FAIR TAX MONITOR

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- **Toolbox** containing the research methodology, guidance document, advocacy template and launching guidelines.
- **In-country research** in cooperation with local partners.
- **Technical support** from Oxfam and TJN-A (previously also Action Aid).
- **Co-creation** and co-revision of methodology.

- The FTM is central to our fiscal justice strategy: **Raise more revenues** in a **fair** and **progressive way** to fund **government spending** that reduces poverty and inequality

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FAIR TAX MONITOR

Key tool for Oxfam and TJNA's work on Fiscal Justice (**since 2014**).

- Strengthen the position of CSOs and their **credibility** as stakeholder on fiscal issues.
- Methodology provides the **analytical framework** to assess tax systems.
- **Policy recommendations** from local CSOs enables engagement with other stakeholders.

Fair Tax Monitor Methodology

1. Distribution of tax burden & progressivity

2. Sufficient revenues & Illicit Financial Flows (IFFs)

3. Tax competition & corporate incentives

4. Effectiveness of the tax administration

5. Government spending

6. Transparency and accountability

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Implementing the Methodology

CSOs develop national reports (18 published reports):

- ➔ Provide an <u>**overview**</u> of their country's national tax system
- ➔ Identify the main <u>**challenges**</u> and <u>**bottlenecks**</u> that impede fair taxation
- ➔ **Published reports** in ATI partner countries: Bangladesh, Cameroon, Ghana, Kenya, Nigeria, Pakistan, Senegal, Sierra Leone, Uganda, Zambia
- ➔ **Current work** in ATI partners: Benin, Cameroon, Ghana, Kenya, Senegal, Tanzania

International Tax Compact

European Union

Sida
SWEDISH INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Ministry for Foreign Affairs of Finland

EXPERTISE FRANCE
GROUPE AFD

Ministry of Foreign Affairs

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29 July 2025

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Tax & Gender considerations

- Despite progress in recent decades, **gender inequality remains prevalent**.

  - Women are the majority of those living in **poverty**;
  - Women on average **earn 24% less than men**;
  - In developing countries, **around 75% of women work in the informal economy**.

- Unfortunately, fiscal systems often play a **negative role** in relation to gender equality.

Explicit Gender Bias & Implicit Gender Bias

Explicit Gender Bias

- Outright **discriminatory** and rooted in **conservative traditions**.
- Example: child credits or tax deductions only made available to the father.
- Mostly been **removed** or are being **phased out**.

Implicit Gender Bias

- Appear to treat men and women equally - but have an **unequal impact**.
- Unequal impact -> differences in **income**, **ownership** and **employment patterns**.
- Tax policy and expenditure that **reinforce** gender norms and power dynamics.

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Fiscal policies and gender inequality

- When **properly designed**, fiscal policies can create fiscal systems and practices that help **promote** gender equality.
  - **Gender sensitive system:** fiscal systems that do not have implicit or explicit biases.

- **Governments should aim for more**.
  - **Gender responsive**: fiscal systems that meet the **needs** and **priorities** of women and girls.
  - **Gender transformative**: fiscal systems that contribute to the **transformation** of gender roles and unfair power dynamics.

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Gender Considerations in the FTM

2015

Original Methodology

- ➔ Gender questions were **limited in scope**
- ➔ Only addressed **explicit gender biases**

2019

First methodology update

- ➔ By Oxfam Novib and Tax Justice Network Africa
- ➔ Broaden **gender lens**
- ➔ Begin addressing **implicit biases**

2019

Gender lens framework

'Gender and Taxes, The gendered nature of fiscal systems and the Fair Tax Monitor'

