



Mozambique: Modernisation of Tax Payer Services Phase I

The challenge:

The success of tax and customs administration depends on the efficiency and effectiveness of an entire system. Taxpayers in Mozambique were once faced with an ineffective manner of interacting with the Revenue Authority. Their physical presence was required at the revenue authority in order to file taxes, register complaints, obtain information with respect to their individual tax status, and obtain general information on tax policies.



Furthermore, taxpayers in Mozambique are still faced with a tax filing and payment system that involves lengthy and costly procedures.

The solution:

The Government of Mozambique and ICF partnered in a project that aimed to modernise operations, offer improved services to taxpayers and implement a new tax administration system through the Mozambique Revenue Authority (AT). In Phase I of the project, ICF worked with the Government of Mozambique to improve the interaction between taxpayers and to modernise the forefront of AT through (i) improved customer service and (ii) sourcing a vendor to implement online services for electronic filing and electronic payment of taxes. The Government of Mozambique took the opportunity to acquire and rehabilitate facilities, notably the customer care and call centre premises.

Phase II would introduce a new electronic tax administration system (e-tax) enabling taxpayers to register online, file their taxes and make payments through an interconnected system.

The total project cost for phase I was US\$ 1,698,493; of which ICF contributed US\$ 524,385 and the Government of Mozambique contributed 1,174,108.

Impact:

The project has operationalized a call centre, allowing taxpayers to receive virtual assistance. The call centre will facilitate taxpayer education and make it possible for taxpayers to receive general tax related information without having to travel to the Revenue Authority. It is expected that the ease of interacting with the Revenue Authority will reduce penalties and increase the number of registered taxpayers. A total of 187 staff obtained training in customer-care service, call centre techniques, and project management. A nation-wide public awareness campaign on reforms taking place within the Revenue Authority was carried out. Furthermore, there was a business reengineering process where the user requirements for the Online Tax Portal were developed. This will feed into the implementation of a subsequent phase.

Project duration: December 2011- June 2014

The Investment Climate Facility for Africa is a grant providing organisation that works with African Governments to improve the environment in which businesses operate. ICF engages closely with implementing Government bodies throughout the life of the project. For more information about ICF please visit www.icfafrica.org