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STRATEGIC INVESTMENT PLAN
FOR DEVELOPMENT
(PISD 2020-2023)

Domestic Public Resource Mobilization (DRM)

ANNUAL PROGRESS REPORT 2022



Abbreviations and acronyms

AFD	French Development Agency
ATI	Addis tax initiative
CEMAC	Economic and Monetary Union of Central Africa
CICID	Comité interministériel de la coopération internationale et du développement
COFIL	Comité de pilotage – Steering Committee
DGDDI	Direction générale des douanes et droits indirects
DGFIP	Direction générale des finances publiques
DGM	Direction générale de la Mondialisation
DGT	Direction générale du Trésor
DGTCP	Direction générale du Trésor et des comptes publics
DLF	Direction la législation fiscale
DMF	Debt Management Facility Fund
DRM	Domestic Resource Mobilization
DUE	Délégation de l'Union Européenne
EF	Expertise France
ETI	Expert technique international
FERDI	Fondation pour les études et recherches sur le développement international
IMF	International Monetary Fund
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GRA	Gambian revenue authority
GDP	Gross Domestic Product
GTP	Global Tax Program
ICTD	International center for tax and development
INSAE	Institut national de la statistique et de l'analyse économique
LOLF	InternaLoi organique relative aux lois de finances
MEAE	Ministère de l'Europe et des affaires étrangères
NORAD	Norwegian Agency for Development Cooperation
OECD	Organisation for Economic and Cooperation Development

PCT	Platform for Collaboration on Tax
PED	Pays en développement
PEFA	Public expenditure and financial accountability
PISD	Strategic Investment Plan for Development - Plan d'investissement stratégique pour le développement
PLF	Projet de loi de finances
RETEX	Retour d'expérience
RMTF	Revenue mobilization trust fund
UNDP	United Nations Development Programme
TADAT	Tax administration diagnostic assessment tool
UEMOA	West Africa Economic and Monetary Union

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SUMMARY

This report takes stock of the implementation of the Strategic Investment Plan for Development (PISD) over the course of 2022. During this period, the global economy began to recover from the impact of the COVID-19 pandemic, but rising food and energy prices created new difficulties for the most vulnerable, and created serious risks for the economic and social situation in developing countries. Domestic public resource mobilization (DRM) is a key source of financing to ensure a sustainable recovery from the pandemic, meet new challenges and achieve the Sustainable Development Goals (SDGs).

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These domestic resources are vital to support long-term economic growth and poverty reduction. Although some countries were making significant progress before the pandemic, developing countries are mobilizing an average of only 15% of their gross domestic product (GDP) (OECD, 2022). This means less money for education and healthcare, and fewer resources for investment in critical infrastructures such as energy and transport.

In line with the commitments made at the Addis-Abeba Conference on Financing for Development in 2015, France has adopted a policy to support domestic resource mobilization in developing countries. Since 2020, France has devoted over €60m to this priority as part of the PISD 2020-2023. This envelope is equally divided between bilateral and multilateral aid.

The €30 million bilateral envelope has been fully committed and up to 69% has been disbursed. It enabled the funding of 13 national and regional projects to support the definition of tax policies and capacity strengthening of tax administrations in 18 sub-Saharan African countries.

The multilateral envelope has also been fully committed, and at end 2022, 95% was disbursed to support eight multilateral initiatives led by international organizations such as the IMF, the World Bank and the OECD. These programs support projects, diagnostics, and facilitate donor coordination on DRM and debt issues. The funds have also been used to set up the Local Government Revenue Initiative (LoGRI) in partnership with the Gates Foundation and the International Center for Tax and Development (ICTD). The LoGRI fund aims to bridge the gap between those involved in applied research, public policy and reform implementation on local revenue mobilization programs.

Also a DRM platform was set up to facilitate implementation of this plan and exchanges between French ministries and operators involved in this field. Additionally, the platform participates in major international debates in the field of taxation, through the organization of various events that contribute to the visibility and promotion of France's DRM activities among its partners.

The Strategic Investment Plan for Development (2020-2023)

The interministerial strategy to support Domestic Resource Mobilization (DRM) in developing economies, published in June 2020, confirmed France's commitment at the Addis Ababa conference (2015) to support DRM.

The French DRM strategy has three objectives :

- Develop effective tax policies ;
- Modernize tax and customs administrations in partner countries ;
- Optimize international cooperation on DRM.

To ensure that these objectives are met, the inter-ministerial strategy was made operational through the Strategic Investment Plan for Development (PISD), that comes with over €60 million in grant funding. The PISD supports the effective mobilization of domestic tax and non-tax resources in fragile countries, in order to increase fiscal space for public development policies and to ensure their greater financial resilience to various crises.

PISD's implementation focuses on 15 countries in Sub-Saharan Africa¹ (cf. the map).

To ensure the successful implementation and appropriate monitoring and evaluation of the the PISD, a dedicated DRM platform (the MRIP platform) for project coordination and information sharing has been created. The MRIP platform includes representatives from the Treasury Department (DGT), the French Ministry of Foreign Affairs (MEAE), the Public Finance Department (DGFIP), the Customs and Indirect Taxation Department (DGDDI), the French Development Agency (AFD), Expertise France (EF) and the Foundation for International Development Studies and Research (FERDI).

Domestic resource mobilization in Sub-Saharan Africa

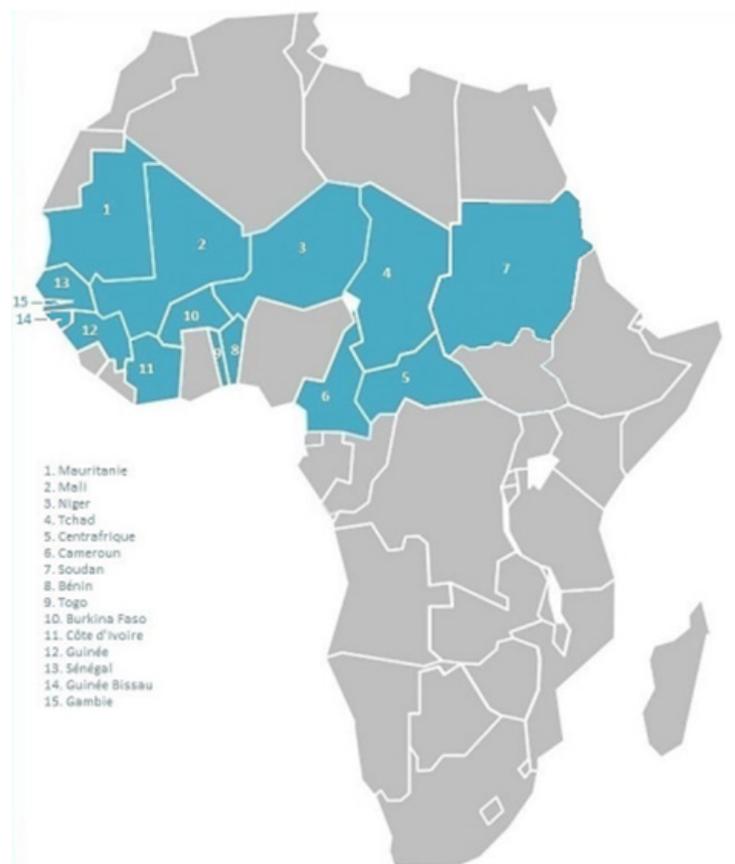
AN ECONOMIC RECOVERY WEAKENED BY INFLATION AND TIGHTENED MONETARY CONDITIONS

[In Sub-Saharan Africa, the post-Covid recovery slowed down.](#)

According to the IMF, following the recession of 2020 (-1.6%), the region experienced a strong growth rebound in 2021 (+4.7%), which subsequently eased (3.7% in 2023). Among Zone Franc countries, West Africa has been less affected by the crisis, and

¹ Bénin, Burkina Faso, Cameroun, Centrafrique, Côte d'Ivoire, Gambie, Guinée, Guinée Bissau, Mali, Mauritanie, Niger, Sénégal, Soudan, Tchad, Togo.

FIGURE 1. Map of PISD priority countries.
Strategic Investment Plan for Development (2020-2023).



is performing better than Central Africa. Oil-producing countries² were the hardest hit, due to the negative impact of the pandemic on the demand for this product.

Sub-Saharan growth is undermined by inflation.

Shortages caused by the pandemic and the Russian-Ukrainian war pushed consumer prices up to 14.4% in 2022. This inflation mainly concerns food³ and energy. This situation is all the more worrying given that 12%⁴ of the population of sub-Saharan Africa is suffering from severe food insecurity. Poverty and social tensions have increased. While Zone Franc countries seem to be spared by these inflationary pressures⁵, some Western African countries are still experiencing high levels of inflation⁶.

Monetary tightening is also likely to weigh on growth.

To combat inflation, central banks tended to tighten their monetary policy. More

2 Republic of Congo (-8.1%), Equatorial Guinea (-4.2%), Chad (-2.2%), Gabon (-1.9%).

3 See : <https://blogs.imf.org/2021/12/06/food-inflation-in-sub-saharan-africa/>

4 123 million people.

5 Inflation could reach 6.1% in 2022, and fall back to 3.1% in 2023.

6 Guinea (12.2% in 2023), Gambia (11.1%) and Mauritania (7.8%).

than two-thirds of sub-Saharan African countries have begun to raise their key interest rates.

REDUCED TAX REVENUES AND A RISK TO PUBLIC DEFICIT

The Covid-19 pandemic penalized revenue collection in many sub-Saharan African countries.

In the first half of 2020, the median amount of tax revenues dropped by 15% compared to the first half of 2019 (Aslam et al., 2022). The region's «fiscal revenue to GDP» ratio, which stood at 17.0% in 2019, fell to 15.6% in 2020, before returning to 17.1% in 2021 (IMF, 2022)⁷. The decline in revenues is explained by the contraction in activity and by measures to mitigate the adverse effects of the crisis on the private sector. Within the Zone Franc, 10 out of 14 countries recorded a fall in the share of budget revenues in GDP in 2020. In 2022, this indicator has still not returned to its pre-crisis level in 7 countries. The recovery in revenues has been faster in UEMOA countries than in the CEMAC countries.

In the wake of the pandemic, public deficits widened.

Lower tax revenues, combined with higher spending, led to a sharp increase in deficits. On average, for all Sub-Saharan African countries, budget deficits have risen from -3.9% in 2019 to -5.1% in 2021. A recovery can be observed from 2022 (-4.5%), but the deficits forecast for 2023 (-4.3%) should remain, on average, higher than before the crisis.

Within the Zone Franc, there is a major difference between West and Central African countries. In the CEMAC, all countries have virtually returned to balanced budgets⁸ thanks to the rise in oil prices. In the UEMOA, all countries are expected to record higher deficits in 2023 (between -4.0% and -5.3%) than in 2019. Reducing public deficits by increasing domestic resource mobilization remains a major challenge, given the fragile macroeconomic context and recent political instability in several countries.

