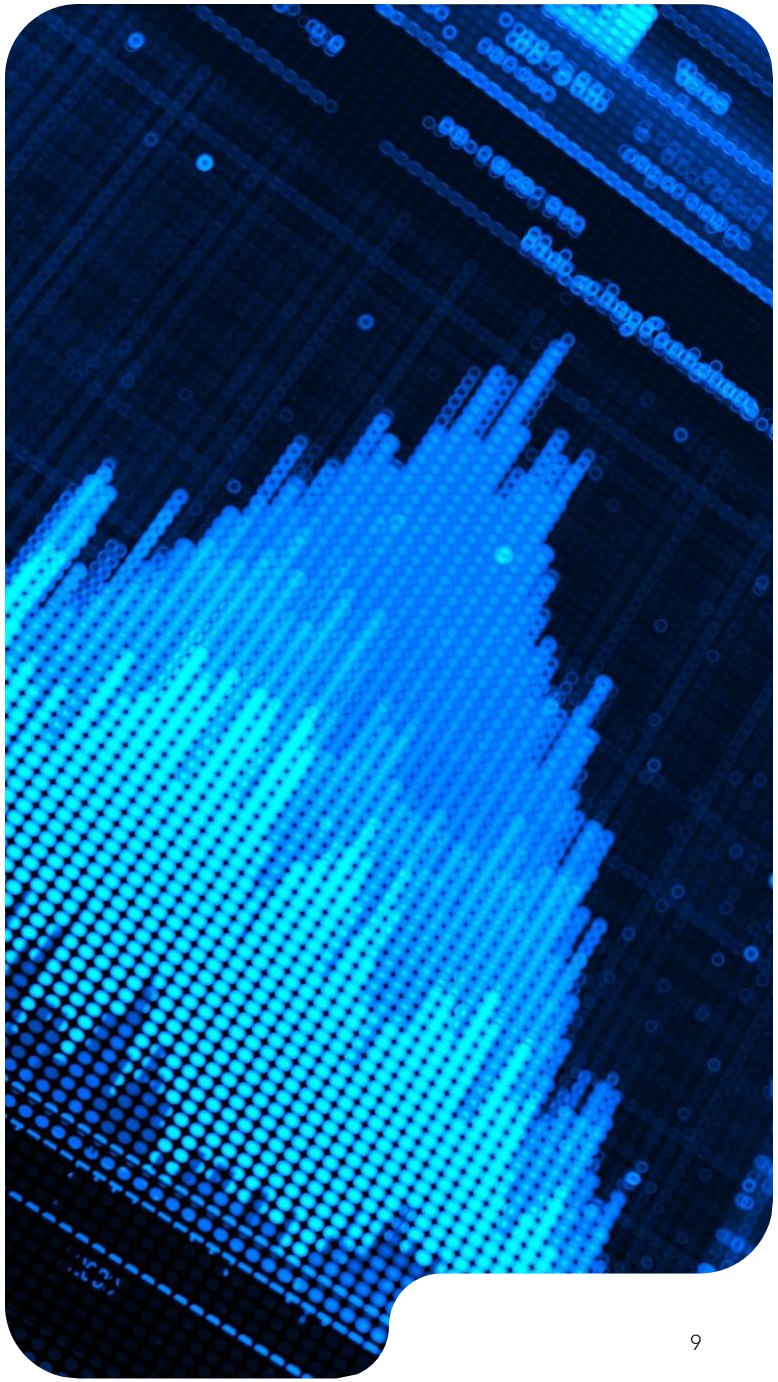
- Sufficient number of participating IOTA member administrations. Regular active participation of experts to the meetings.

Reuse and impact

- Administrations report adapting or deploying the Digital Collaboration Lab workflows, indicators or tools. Concrete examples of cases or projects where outputs are used. At least one identified practice or tool selected by administrations for further piloting or implementation.

Quality and improvement

- Positive peer-review and participant feedback on clarity and usability of deliverables.



IOTA

THANK YOU

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