2020

Second methodology update

- ➔ Part of ***Fiscal Justice for Women and Girls in Africa (FJWG) project***

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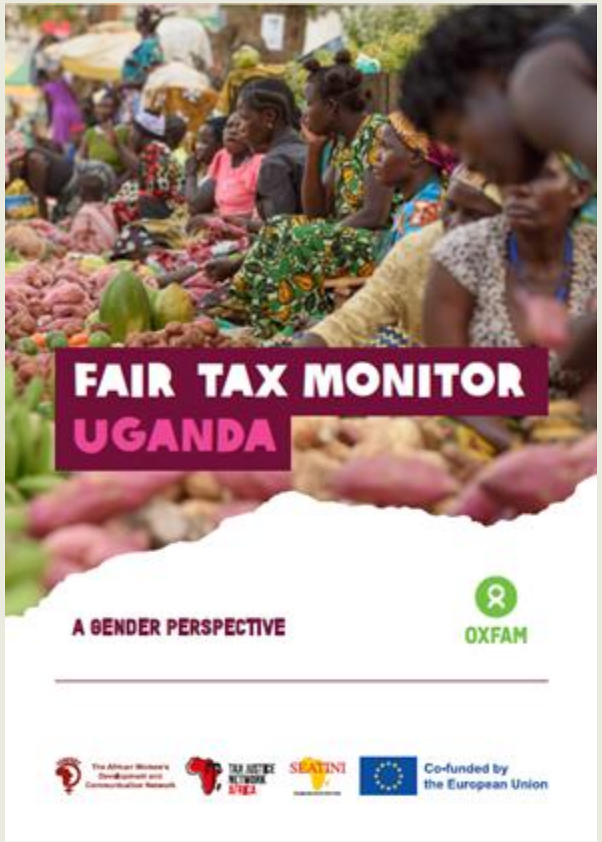
FEMNET The African Women's Development and Communication Network

Gender Considerations in the FTM

Implementation of updated methodology in national reports of **Zambia** & **Uganda**

2021



Chapter 1: Distribution of tax burden & progressivity

➔ Assess the progressivity of national tax systems

➔ <u>**Goal**</u>: identify **impact** on gender income/wealth distribution & inequality

Is there a lower rate, exemption, or zero sales tax/VAT rate for essential products traditionally purchased by women for the household (e.g. hygiene products for women, cooking fuel, cleaning materials, educational materials, clothes)?

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Chapter 2: Sufficient Revenues and Illicit Financial Flows

→ Explore how the availability of revenue impacts women

→ <u>**Goal**</u>: identify **resource allocation** strategies for **gender equality**

Does the government have benchmarks for financing gender equality? Is there a financing gap on public commitments to gender equality?

Chapter 3: Tax competition and corporate incentives

➔ Explore countries' policies for **tax exemptions** and **incentives**

➔ <u>**Goal**</u>: identify whether and how incentives schemes **deprive** governments of **essential revenue**

What is the impact of foregone revenue as a result of tax competition and incentives on government expenditure from a gender perspective (e.g. spending on healthcare, education, etc.)?

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Chapter 4: Effectiveness of the tax administration

→ Review **structure** and **governance** of tax administrations

→ **Goal**: identify capacity to implement tax measures towards **gender equality**

Do tax officials receive training on gender equality & inclusion?

Does the tax administration allocate resources to collect and update sex-disaggregated data?

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Chapter 5: Government Spending

→ Analysis of government spending in social sectors

→ **Goal**: identify how the **allocation** of tax revenue impacts **gender equality**

Are tax revenues invested in public services to reduce unpaid care work, increasing time for education and employment?

Does the government design education/health/agriculture expenditure to ensure that women and girls benefit from it and that their specific needs and priorities are met?

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Chapter 6: Transparency and accountability

- ➔ Assess the **availability** & **accessibility** of information

- ➔ **Goal**: identify transparency of governments on **policy impact** and civic space for **engagement of citizens and CSOs**

Does the government conduct impact assessments by gender, income, and other groups to identify the direct and indirect effects of taxes and public spending on the poor, women, and vulnerable groups?

Is there any policy/practice that promotes or supports the participation of women and women’s organizations in the development of revenue policies in particular?

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Gender equality in taxation & the Fair tax monitor

- Project started in **April 2025**.
- Focus on **Benin, Cameroon and Senegal**.
- Identify **implicit gender biases** in national tax systems and **develop policy recommendations** to improve the situation of women and girls in the region.
- **Tax & Gender thematic chapter** jointly developed by Oxfam, TJNA and Expertise France.

Challenges for tax & gender work at country-level

- Tax and gender is still considered by many as a new phenomena.

- Difficult to identify CSOs that focus on Tax Justice and that work on tax & gender.