The crisis led to an increase in public debt.

In sub-Saharan Africa, the debt-to-GDP ratio reached 57.6% in 2020, up from 50.1% in 2019. Due to the economic recovery, it should fall back to 53.7% in 2023. However, around a third of sub-Saharan countries have debt levels exceeding 70%⁹. Within the Zone Franc, the evolution of national debt follows the same trend as

⁷ Tax revenue data collected on a monthly or quarterly basis for 34 sub-Saharan African countries until December 2020.

Aslam A., S. Delepierre, R. Gupta and H. Rawlings (2022). «Revenue Mobilization in Sub-Saharan Africa during the Pandemic». IMF Special Series on COVID-19. IMF (2022). World Economic Outlook Databases. October 2022

⁸ Cameroon, Central African Republic.

⁹ These include Gambia (73.1% expected in 2023), Congo (73.9%), Senegal (74.3%), Guinea-Bissau (80.3%) and Sudan (155.3%).

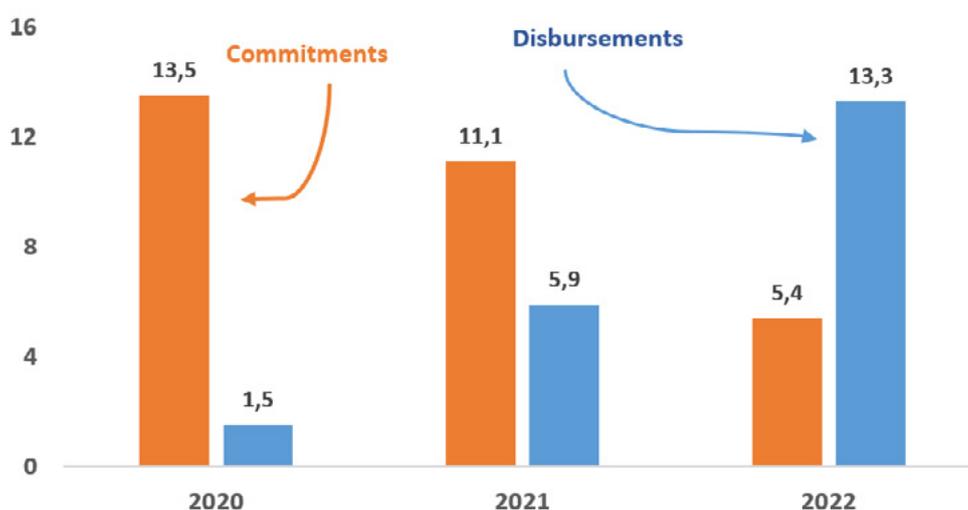
the evolution of budget balances. In the CEMAC, due to surpluses, most countries have returned to debt levels approximately equivalent to, or even well below, pre-pandemic levels¹⁰. By contrast, in the UEMOA region, where deficits remain high, all countries have experienced a significant increase in debt¹¹.

PISD financing and disbursements

The PISD has a total budget of €60.6 million for the period 2020-2023, which is equally allocated between a bilateral and a multilateral funding window. The PISD is co-financed by the DG Treasury (€58 million), and the MEAE (€2,6 million).

Through the bilateral window, a €30 million financing supports 13 bilateral projects implemented by AFD and Expertise France. The bilateral component of the PISD further mobilizes the expertise of the DGFIP and the DGDDI, notably through the deployment of international technical experts. At end 2022, 100% of the bilateral envelope has been committed, and €20,7 million, i.e. 69% of the funds, have been disbursed (see figure 2).

FIGURE 2. Commitments and disbursements of the bilateral envelope of the PISD (in million €)



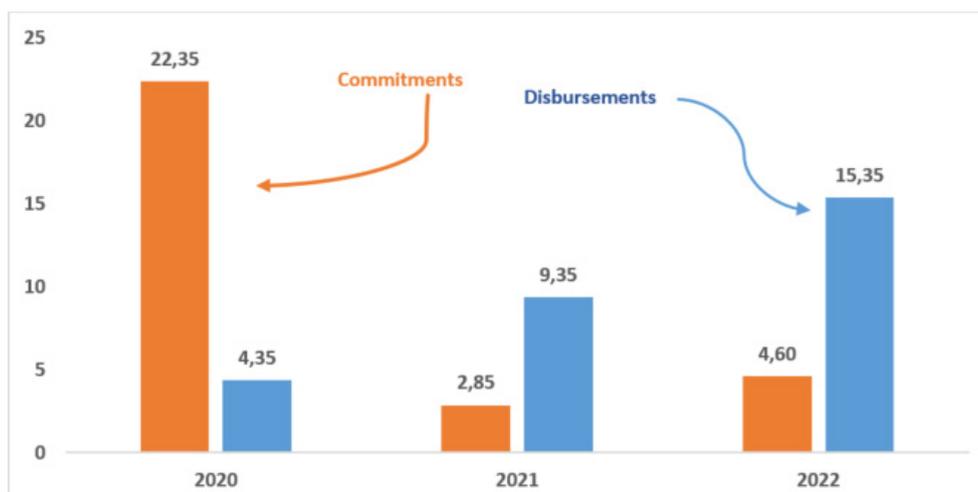
The multilateral window enables France to contribute to multi-donor initiatives on DRM and debt. It has an envelope of €30.6m to support eight multilateral initiatives. At en 2022, €29,05m of funds (95%) have been disbursed since 2020 (see figure 3)¹².

¹⁰ The debt-to-GDP ratio is set to fall to 46.2% in 2023, from 52.3% in 2019.

¹¹ Expected to reach 59.6% of GDP in 2023, up from 44.3% in 2019.

¹² Commitments and disbursements include €12 million funding for the training centers AFRI-TAC West and Center, affiliated to the IMF, to deliver training and capacity building. Funding is provided through a budget line (other than the PISD) under program 110, managed by the French Treasury.

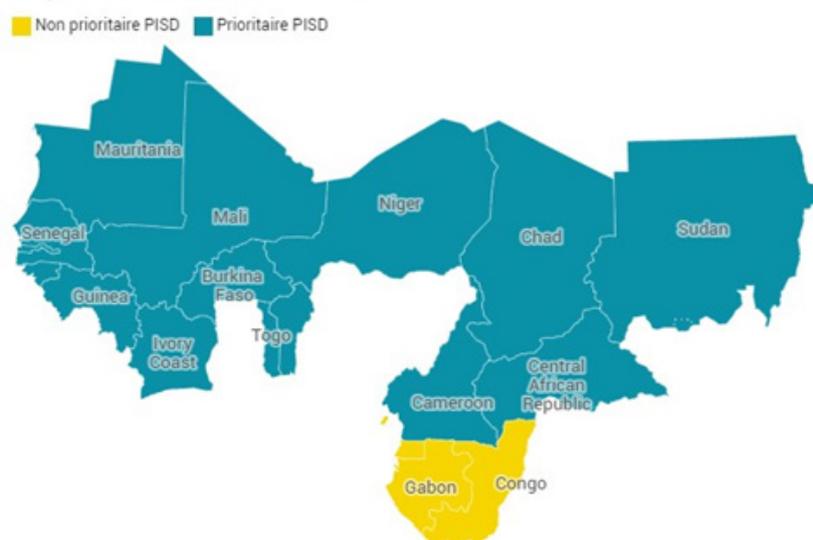
FIGURE 3 : Commitments and disbursements of the multilateral envelope of the PISD (in million €)



Bilateral projects funded by the PISD

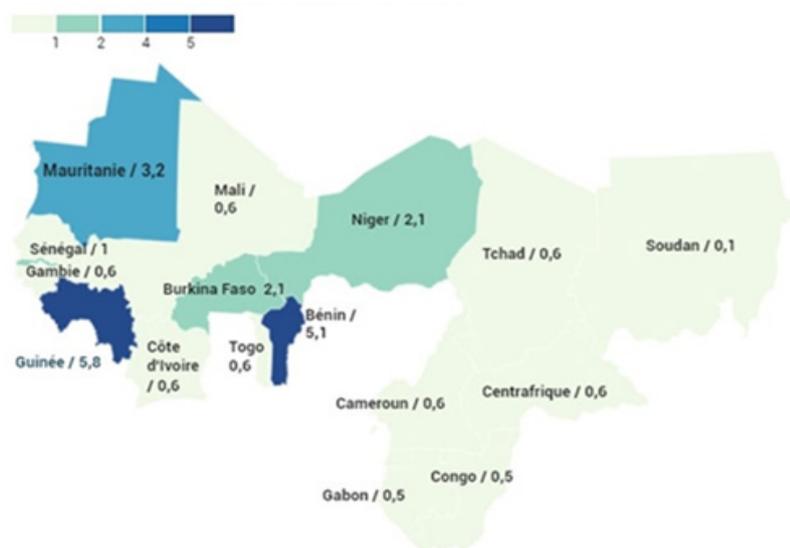
Through its bilateral envelope, the PISD currently supports a total of 13 country and regional projects in 18 Sub-Saharan African countries (i.e., the 15 PISD priority countries plus Equatorial Guinea, the Republic of Congo, and Gabon), for a total amount of 30 M€.

FIGURE 4. PISD beneficiary countries



Among the country projects, two have already been completed (PAGEFIP II and PACCAF) and five are currently under implementation (PASFIC, ETI Niger, PAMSI Benin, MRI Gambia, PAGEFIP Ouagadougou). Three projects are due to start shortly (P2FP, AMRIC, Datamining). The three regional projects (DATAFID, PARFID and FORCE) all started in 2021 or 2022.

FIGURE 5. Amounts by country (in million €)



All projects are subject to an accountability framework detailed in Annex 2. The inter-ministerial strategy and the PSD are based on four main objectives, which the projects are striving to meet:

1. Supporting the design and implementation of tax policy;
2. Supporting tax and customs reforms and strengthening institutional capacities;
3. Ensuring data reliability and broadening the tax bases;
4. Promoting taxpayer compliance.

Tableau 1. Bilateral PSD projects and objectives

Bilateral PSD projects	PSD objectives	Bilateral PSD projects	PSD objectives
PAGEFIP II	2,3,4	ETI Niger	2,3,4
PACCAF	1,2,3,4	FORCE	1,2,3,4
PASFIC	2,3,4	PAMSI	2,3,4
DATAFID	2,3	GRA Gambie	2,3,4
PARFID	2	AMRIC	1,2,4
PAGeFiP Ouagadougou	1,2,3	Datamining Sénégal	1,2,3
P2FP	2,4		

PROJECTS COMPLETED

Supporting Public Financial Management in Mauritania phase 2 (PAGEFIP II)

Expertise France – €1.5m - Mauritania – June 2020/August 2022

The second phase of the [PAGEFIP project](#), co-funded by France and the European Union (total budget €3.5m), was deployed over two years to support the Mauritanian authorities in implementing the public finance reform. It supports the Directorate General of Taxes (DGI) in (i) making data more reliable, securing revenues, simplifying tools and procedures, and (ii) strengthening its agents' capacities.

