



Stepping up domestic revenue mobilisation

Germany

Gross disbursements – \$52.21 million

Commitments – \$64.52 million

Most important recipients (including top 3 individual countries, where relevant):

- Disbursements – Afghanistan: \$17.91 million; devel-

oping countries unspecified: \$5.51 million; Rwanda: \$3.06 million; Ghana: \$2.18 million

- Commitments – Indonesia: \$22.6 million; Developing countries unspecified: \$18.21 million; Ghana: \$4.25 million; Pakistan: \$4.03 million

Doubling support to DRM in partner countries

Germany's expenditure on assistance related to domestic revenue mobilisation was reported as USD 52.21 million in 2019, representing an increase of 18.5% in 2019 and of 65% since 2015.

Germany supports domestic revenue mobilisation (DRM) as an integral part of its Good Financial Governance (GFG) strategy, which was launched in 2014. Germany reports that its commitment to GFG and DRM over the past 3 decades has nurtured strong bilateral and regional relationships with partner countries.

Out of the 54 DRM programmes that Germany sup-

ported in 2019, 51 were bilateral and regional programmes whilst 3 were international programmes. Bilateral programmes were implemented in 26 countries, and there were regional programmes in Africa, Asia and the Americas.

Germany has also played an active role in strengthening the international tax agenda through its financial support to the secretariats of the Addis Tax Initiative (ATI) and Network of Tax Organisations (NTO), as well as to regional organisations and multilateral trust funds, such as the Africa Regional Technical Assistance Centers (AFRITACs).

Policy coherence for development

Germany's National Sustainable Development (NSD) Strategy emphasises the need for a holistic approach in countering complex transnational challenges, involving promoting policy coherence across national, regional and international levels. To achieve this, the federal government have committed to:

- Organising a bi-annual inter-ministerial dialogue on illicit financial flows and facilitating inter-ministerial coordination to feed into international processes and meetings on related issues;
- **Contributing towards the global fight against illicit financial flows** through the provision of technical assistance and by engaging multiple stake-

holders in the promotion of successful Multi-Agency-Approaches;

- **Reducing double taxation** and strengthening taxation rights of partner countries, by updating its DTA policies and providing greater legal certainty by establishing mutual agreement procedures during negotiations;
- Establishing **bilateral tax exemption agreements** during partner country negotiations;
- Providing capacity building and technical assistance towards the **development of green growth strategies in partner countries.**

Outlook

Although Germany lacks a designated strategy to achieve policy coherence in DRM, there has been a steady increase in disbursements to support DRM in partner countries between 2015 and 2019. Germany has also actively committed to strengthening inter-departmental collaboration within government to increase DRM-related disbursements to partner countries.