- Limited technical expertise on tax & gender in most organizations, public agencies and stakeholders in general.

- Limited availability (or inexistence) of gender disaggregated data prevents in-depth analysis of the impact of tax policies and practices.

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Green Taxation Chapter

- Collaboration between tax justice and climate justice advocates, researchers and campaigners has never been more crucial
- For Africa, the climate financing gap remains a major challenge despite being resource-rich
- Two schools of thought (exploit or not)
- The Idea is to find a balance to ensure the tax system can respond to environmental threats while raising resources to respond to the impacts of climate change, respecting the autonomy of individual countries.

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Green Taxation Chapter

- Environmental Taxes (ETs) increase the cost of activities that generate pollution or harm the environment.
- This encourages behavioural change: economic actors can choose to pay the tax or avoid it by reducing the environmentally harmful impact of their activities

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Inequality and Green Taxation

- The top 10% of emitters are responsible for almost half of all global carbon emissions
- Green transition? What is the Global South transitioning from?

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Inequality of Outcomes

- Environmental taxes not planned well can have adverse impacts on the poor
- An environmental tax on a good or service rarely consumed by low-income households, such as a tax on aviation, will have a less significant impact on inequality than a tax on a good or service consumed by all households.
- Indirect impacts on prices resulting from tax measures are important in this context, e.g. a tax on transport fuels or on fertiliser may result in food price increases
- Impacts of environmental taxes may also be differentiated by gender

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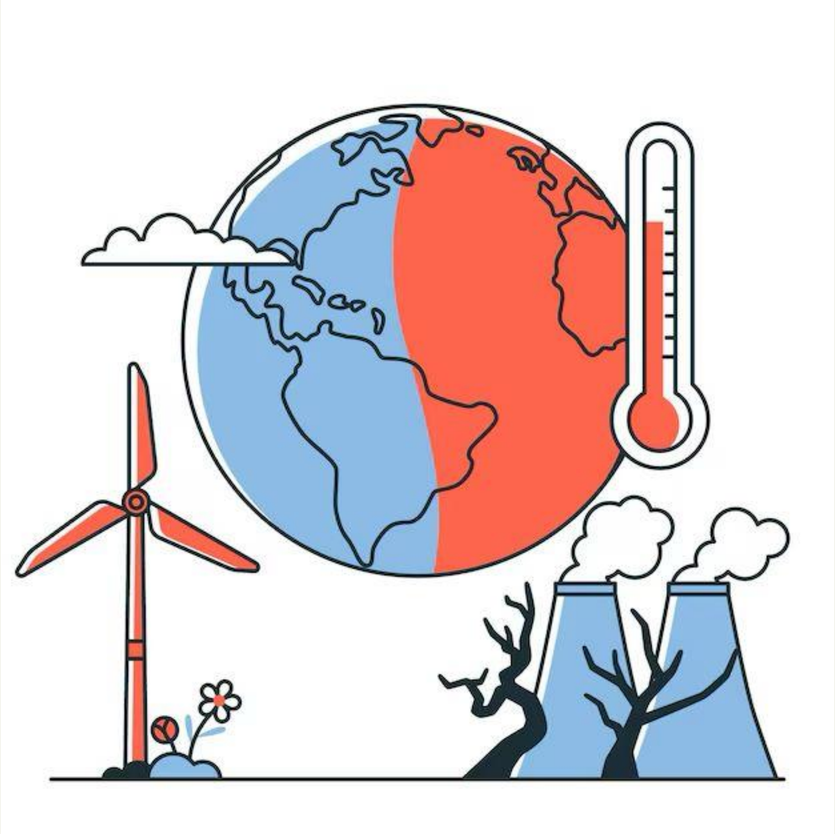
Inequality of Outcomes

- Understanding these inequalities and reflecting on how to address them through a holistic approach to tax design and social mitigations is therefore key

- ETs on tax bases primarily consumed by wealthier income deciles such as ETs on aviation or carbon-wealth taxes, have limited negative equity impacts on the poor, however, comparatively little research has been done on the equity impacts of other types of ETs, e.g. taxes on pollution or natural resource extraction.



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More information on the fair tax monitor project:

www.maketaxfair.net

Thank you
Merci
Asante

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