The activities were completed in July 2022. On the whole, the objectives were achieved, particularly in terms of support for budgetary and accounting reform by adapting the regulatory framework and strengthening the information systems. In the taxation field, the various activities enabled :

- Finalizing the General Tax Code reform (CGI);
- Securing the JIBAYA tax database;
- Drawing up a roadmap to steer the DGI's digital transformation;
- Training courses for the DGI and DGE on TADAT methodology, the new CGI, documentary audits, IT security, etc;
- The first TADAT evaluation, carried out jointly with the IMF in 2022;
- Promotion of the DGI's online services platform : www.tele-services.gov.mr.

The support for the reforms undertaken by the Mauritanian authorities is set to be continued within the framework of the new program to support financial and administrative governance in Mauritania (PAGFAM). This project, funded by the European Union, will build on PAGEFIP II's achievements, and will draw on the TADAT diagnostic findings to continue the support to the tax administration.



Strengthening Public Financial Management Controls in Guinea (PACCAF)

Expertise France – €0.6m - Guinea– August 2018/
December 2022

The [PACCAF project](#) expanded the scope of the activities carried out under PACCAF 1, which was funded by the European Union. In particular, contracts for two resident experts in Customs and Tax Administration have been extended.

This grant enabled the following :

1. Broadening the tax base and making it more reliable
2. Securing the collection of VAT revenues
3. Improving financial governance.

The first significant results achieved include :

- A 71% increase in revenues collected by the Medium-sized Businesses Department between 2018 and 2022 ;
- The achievement of the target of 12 controls/inspections ;
- The reduction of physical customs controls at the port of Conakry (from 100% to 70%) ;
- The increase in the number of payments via new information technologies (5,451 monthly payments via e-tax in December 2022, compared with 900 in August 2021) ;
- Growth in the number of fiscally active companies: 3,300 in September 2022, compared with 1,600 in 2018.

TESTIMONIALS

Testimonials from administrations that received support under the PACCAF project

▶ Guinea: Towards better targeted and efficient customs controls.

Strengthening the goods selectivity system in Guinea's Directorate General of Customs (DGD).

▶ Guinea: Broadening and securing tax revenues.

Support to the National Tax Directorate (DNI) to set up a permanent tax identification number (NFIp) for companies operating in Guinea, in order to expand the tax base and secure tax revenues, while helping to reduce the share of the informal economy.

Complementarity and collaboration between technical and financial partners is well established in Guinea in the field of DRM. The project was at the heart of a dialogue organized by the public structure « Mission of Support to DRM» (MAMRI), which enabled a TADAT evaluation to be carried out in October 2022, with joint financing by PACCAF and the TADAT Secretariat (IMF). PACCAF also worked with the African Development Bank (ADB) on the implementation of the E-tax software (tax declaration and payment system), by actively participating in its promotion. Finally, an IMF study¹³ was carried out to improve the selectivity of goods through customs.

Building on the PACCAF's experience, the AFD and the European Union agreed to work on and finance (€8m) a new public finance management support project. Expertise France will implement the project over the period 2023-2026.

¹³ "Optimizing the analysis and operational use of customs data: better managing risk and directing controls", Anne-Marie Geourjon, Emilie Caldeira, Georges Claustres and Bertrand Laporte, June 2022

PROJECTS UNDER IMPLEMENTATION AND RESULTS



Regional Project to Strengthen Statistics of the Digital Economy and to Support the Use of Data Science (DATAFID)

Expertise France – €2.5m – Regional Project with 6 pilot countries : Cameroon, Côte d’Ivoire, Mauritania, Niger, Senegal, Togo – 2021/2023

This regional project supports the improvement of authorities’ knowledge on the digital economy, and the capacity building of tax and customs administrations to improve their use of data science. It represents a key challenge for facilitating taxpayer management and tax revenue collection. This project is in line with the PSD’s objectives 5 («support for tax and customs reforms and capacity building») and 8 («making data reliable and broadening the tax base»).

In 2022 the pace of activities carried out across all components accelerated.

It included :

Component 1 : DIGITAL ECONOMY

• Digital statistics :

- Construction and validation of a methodology for producing statistics related to the digital economy, which will be tested in Côte d’Ivoire in 2023;
- Research on the potential of telecoms operator data in Senegal (carried out by the Louis Bachelier Institute of the French Ecole Polytechnique).

• Digital taxation :

- Launch of a digital taxation facility, through which countries can request assistance from the project for interventions that they identify themselves;
- In December 2022, Ivorian and Senegalese DGI officials participated to a study visit to France. They discussed existing standards for digital economy taxation with the DGFIP and the OECD.

Component 2 : DATA SCIENCE

• Prototype development :

- Identification of data science use cases to be developed in tax and customs administrations : improved targeting, automation of certain tasks, cleansing and reorganization of data for better exploitation, etc. ;
- Creation of a datalab (datalab.datafid.world), an online tool where beneficiaries can practice data manipulation, and follow online training courses at their own pace;
- Organization of hands-on activities to support the development of skills and use cases.

• Distance learning:

- Co-construction with IHEDD-FERDI of online training modules on various topics

(performance contracts, transfer pricing, geo-spatial data analysis, etc.);

- Co-organization, with the World Customs Organization, of field missions to Mauritania and Côte d'Ivoire to strengthen the capacity of administrations.

Efforts have also been made to strengthen relations with partners involved in the project (OECD, GIZ), as well as potential providers of expertise (DGFiP, DGDDI, Bercy Hub, INSEE).

The project has been very favorably received by the beneficiary administrations. The DATAFID project is intended to lay the foundations by mobilizing tax administrations on these issues, but a national approach seems crucial to sustain the gains made.



Regional Project for Capacity strengthening in Tax and Customs Administrations (PARFID)

Expertise France – €5m – Regional project (14 countries CEMAC et UEMOA) - 2021/2023

The PARFID project aims to strengthen the training of tax and customs officials in UEMOA and CEMAC member states.

The project comprises 4 components :

1. Diagnosis of training needs in CEMAC zone countries (completed in 2021)
2. Support for the modernization of initial training for tax officials
3. Promotion of the regionalization of continuing training
4. Support for training management.

The second component has been completed at 50%. Five initial tax training



**Regional workshop to co-design initial tax training modules.
Dakar, October 2022.**

modules have been designed by 70 editors from the tax departments of 9 countries. The next stage of the project will involve accompanying the countries in the deployment of these modules.

The following activities in components 3 and 4 have been completed :

- Training in andragogy (250 instructors trained in all countries)
- Collection of training needs
- Studies on the regionalization of continuing training and the e-learning platform
- «Training management» course (37 participants), for which an evaluation has

been carried out

- Design of two customs training modules

Additionally, other activities launched in 2022 are still being implemented :

- Training in the design of HR reference frameworks (15 participants) ;
- Executive Academy (15 participants);
- Support for trainers in designing cross-functional customs - tax training modules (10 participants)
- E-learning course (15 participants); Risk management training course for instructors (10 participants).

Finally, a seminar for General Managers was held in March 2023 in Abidjan.

TESTIMONIALS

The testimonials collected (available on the PARFID website) reveal the match between activities and identified needs.

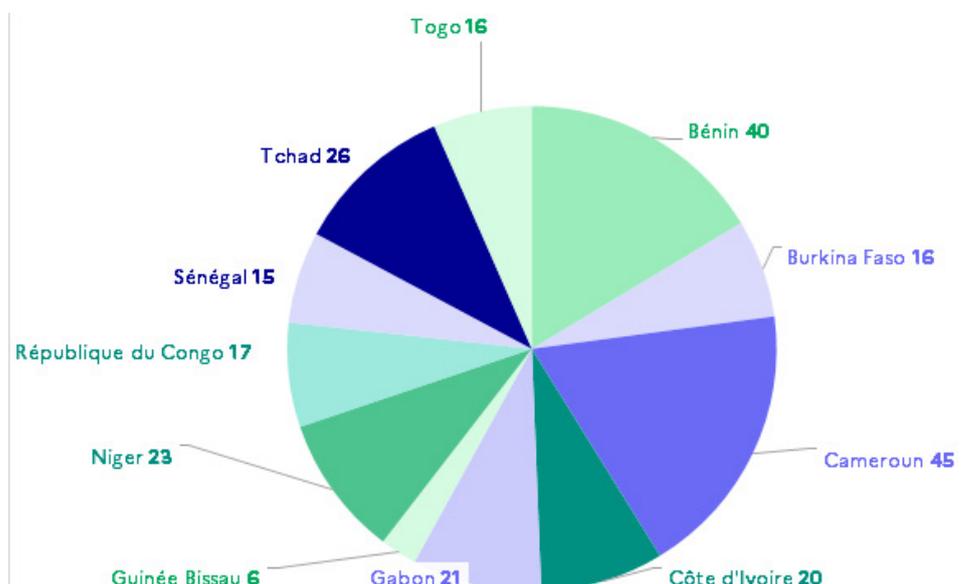
DGI Niger

"We are in Abidjan today to evaluate the implementation of all the training courses. The latter have been extremely successful in our respective countries. Thanks to the activities financed by the PARFID, human resources have become more important than in the past"

DGI Sénégal

"The PARFID program enabled us not only to set up a pool of trainers, but also to tackle other themes, such as management, HR management, e-learning, andragogy courses, referential training courses, etc. These are all positive and highly fruitful contributions from the PARFID project, which we hope to perpetuate and strengthen. "

FIGURE 6. Number of participants per country to the PARFID project



In 2023, the challenge is to ensure the sustainability of PARFID's activities within administrations and at the regional level. A proposal will be submitted for the continuation of the project after 2023, with a component relating to individual support for general directorates.

Support Project for the Cameroon Tax System (PASFIC)

Expertise France – €2m - Cameroon – 2022/ 2025

The PASFIC project aims to support the General Tax Directorate of Cameroon in its fiscal transition. It has three components:

- **Component 1** : Support for the pre-filled annual income tax return project for non-professional taxpayers ;
- **Component 2** : Support for the organization and operationalization of local and individual tax centers and a special unit responsible for monitoring the tax affairs of high-level personalities;
- **Component 3** : Continuing professional training.

The first activities mainly concern the first component of the project. A long-term expert was appointed in February 2023. The reform of the pre-filled tax return is underway, as well as its digitalization with the support of GIZ. The priority for 2023 is to improve the reliability of the individual taxpayer file, and to integrate the data from third-party tax filers into the information system.

With regard to the second component, the initial activities are dependent on the decentralization bill which must be approved by Parliament.

