



DRM INNOVATION FUND

The Domestic Revenue Mobilisation (DRM) Innovation Fund was commissioned in October 2017 by the Bill & Melinda Gates Foundation (BMGF) and Germany's Federal Ministry for Economic Cooperation and Development (BMZ) and lasted until October 2022.

The DRM Innovation Fund was established operationally in June 2018 and launched its first call for proposals in the latter half of 2018. It was implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and facilitated by the International Tax Compact (ITC). While the operational work was done by the DRM Innovation Fund Secretariat, a Governing Committee – composed of both co-financiers BMGF and BMZ – made and approved overarching and strategically oriented decisions.

The DRM Innovation Fund supported innovative projects which assisted African governments in tackling the persistent challenges of mobilising domestic revenue. The supported innovation projects were short- or medium-term in nature and had a direct impact on the performance of public administrations concerned with domestic revenue mobilisation (DRM).

The DRM Innovation Fund supported these projects with up to 100,000 EUR. In this context, innovation was defined broadly, in terms of developing new solutions and approaches to tackle persistent problems related to revenue mobilization – including adapting approaches and practices used in other regions, sectors or industries and applying them to the context of DRM.

The fund operated on a demand-driven basis. Prospective recipients, which were primarily public entities, were invited from eligible African countries to apply. Throughout the term of the DRM Innovation Fund two funding cycles were carried out and five projects were implemented.

Please find below a brief overview of their main objectives and primary stakeholders involved.

First call for proposals:

1. Madagascar: HETRA E-Payment System

The system facilitated the creation of a telepayment portal connecting the Direction Générale des Impôts and major banks allowing medium to large enterprises to make their tax payments online in an automated and instantaneous way. At the time, the DGI in Madagascar's information system was not connected with the information systems of primary banks and the Central Bank.

The Hetra ePayment simplified administrative procedures, particularly payment formalities, by providing taxpayers with electronic transaction services. This online system enables taxpayers to make digital tax payments directly, making compliance easier. The project was developed in close cooperation with local banks and the tax authority, aligning with Madagascar's broader digital transformation and public finance modernisation goals.

This project was implemented in close partnership with the Direction Générale des Impôts (DGI) of Madagascar.

To learn more about the project, check out [this website](#).

2. Zambia: TaxOnApp Mobile Platform

The project led to the development of a web based mobile phone application “TaxonApp” which was released in both [Android](#) and [IOS](#) operating systems. The app is linked to the existing “TaxOnline” platform and allows users to register for a tax number, file returns, and connect with the payment facility of their bank.

The app saw the most success in allowing seamless registration of new taxpayers and later expanded to allow for customs declarations and other related functionalities. Major attention was paid to user design and its interoperability with other existing platforms. Public education and awareness campaigns informed users about the app and how to use it.

The project was implemented in partnership with [Zambia Revenue Authority \(ZRA\)](#) and [GFG Zambia](#).

Here are examples of public information videos:

[How to login to TaxonApp](#) & [How to register for a tax identification number](#)

Second call for proposals:

3. Ghana: dLRev e-billing & payment integration

District Local Revenue (dLRev) is a spatial database revenue management software that assists local authorities in Ghana to better manage data acquisition, billing, and collection of revenues. The project was particularly valuable during the COVID-19 pandemic, helping local governments maintain revenue streams despite restrictions as it integrates electronic billing and payment options.

This project, which was implemented jointly by GIZ Governance for Inclusive Development, the Ministry of Local Government and Rural Development (MLGRD), as well as the Ghana Interbank Payment and Settlement Systems (GhIPSS), aimed to reduce manual processes and improve revenue collection efficiency at the municipal level.

More information about the system can be found on the [dLRev Official website](#)

4. Tanzania: TAUSI Management Information System for local revenue collection

The project aimed to reduce the cost of compliance and improve revenue collection by Local Government Authorities (LGAs) through digitisation. The Tausi platform was deployed and piloted in five LGAs, enabling the collection of business license fees and service levies through an online system integrated with the President’s Office – Regional Administration and Local Government (PO-RALG).

Staff from the pilot LGAs were trained and provided post-deployment support for the system. The aim was to simplify the collection and administration of service levies, business licenses and liquor license fees among other sources of local revenue.

The project was implemented in partnership with PO-RALG and the Good Financial Governance Programme.

To find out more about the project, here is a link to the portal: [Tausi online platform](#)

5. Cameroon: Taxpayer data optimisation (DSF Module – RDF TAS)

The module aimed at enhancing management of taxpayers and tax compliance by improving the Direction Générale des Impôts (DGI)'s capacity to manage and utilise annual tax return data submitted online, ultimately leading to an increase in domestic revenues.

It provides additional functionalities that enhance the analysis of annual online tax return data, which would in turn be used to calculate penalties more efficiently make informed decision pertaining to taxpayer compliance. Staff from over 20 centres were trained to use the new functionalities of the Tax Administration System.

The project was implemented in partnership with [Direction Générale des Impôts \(DGI\)](#) and [Revenue Development Foundation \(RDF\)](#).

The DRM Innovation Fund was co-funded by the Bill and Melinda Gates Foundation. The Foundation's commitment to innovative solutions for public finance and governance played a crucial role in the DRM Innovation Fund's achievements and impact across Africa.