The third component aims to support the PARFID regional project (see above) for the creation of a DGI training center. It has also been agreed to provide a scholarship to finance the tuition of a Cameroonian student in a Public Finance Master's program starting next year.



Project launch mission to Cameroon's DGI in February 2023.

Project to support the modernization of the Benin tax authority's IT system (PAMSI Bénin)

AFD – €4.5m - Bénin – 2022/2025

The project is designed to support the ongoing reform of the tax administration, as well as the efforts to dematerialize procedures, declarations and payments, and to interconnect the various services of the General Directorate of Taxes (DGI) and the General Directorate of Customs (DGD). The sharing of reliable data and the operation of a data warehouse will improve risk analysis and controls.

The project has two components:

1. Support for the DGI in implementing the Tax Administration Orientation Plan (POSAF 1) and developing POSAF 2 (2022-2026)

- Studies have been carried out to update the IT systems master plan and identify the tax potential of several sectors (informal, land, e-commerce, financial transactions);
- A new strategy for communication and promotion of tax compliance will be implemented in 2023;
- Two studies have been completed to formalize activities in the informal economy and assess the tax potential of trade.

In terms of PISD results indicators, this first component contributes to progress in building the capacity of DGI inspector-auditors (30 trained, including 10 women and 20 men), and to promoting tax compliance by improving the user experience.

2. Actions under the second component began in April 2023. It has three dimensions :

- Software architecture and data reliability;
- Dematerialization and compliance with business reforms to improve the regulatory framework for data sharing and tax administration efficiency;
- Infrastructure and data centers.

EF and GIZ work in synergy on fiscal potential and capacity building for DGI agents. Following two technical supports carried out on the fiscal potential of land and e-trade, the IMF and GIZ asked to be put in touch with experts to work in perfect coordination on these two themes.

International Technical Experts project for the Niger Ministry of Finance (ETI Niger)

AFD – €1.5m - Niger - 2022/2024

The aim of the project is to contribute to strengthening the capacity of the Directorate General of Taxes (DGI), the Directorate General of Customs (DGD) and the Directorate General of the Treasury and Public Accounting (DGTCP), to

ensure that they are equipped to operate, communicate and report to taxpayers.

In 2022, two international technical experts were appointed to work with the directors of the DGI and DGTCP. These resident experts, in post for two years, advise the directors in implementing the reforms set out in each authority's strategic plan and aimed at improving domestic resource mobilization. The experts complement the AFD-funded PAMRI project, which has been running since 2019.

When they took up their posts, the experts carried out a diagnostic of their respective directorates to identify strengths, challenges and areas for improvement.

Initial capacity-building activities were carried out in the last quarter of 2022 :

- **DGI** : methodological support for tax audit investigations and planning ; review of the «tax search» procedure set out in the General Tax Code ;
- **DGTCP** : support for the drafting of a strategic plan specific to the DGTCP ; support for the development of new State accounting standards ; new proposals to improve the efficiency of the DGTCP.

Furthermore, the expert supports the DGI in the installation of cell phone tax payment solutions, financed by PAMRI. With the aim of building the capacity of audit and internal control structures, the DGTCP resident expert led two training sessions in January 2023, attended by 9 and 19 participants.

The authorities indicated their satisfaction of benefiting from the support of the two DGFIP technical experts deployed by EF, who work full time on accompanying the reforms.

Facility for the Orientation and Coordination of Financial Governance Expertise (FORCE) project



AFD – €3.65m (including €1m from the PISD) – UEMOA, Guinea Conakry and Mauritania – January 2022/July 2024

The FORCE project is a platform for technical assistance in public finance. To this end, 6 high-level technical experts are based in Abidjan, and can be mobilized at the request of countries to provide tailor-made support. Since 2022, the program has been active in the UEMOA zone, Guinea Conakry and Mauritania. In 2023, FORCE's area of intervention is set to expand to include Chad and Congo Brazzaville.

The aim of the platform is to provide support to recipients in the drafting of reform plans, and to strengthen their management and tools capacities. Beneficiaries are all central or decentralized administrations, but the initial focus is on the main departments of the Ministry of Finance.

The experts are able to cover all areas of public finance :

1. Budget management
2. Tax management
3. Customs management
4. Accounting management

5. Public procurement.

The experts can intervene at all stages of the public policy implementation cycle.

The AFD is financing the project to the tune of €3.65m (of which €1m is PISD funding), and the project is being implemented by Expertise France. The FORCE program benefits from the PISD funding for the deployment of two experts from the French administration to support tax and customs reforms.

In 2022, the support provided in the area of DRM included:

1. A study on taxation and customs duties for the Cultural and Creative Industries (CCI) in Côte d'Ivoire
2. Support for Niger's General Directorate of Customs
3. Identification and analysis of DRM support needs in Guinea Conakry and Côte d'Ivoire.

In 2023, DRM activities are already planned or in the process of being identified in Benin, Burkina Faso, Congo Brazzaville, Guinea Conakry, Guinea Bissau and Niger.

The system is very much appreciated by administrations, who feel that the services offered quickly meet their needs. The support provided concerns the reforms that administrations consider to be priorities. This aspect contributes to the sustainability of the results of the technical support provided.



Gambia Domestic Resource Mobilization Support Project (DRM Gambia)

AFD – €2m - Gambia– 2022/february 2024

This project aims to support the implementation of the reform plan adopted by the Gambia Revenue Authority (GRA) to increase the rate of internal resources from 12.8% in 2020 to 15.7% of GDP in 2025. The project supports the capacity building of customs and tax services, the exploitation of the potential of tax and customs technologies and the promotion of tax compliance.

Operations began in the third quarter of 2022. Since then, 114 agents have been trained, including on post-clearance auditing, the Authorized Economic Operator program and new tax measures, as well as on data digitization as part of the implementation of the GRA's digitalization program.

The main activities still to be carried out concern capacity-building in extractive industries taxation, tax dispute resolution and dispute settlement mechanisms, data management for tax auditing, global risk management and interdepartmental cooperation at borders. In addition, the refurbishment of a data center is underway. Activities to promote good tax citizenship are also on the agenda.

The AFD regularly consults and informs other donors (and participates in meetings of GRA partners organized by the IMF TA). The participation of other technical and financial partners in project steering committees is sought.

PROJECTS UNDER INITIATION

Strengthening Public Financial Management in the City of Ouagadougou (PAGeFiP)

Expertise France – €1.5m - Burkina Faso – 2022/2024

Since 2019 and the completion of a second PEFA¹⁴ evaluation, the City Hall of Ouagadougou has been committed to reforming its resource mobilization as well as its public finance management strategy.

To support the implementation of the PEFA action plan, Expertise France has deployed a Resident Team (EREF) within the framework of the PAGeFiP Project, comprising a project manager and an expert in local public finance, based in the mayor's offices. The EREF works on a day-to-day basis with a Project Management Unit (PMU) comprising four agents from the Town Hall : the General Director of Resources, the Director of Finance and Budget, the Director of the Communal Tax Base and the Head of the Revenue Mobilization Department.

In 2022 the focus was on revising the PEFA action plan, updating the PAGeFiP project's logical framework, indicators and timetable, and budgeting the activities validated by the city council. A manual of procedures was co-constructed to set out the standards and processes for the operational management of the project.

The implementation of the PAGeFiP was delayed by the absence of a signed memorandum of understanding between the Ouagadougou City Council and Expertise France. Nevertheless, activities were initiated with the submission of a memorandum of intent for a project in partnership with the Metropole de Lyon under AFD's Facilité de Financement des Collectivités territoriales (FICOL). A feasibility study has been launched to set up an Urban Land Registry within the town hall.

Supporting Professional Training in Public Finance in Mauritania (P2FP)

Expertise France – €1.5m - Mauritania – 2023/2025

The start of the project, was initially scheduled for July 2022. However, it has been postponed to 2023, due to a request from the Ministry of Finance to Expertise France to carry out a feasibility study for the creation of an Institute for continuing education in public finance (Académie project). The study was financed by the World Bank. The implementation of P2FP activities will be based on the conclusions of this study, and will complement the actions planned for the Ministry of Finance departments as part of the PAGFAM project financed by the European Union.

The technical team is composed of a resident expert on training issues (component 1), and an expert who will work on HRM and GPEC issues for the second component. Activities will get underway in June 2023 with French language

¹⁴ Public Expenditure and Financial Accountability

courses for agents preparing for the ENFIP entrance exam, the construction of training modules for component 1, and a first mission by the HRM expert for component 2. In addition, the project will propose exchanges of experience with the Finance Institutes of Morocco and Palestine. It will also capitalize on the achievements of the PISD-funded PARFID regional project.

A platform financed by Expertise France as part of the Public Sector Governance Project (PSGP) is currently being set up and will host the MOOCs and courses financed by the P2FP. This platform will have dedicated access for each agent, who will be able to train initially online and subsequently on site once the building has been fully completed.

Supporting Domestic Resource Mobilization in Guinea (AMRIC)

AFD – €5m - Guinea – April 2023/March 2027

This project to support domestic revenue mobilization in Guinea was awarded in November 2022 for €5m. Appraisal and award were delayed due to the coup d'état in September 2021, which gave way to a period of instability and uncertainty, even though this project responded to a strong demand from the Presidency of the Republic of Guinea.

The project is structured around three components :

- Component 1 : strengthening the administration's capacity to mobilize tax resources and define and manage tax policies;
- Component 2 : increasing resource mobilization in pilot communities;
- Component 3 : strengthening the capacities of civil society organizations to take part in the design, monitoring and evaluation of state and pilot commune budgets.

Through a project team based in Guinea, Expertise France will implement and monitor the entire project. In parallel, complementary activities not covered by this project (notably component 1) will be implemented by Expertise France, with funding from the European Union.



Datamining Project

Expertise France – €0.4m - Senegal – 2022/June 2025

The aim of this project is to «Improve the legal and technical framework for intelligence and set up a Datamining unit in Senegal». It comprises 4 components:

1. Support for the definition of an intelligence policy ;
2. Support for the implementation of data collection and processing methods and tools ;
3. Support for the implementation of a change management approach ;
4. Support for the definition and acquisition of a Datamining solution for the Direction Générale des Impôts et des Domaines (DGID).

The project began in 2022 with the deployment of the long-term expert on European Union funding, with an initial budget of €1m. The project has been boosted by a 400,000€ extension, which will fund two new components:

5. Enable tax contributions from the digital commerce sector ;
6. Exploit the potential of cadastral data to improve domestic resource mobilization.

The activities of the two components financed by the DGT have not yet been deployed. They are due to start in the second half of 2023.

Multilateral commitments of the PISD

The PISD allocates 30.6 M€ to finance multilateral initiatives. At end 2022, all of these funds are committed and 29.05 M€, i.e. 95% of the funds, have been disbursed, to support eight multilateral initiatives on DRM and debt.

These multi-year contributions enable France to participate in trust fund governance bodies. This strengthens France's legitimacy and influence over the strategic orientations (thematic and geographic) taken by multilateral organizations. Furthermore, a permanent seat on the various steering committees enables France to better access information on the activities of these organizations, thus facilitating the positioning of our operators and synergies with bilateral projects.



DG TREASURY COMMITMENTS

IMF regional technical assistance centers (AFRITAC West and Central) €12m contribution¹⁵

These centers cover 12 of the 19 priority countries, including the 5 countries of the G5 Sahel, on priority themes such as DRM and institutional capacity building. For example, AFRITAC Centre contributed to strengthening the harmonization of public finance management in CEMAC member states in 2021. AFRITAC Ouest helped to draw up a medium-term debt management strategy for Burkina Faso in 2021.

¹⁵ Commitments and disbursements include €12 million funding for the training centers AFRITAC West and Center, affiliated to the IMF, to deliver training and capacity building. Funding is provided through a budget line (other than the PISD) under program 110, managed by the French Treasury.

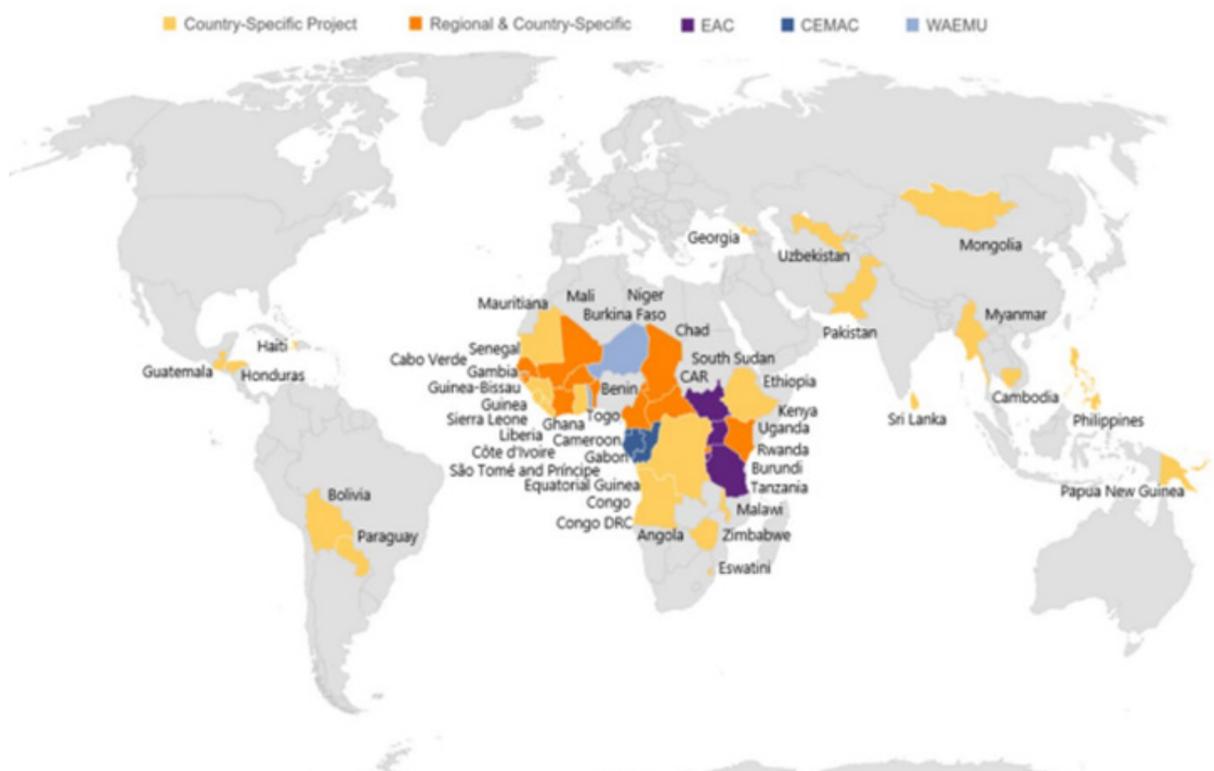
Revenue Mobilization Trust Fund (RMTF)

IMF – €5.5m contribution

Created by the IMF in 2016, the Revenue Mobilization Thematic Fund (RMTF), is a multi-donor thematic fund whose objective is to increase DRM of developing countries. France ranks sixth among the fourteen donors¹⁶.

The fund deployed 38 projects from 2017 to 2022. Most of the projects are in Africa (48%) and Asia (28%). The three regional capacity-building projects are in French-speaking Africa, in the CEMAC and EAC countries¹⁷. Low- and middle-income countries receive the majority of RMTF project expenditure (62%). The RMTF targets sub-Saharan African countries, as demand for technical assistance is higher in this region due to greater income deficits. Furthermore, the RMTF allocates around a third of its funds to fragile countries. Its DRM priorities are therefore aligned with France's geographical priorities in terms of international cooperation.

FIGURE 7. Geographical breakdown of RMTF projects



¹⁶ Australia, Belgium, Denmark, France, Germany, Japan, Luxembourg, Netherlands, Norway, Republic of Korea, Sweden, Switzerland and the United Kingdom, European Union, as well as the ACP-EC Partnership Agreement.

¹⁷ The Economic and Monetary Community of Central Africa (CEMAC), the East African African Community (CAE)

Global Tax Program (GTP)

World Bank – €5.5m contribution

The Global Tax Program (GTP) is the World Bank's main trust fund for tax cooperation and revenue management. The GTP shares expertise with the RMTF in the area of DRM technical assistance, but it offers additional value in the areas of land tenure, the informal sector and tax reform in fragile countries. On the DRM component, France ranks sixth out of 9 donors¹⁸, while on the tax component temporarily implemented in response to the Covid-19, France ranks second out of four donors¹⁹. By December 2022, 95.5% of the funding was already allocated to projects.

LESSONS LEARNED

Niger's innovative approach to customs practices

Since 2019, GTP has been working with the government of Niger to improve customs practices and thus help the country mobilize its resources fairly and efficiently. The aim is to help the DGI and DGD collect and use data to improve their decision-making for the benefit of a better MRIP.

This systematic analysis of data improves the compliance of controls, the integrity of trade and the performance of customs personnel. The project has strengthened the dialogue between customs and the private sector by improving data sharing and matching between the different stakeholders. Mirror analysis increased customs revenues by identifying fraud. The implementation of performance contracts with auditors and unit managers generated an additional USD 1.84 million in revenue. Geospatial analysis led to the deployment of customs units to new sites. Strengthening the capacity, accountability and transparency of the customs administration has restored a relationship of trust between customs and taxpayers, while reinforcing the legitimacy of the state's presence in fragile areas. This project has paved the way for new challenges, namely the gradual dematerialization of customs procedures, border clearance and the strengthening of partnerships with the private sector to promote voluntary taxation.

In 2022, the DRM project portfolio comprised 63 activities. These projects are being implemented in 94 countries, including 50 IDA countries and 20 in fragile situations. In line with PISD priorities, projects are being carried out in Niger, Central African Republic, Cameroon, Benin, Guinea-Bissau, Senegal and Chad. The

¹⁸ Australie, Danemark, France, Japon, Luxembourg, Norvège, Pays-Bas, Suisse, Grande-Bretagne.

¹⁹ France, Norway, Switzerland, United Kingdom.

second pillar currently supports 40 activities in 32 countries, providing tax-related technical assistance to countries affected by the COVID-19 pandemic. Activities under this pillar will close in June 2023.

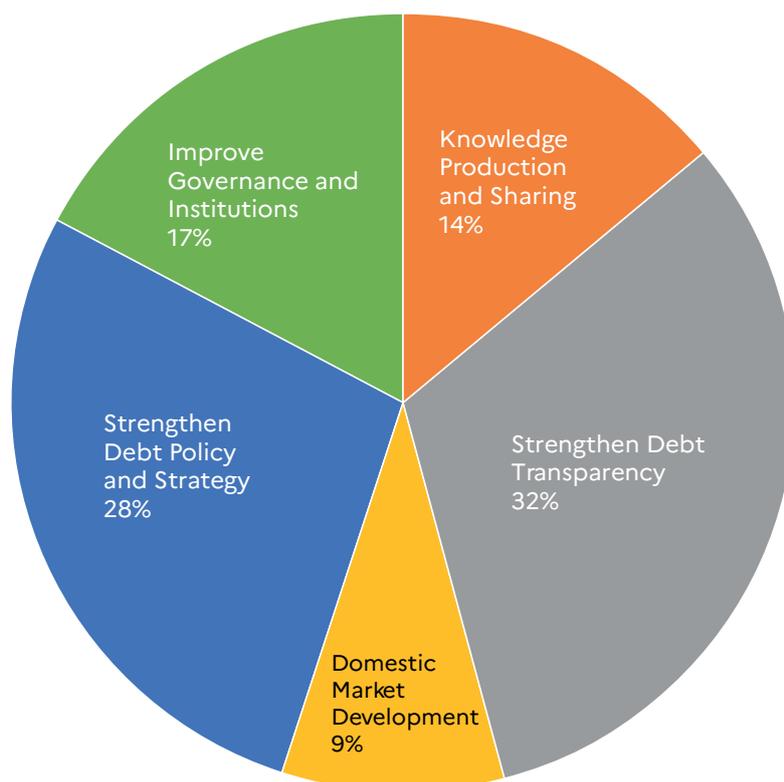
Debt Management Facility Fund (DMF)

World Bank and IMF – €3m contribution

The Debt Management Facility III (DMF), jointly managed by the IMF and the World Bank, is a multi-donor trust fund that supports a work program on debt management in low-income countries. Its interventions in more than 80 developing countries focus on strengthening institutional capacity to assess, monitor and manage the risks associated with public debt portfolios, plan medium-term debt strategies and improve transparency. The aim is to guarantee targeted countries long-term access to international capital markets. France ranks 7th among the 11 donors, after Germany, the Netherlands, Switzerland, the UK and the European Union.

Despite global challenges, the fund achieved its best year ever in 2022, driven by technical assistance and training. 123 activities were carried out, 41% of which were implemented within the framework of DMF III. 49 training activities were implemented, including MOOCs on debt transparency. Three reports were published in 2022 on the [role of inflation-linked bonds for governments](#) (World Bank), plans to ensure [Business Continuity Planning for Government Cash and Debt Management](#) (IMF), and [Enhancing Debt Transparency by Strengthening Public Debt Transaction Disclosure Practices](#) (World Bank), Monitoring debt management (2013-2021) (World Bank).

FIGURE 8. Fiscal year 2022 : Share of business by pillar



Local Government Revenue Initiative (LoGRI)

International Center for Tax and Development (ICTD) – €2m contribution

The multi-donor Local Government Revenue Initiative (LoGRI) is led by the International Centre for Tax and Development (ICTD) at the University of Toronto. France is one of the first and largest donors (41% of the total budget), ahead of the Gates Foundation and the Norwegian development agency (Norad). Launched in 2021, the program lies at the crossroads of research and reform programs. It extends the activities of its predecessor, the African Property Tax Initiative (APTI, 2017), beyond Africa to South Asia and, more broadly, to other local revenue sources. Its aim is to support property tax reforms through the use of new technologies such as satellite imagery.

LoGRI's first year was a development phase, focusing on setting up the foundations, while beginning to generate concrete impact. LoGRI developed projects in 16 countries, including seven in the fifteen priority countries of the PISD (Burkina Faso, Cameroon, Ivory Coast, Gambia, Senegal, Togo, DRC). LoGRI seeks to support conventional research content as well as more political work. By 2022, they successfully completed all projects launched under APTI, namely three new working papers, two policy briefs and five blogs. As they move into the scaling-up phase of the program, they have a rich pipeline of work about to be completed in 2023.

MINISTRY OF EUROPE AND FOREIGN AFFAIRS COMMITMENTS

Tax Administration Diagnostic Assessment Tool (TADAT)

IMF – €0.5m

Hosted by the IMF, TADAT is an international tool for assessing the performance of tax administrations, supported by numerous partners (European Union, Germany, Japan, Netherlands, Norway, Switzerland and the United Kingdom). With €0.5m out of a total contribution of US\$10.6 m (over the period 2020-2024), France is currently the smallest contributor, along with Germany. However, this multi-annual contribution gives France a permanent seat on the initiative's steering committee, whereas previously it had only been an observer.

To date, 147 TADAT assessments have been carried out in 96 countries, including 14 in French-speaking Africa. These assessments revealed a great deal of room for improvement, with 52% of them resulting in a D score - the lowest possible - indicating that the fundamentals of good tax administration practice are not in place (by comparison, 16% of assessments awarded the highest grade of «A»).

THE TADAT TOOL

The TADAT tool and its use by French development aid

The observations drawn from the TADAT assessments are very useful to operators in building support programs that meet the needs of tax administrations.

Several AFD projects to support tax administrations in mobilizing domestic resources have used the results of TADAT assessments to structure their programs. In Niger, the 2017 TADAT assessment was used as a diagnostic to inform the content of the tax administration's strategic plan and the AFD project, PAMRI, awarded in 2019, to support Niger's tax reforms. Similarly, in Benin, the results of the last TADAT evaluation were used to feed reflections on structuring the content of the PAMSI project, funded by the PISD, awarded by the AFD in 2022 to support Benin's General Tax Directorate. In Mauritania, PAGEFIP 2 co-financed the TADAT evaluation, which provided an objective diagnosis used to define future technical assistance activities with the DGI as part of the PAGFAM project.

Africa Initiative of the Global Forum on Transparency and Exchange of Information for Tax Purposes – OECD – €1.5m

The Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum) is an intergovernmental cooperation platform that aims to define and implement international standards for the exchange of information between tax administrations on the financial accounts of non-residents, in order to better combat international tax evasion and, thus increase domestic resource mobilization.

In 2014, the Global Forum set up a regional technical assistance program, the "Africa Initiative", which aims to:

1. Raise awareness among African governments of the benefits of transparency and tax information exchange as a tool for increasing tax revenues
2. Provide tailor-made technical assistance to African jurisdictions in implementing the international standards enacted by the Global Forum.

The Africa Initiative currently involves 34 African countries and 8 partner organizations, and is supported by 11 donors, including France. In 2022, total contributions from these donors amounted to €10.9m (including €0.3m from France). Overall, since 2009, the exchange of information enabled African countries to identify more than €1.2 billion in additional revenue (taxes, interest and penalties) thanks to cross-border tax investigations.

Platform for Collaboration on Tax (PCT) – World Bank – €0.3m

The PCT is a multi-donor initiative, created in 2016 jointly by the World Bank (which hosts the secretariat), the IMF, the OECD, and the UN, which aims to improve coordination and synergies between bilateral and multilateral players in the field of DRM. Its activities focus on five areas of work:

1. Taxation and sustainable development goals,
2. International taxation,
3. Medium-term revenue mobilization strategies,
4. Resilience and preparedness for external shocks, and
5. Partner engagement and communication.

The PCT secretariat's activities include the production of toolkits for the tax administrations of developing countries, on topics of interest to them (e.g. transfer pricing documentation, tax treaty negotiations, etc.), the organization of regional workshops to ensure better appropriation of these toolkits by the public concerned, and the publication of discussion papers on tax-related topics (e.g. the link between taxation and gender equality). The secretariat also set up a virtual platform listing the country-specific capacity-building programs of the four partner organizations. It is financially supported by France (€0.3 m between 2020 and 2023 as part of the PISD), Japan, the Netherlands, Norway, Switzerland and the United Kingdom.

PCT/FERDI COLLABORATION

In the context of the United Nations guidelines on aid taxation published in 2021, FERDI carried out a case study in 2022 at the request of the PCT. This case study by Emilie Caldeira, Anne-Marie Geourjon and Grégoire Rota-Graziosi, following on from FERDI's previously published work on aid taxation, examines the issue of non-taxation of government-to-government aid from the point of view of the recipient country, and compares the tax treatment of project aid in three countries: Benin, Cameroon and Kenya. Kenya applies a systematic exemption, while Cameroon and Benin have set up systems to take charge of the taxation of these projects. Taxing aid, with a possible refund of taxes, is the key recommendation from this work, although is still far from being applied, and its impact on the number of projects financed has yet to be established.

Promoting PISD through the MRIP platform

In 2022, the MRIP platform continued its efforts to increase its visibility and raise France's action among its partners, through a series of events.

The platform's webinars, aimed at a wide audience, are designed to deepen the knowledge of platform members and their partners, and to stimulate debate on contemporary issues in relation to DRM. They bring together actors from the academic world, operational players, as well as officials from the tax administrations of partner countries. Since 2020, eight webinars have been organized. The last two dealt with the socio-economic impact of indirect taxation and its use in tax policy (June 21, 2022), and tax citizenship and tax consent (March 16, 2023). They were attended by 164 and 124 people respectively.

The platform also launched a second call for contributions, the aim of which is to produce studies on an DRM-related theme that has been little explored by research, but has great potential in terms of tax policy for developing countries. These studies will then provide food for thought for French institutional and operational players, and ultimately contribute to the identification of future operations. Following the theme of "taxation of fisheries resources" in 2021, environmental taxation has been selected for 2022. The study was carried out by Michael Keen and completed in October 2022. A book edition in French and English is underway.

Finally, the platform was able to present its work at major international events. In June 2022, at the 35th CREDAF²⁰ General Assembly on the theme of data mastery and valorization, attended by over 85 participants, the MEAE and the FERDI presented the 2021 annual report on the PISD's implementation.

Conclusion

The PISD strengthened DRM as a priority for French cooperation, devoting more than €60.6 m to projects targeting this issue.

Since its launch in 2020, the PISD has been implemented at a satisfactory pace. As of May 15, 2023, 100% of bilateral and multilateral envelopes have been committed, and at end 2022, 69% and 95% of the funds have respectively been disbursed.

On the bilateral front, 2022 saw the implementation of a number of projects come to fruition.

²⁰ CREDAF: Cercle de réflexion et d'échanges des Dirigeants des Administrations fiscales (Tax Administration Managers Group).

Two projects have been completed (PAGEFIP 2 and PACCAF), seven are currently being deployed, five of which began in 2022, and three will start shortly. The latest project to be approved by the DRM platform is the joint financing of the Datamining project in Senegal (Expertise France). These operations enabled the mobilization and valorization of French expertise, notably from the French tax and customs authorities (DGFIP and DGDDI), and generated a strong leverage effect (15 M€ of EU/World Bank co-financing obtained by Expertise France thanks to the €15 m committed through the PISD).

Overall, the PISD has achieved its objective in terms of geographic targeting.

The limited resources of the bilateral envelope restricted the number of national projects that could be implemented, but all the PISD priority countries benefited from at least one national and/or multi-country project. Benin, Guinea and Mauritania currently account for almost half of all bilateral credits (€14.1 m), partly reflecting both the demand and the strategic opportunities for these countries to deepen their existing reform efforts.

The PISD's strategic objectives are well on the way of being fulfilled, although greater support for the objective of supporting the design and monitoring of tax policies would be desirable.

All approved projects contribute to the strategy's second objective, which is to support the modernization of tax administrations and ensure effective revenue collection, through training and capacity-building activities in the tax and customs portfolio. Just over half the projects contribute to the strategy's first objective of supporting «tax policy development». Finally, only 10% of projects contribute to the third objective of optimizing cooperation instruments, as this objective is covered by the multilateral component of the PISD and the MRIP platform, whose activities are not directly reflected in the project results indicators.

The DRM platform has also proved to be a forum for consultation and dialogue between the relevant ministries, French development operators and the academic world.

Two webinars on the socio-economic impact of indirect taxation and on tax citizenship and tax compliance provided an opportunity for feedback from partner tax administrations. These events strengthened exchanges and synergies between the various DRM projects, while at the same time enriching everyone's knowledge. A new call for contributions on the theme of environmental taxation has been launched, leading to the production of a study that will be published in a book in 2023.

During 2022, France continued to step up its multilateral commitments on DRM and debt.

Through the PISD, it contributes to eight multilateral initiatives that support diagnostics and reforms, and facilitate donor coordination. The multilateral component of the PISD enabled France to strengthen its presence in the multilateral donor landscape on DRM and debt. As a member of the steering committees of multilateral trust funds, France contributes to shaping international discussions

on DRM, while also providing input for the development of international analytical tools (such as TADAT). This presence enables France to promote its priorities within these bodies, accentuating the attention given to French-speaking Africa and strengthening ties between international organizations and French development operators.

The PISD implementation will run until the end of 2023.

Discussions are underway to extend this investment plan for a further four-year cycle (2024-2027). The renewal of bilateral and multilateral envelopes for a second PISD would make it possible to finance new projects in line with those that are coming to an end, and/or to reinforce ongoing projects. This new plan should respond to the priorities set out at the next Interministerial Committee for International Cooperation and Development (CICID), to be held in 2023.

The final evaluation of the first PISD is due to be launched shortly, and its recommendations will feed into the platform's reflections on priorities for the second PISD.

Annexes

ANNEX 1

BILATERAL AND MULTILATERAL WINDOWS OF THE PISD : commitments and disbursements

Nature of contribution		PISD	Committed (AE, €M)	Disbursed (CP, €M)
Bilateral Window	Agence française de développement (AFD) - grants	15	15,0	6,7
	Expertise France (EF) - grants	15	15,0	14,0
	Total of the bilateral operations carried out by the French Treasury Department (P110)	30	30	21
	TOTAL %		100,0%	69,0%
Multilateral Engagements	French Treasury Department (programme 110)	28,0	28,0	27,3
	P110 (%)		100%	97%
	<i>FMI : Regional Technical Assistance Centers (RTACs) – AFRITAC West and AFRITAC Center</i>	12,0	12,0	12,0
	<i>IMF : Revenue Mobilization Thematic Fund (RMTF)</i>	5,5	5,5	5,5
	<i>World Bank : Global Tax Program (GTP)</i>	5,5	5,5	5,5
	<i>IMF / World Bank : Debt Management Facility (DMF)</i>	3,0	3,0	3,0
	<i>ICTD : Local Government Revenue Initiative (LoGRI)</i>	2,0	2,0	1,3
	Ministry of Europe and Foreign Affairs (programme 209)	2,6	2,6	2,6
	P209 (%)		100%	100%
	<i>OECD / ONU / World Bank / IMF : Platform for collaboration on Tax (PCT)</i>	0,3	0,3	0,3
	<i>IMF : TADAT</i>	0,5	0,5	0,5
	<i>OECD : international taxation (Global Forum)</i>	1,5	1,5	1,5
	<i>MRIP Steering Committee: coordinating the interministerial platform on domestic resource mobilization (DRM), calls for academic contributions.</i>	0,3	0,3	0,3
	Total for multilateral initiatives	30,6	30,6	29,9
TOTAL %		100,0%	97,5%	
TOTAL MEAE (programme 209)		2,6	2,6	2,6
TOTAL DG Trésor (programme 110)		58,0	58,0	48,0
TOTAL		60,6	60,6	50,55
Exécution %			100,0%	83,4%

ANNEX 2

RESULTS FRAMEWORK OF THE PISD

The result framework of the Interministerial Strategy 2020 for DRM has three overarching objectives and 10 priorities :

OBJECTIVE 1 : Define and support the creation of fairer, more efficient and economically attractive tax policies in developing countries, especially the most fragile

Priority 1 : Support the rationalization and monitoring of tax policies in partner countries

Priority 2 : Support fiscal transitions towards domestic taxation ;

Priority 3 : Support improved taxation of resource and sectors;

Priority 4 : Develop underexploited methods of broadening tax base.

OBJECTIVE 2 : Support the modernization of tax administrations and ensure effective tax collection

Priority 5 : Promote transparency and fight tax avoidance, abusive practices and tax-related illicit financial flows of tax origin;

Priority 6 : Support improved performance and transparency of tax administrations and fight corruption ;

Priority 7 : Improve the efficiency of French support for tax administrations, especially by promoting new technologies ;

Priority 8 : Support access to reliable, comprehensible and comparable data;

OBJECTIVE 3 : Optimise France's cooperation instruments and those of its partners.

Priority 9 : Include better public DRM principles in French aid policy;

Priority 10 : Support multilateral partners and the French-speaking community as liaisons for expertise and advocacy efforts.

The PISD is the implementation of the Interministerial Strategy 2020. It has four main objectives :

Objective 1 : Supporting the design, implementation and assessment of fiscal policy ;

Objective 2 : Supporting tax and customs reforms and strengthening institutional capacities ;

Objective 3 : Ensuring data reliability and broadening tax bases ;

Objective 4 : Promoting taxpayer compliance.

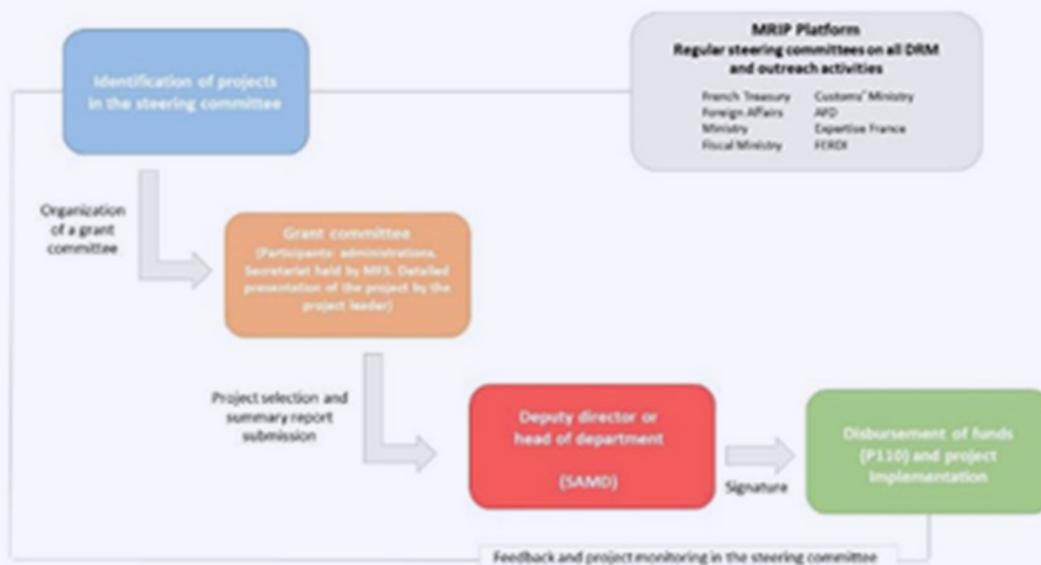
Each objective is translated via an action plan into specific projects with specific result indicators:

OBJECTIVE	PROJECTS	RESULT INDICATORS
1. Supporting the design, implementation and assessment of fiscal policy	Support for the Evaluation and Publication of Tax Expenditures	Preparation and publication of an annual tax expenditure evaluation report to accompany the Finance Act.
	Support for the creation of FPUs and the evaluation of the economic and social impact of tax expenditure	Creation of a FPU within the Ministry of Finance.
		Preparation by the FPU of a plan for rationalizing tax expenditure based on the results of the impact analysis.
2. Supporting tax and customs reforms and strengthening institutional capacities	Support for better control of VAT operating mechanisms	Change in lead times and number of VAT credit repayments.
		Adoption and effective implementation of the mechanism for deferred payment of VAT (accounting VAT)
	Implementation of action plans based on tax authority performance diagnoses	Evolution of the TADAT score following diagnosis.
	Rollout of in-service and initial training in beneficiary country, sub-region and France	Number of civil servants who received training in beneficiary country, sub-region and France.
3. Ensuring data reliability and broadening tax bases	Support for paperless filing procedures	Increase in the number of returns filed using new information technologies (filing online or by mobile telephone, etc.).
	Support for paperless payments	Increase in the number of payments made using new information technologies (transfer, direct debit, payment online or by mobile telephone, etc.).
	Support for making files reliable and reducing filing and payment default	Change in the number of registered and active taxpayers.
4. Promoting taxpayer compliance	Support for improving services to users	Existence of a functional and operational system.
	Support for bolstering legal certainty and services to users	Improvement in the standard of relations between tax authorities and major businesses by introducing satisfaction questionnaires.

ANNEX 3

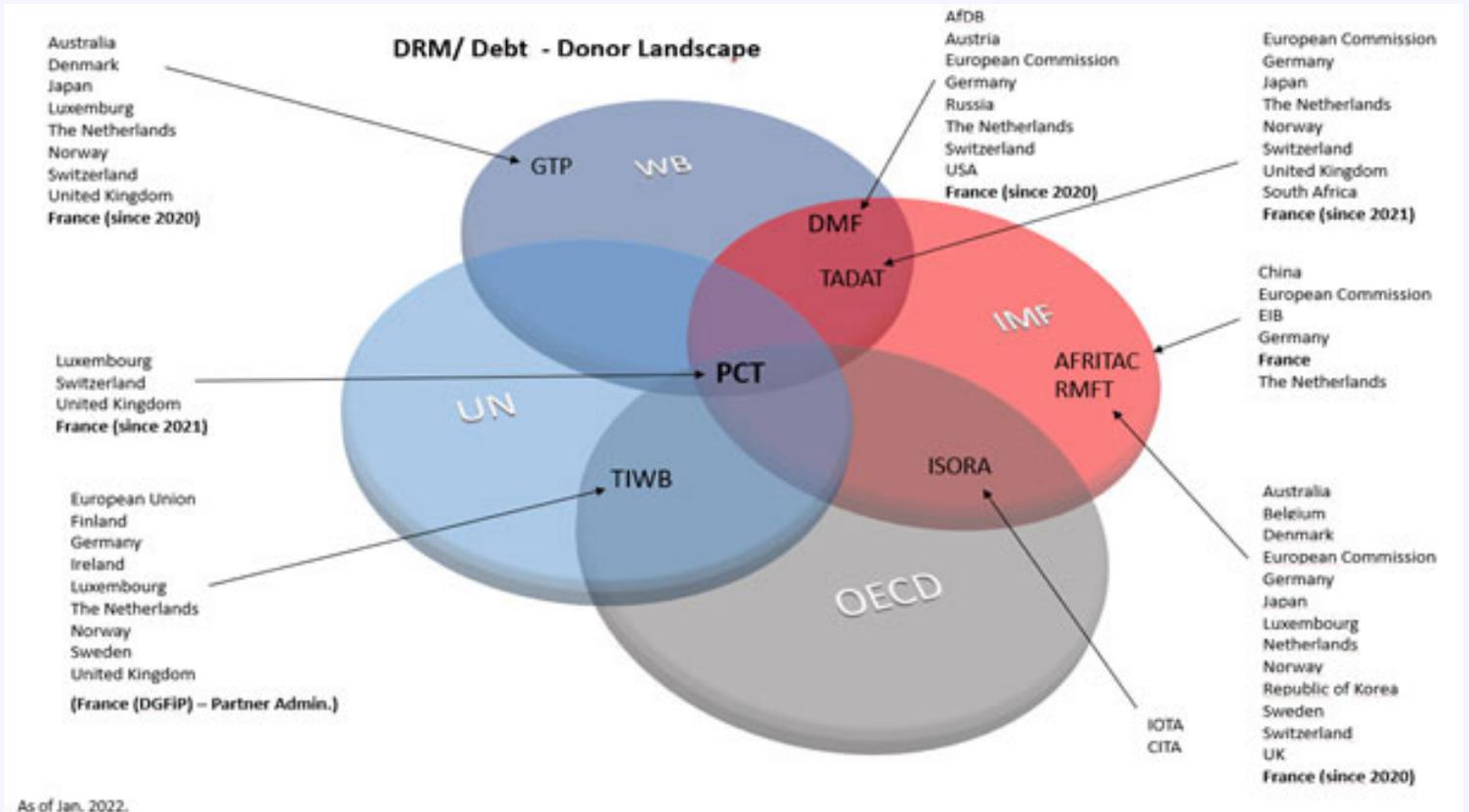
THE PROJECT SELECTION PROCESS

Bilateral PISD projects, financed by the French Treasury's Program 110, are selected according to a process defined in the PISD's operational manual. New projects are first presented and discussed at the PISD steering committees, which bring together all members of the MRIP platform. If the steering committee is in favor of the project, a financing committee chaired by the French Treasury, is organized, with the participation of the DGFIP, the DGDDI and the MEAE/DGM. Once the funding committee has given its approval, the project is forwarded to the French Treasury for final endorsement. Since the launch of the PISD, 21 steering committees and 7 grant committees have been organized, and 13 projects have been approved.



ANNEX 4

Main multilateral initiatives on DRM and debt, and donor support



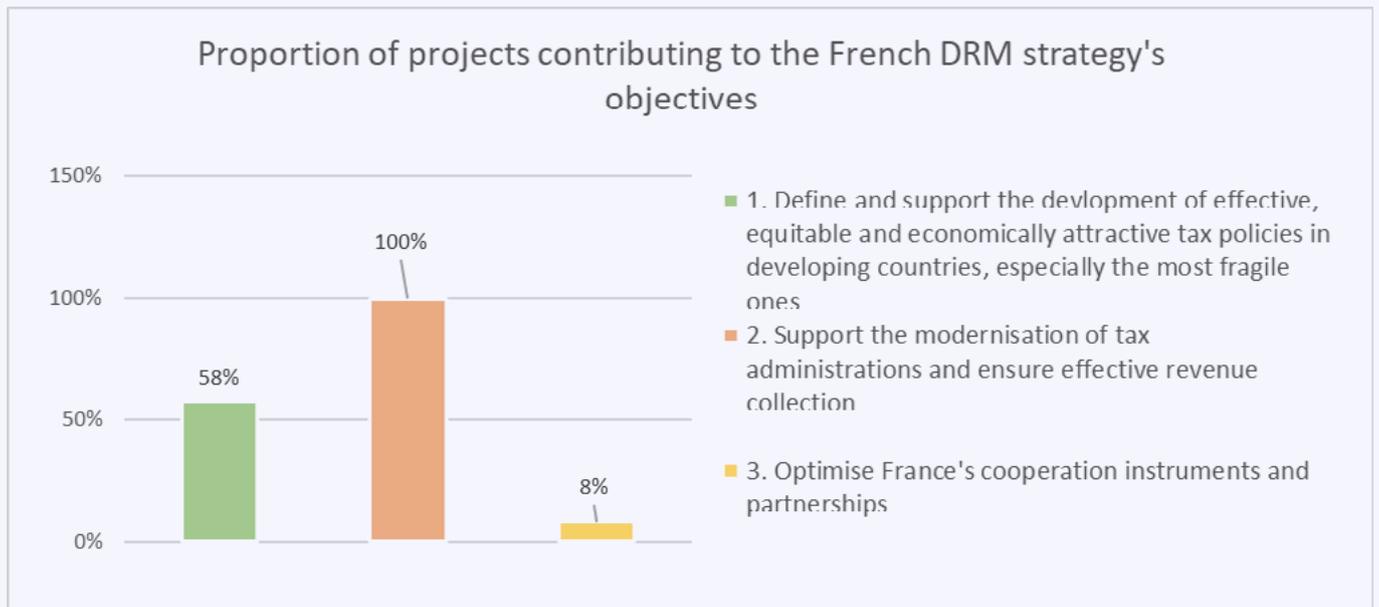
DMF : Debt Management Facility (Banque Mondiale, FMI)
 GTP : Global Tax Platform, (Banque Mondiale)
 PCT: Platform for Collaboration on Tax (OCDE, BM, FMI, ONU)
 ISORA : International Survey on Revenue Administration (OCDE, FMI, IOTA, CIAT)

RMFT: Revenue Mobilization Thematic Fund (FMI)
 TADAT: Tax Administration Diagnostic Assessment Tool (FMI)
 AFRITAC: Regional Technical Assistance Centers (FMI)
 TIWB: Tax Inspectors Without Borders (OCDE/ ONU)

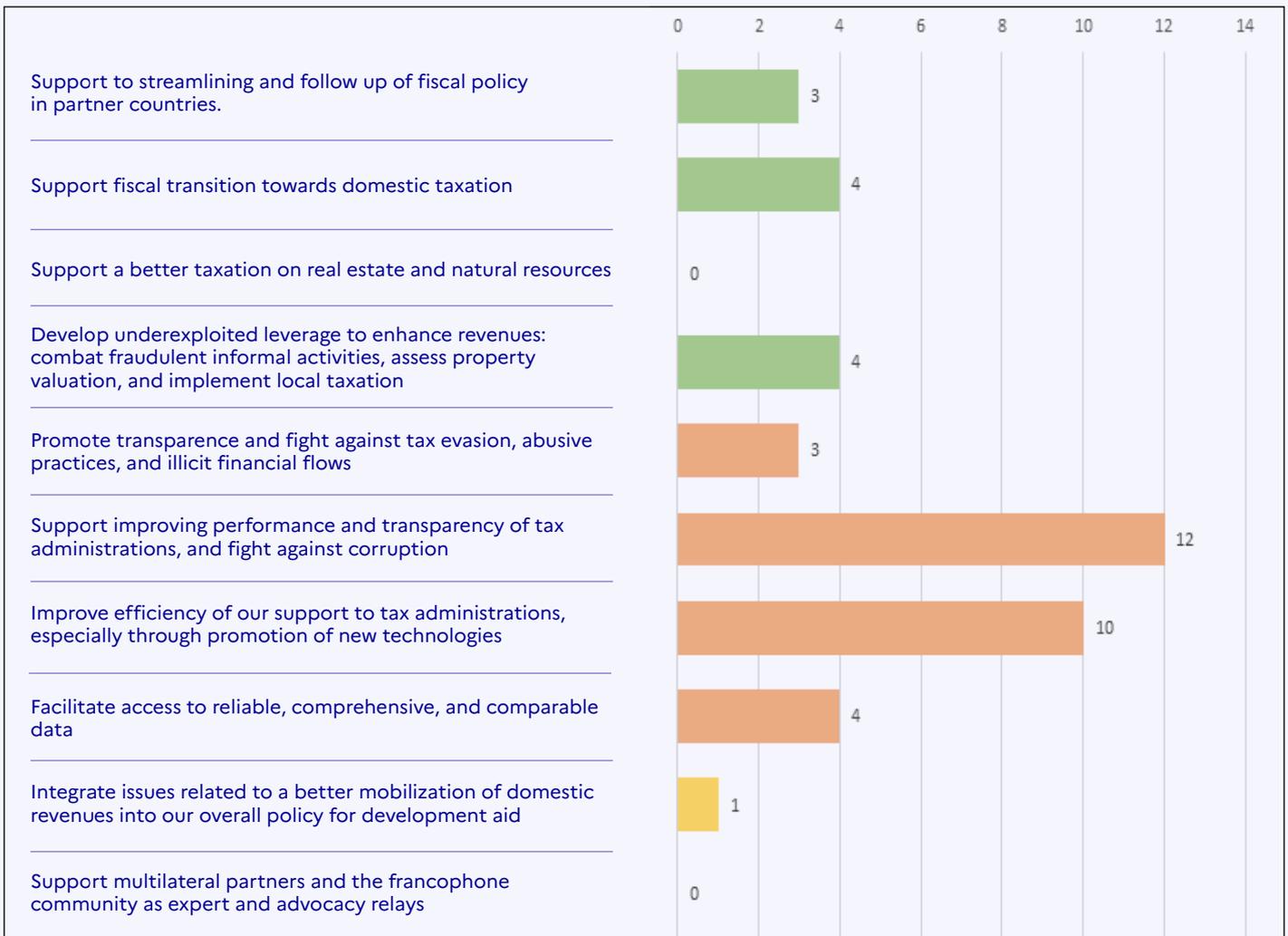
ANNEX 5

Monitoring of objectives and results indicators

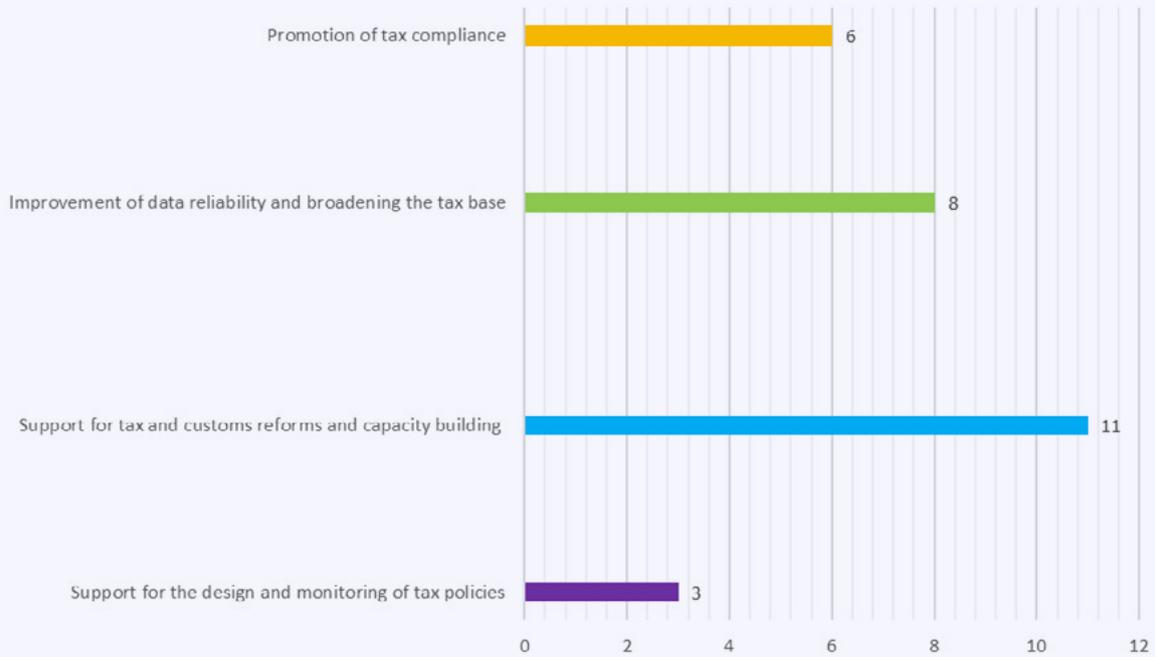
The country and regional projects financed by the PISD are monitored according to the results framework presented in Annex 2. The 13 projects that are currently under implementation contribute to the strategy and action plan objectives as follows :



Number of projects contributing to the MRIP strategy



Number of projects contributing to the PISD's objectives



Number of projects contributing to the PISD outcome indicators

