

I. REFORM PROGRESS

Background to the Revenue Administration Governance and Integrity Assessment (RAGIA)

This tool provides a standardized approach to governance and integrity assessments in revenue administration. It covers tax and customs administration, as well as matters arising in administering natural resource taxes (NRT) and revenue administration in special economic zones (SEZ). It provides a basis for review of the administrations and is not a policy assessment tool.

The RAGIA builds upon an approach developed by the IMF’s Fiscal Affairs Department (FAD) at Online Annex 2.3 of the April 2019 *Fiscal Monitor* (Annex 2.3). This described key features of a governance framework for revenue administration.¹ Annex 2.3 adopted a wide concept of governance. Assessments of governance vulnerabilities would include but are not limited to those arising from corruption, which are difficult to demonstrate due to their hidden nature. Governance reforms would not be restricted to legal or regulatory areas but are also reflected in processes, systems, and procedures implemented by strong and effective institutions. Examining broader governance weaknesses across laws, business processes and systems, and institutional matters, can support an assessment of the severity of potential integrity breaches and the approach for addressing these weaknesses.

The RAGIA tool maintains this broader view of governance vulnerabilities. The assessment is intended to highlight legal, organizational, policy and operational matters in tax and customs administration and in their human resources, financial management and oversight functions, that are risks to good governance and integrity in the administrations. Importantly, an assessment of these governance and integrity weaknesses does not establish a conclusion of improper or corrupt conduct in the administration of taxes and customs. Rather, a systematic assessment using the RAGIA framework is intended to highlight the governance and integrity-related risks that need to be mitigated. They inform a dialogue about the design of measures to reduce vulnerabilities and the likelihood of integrity failures.

II. PROJECT DELIVERY HIGHLIGHTS

Revenue Module IV – Fiscal and Macroeconomic Tools, Research, and Analytical Work

Key Progress in FY26: The RAGIA assessment framework was piloted in Liberia over the period June 19 to July 3, 2025. This pilot mission encompassed a series of engagements with LRA staff, coupled with a comprehensive assessment of the various governance features. The primary objective of these engagements was to identify potential vulnerabilities related to governance and integrity within the six Governance and Integrity Measurement Areas (GIMAs). This was achieved through a systematic evaluation and scoring of specific governance features and measurement areas. The overall assessment using the RAGIA framework scored Liberia in the range where governance and integrity risks in revenue

¹ IMF: Fiscal Monitor, *Curbing Corruption*, April 2019 and Online Annex 2.3, *Key Features of a Good Governance Framework in Revenue Administration*.

administration are assessed as “high”. In other words, substantial governance weaknesses were found to be prevalent. In a letter from the Commissioner-General, Mr. James Jallah, dated August 19, 2025, he stated, “We deeply appreciate the insights, findings...provided by the assessment team, which offer invaluable guidance in strengthening the governance and integrity of our tax administration system.”

Previous Progress: Revisions to the framework (Excel spreadsheet) were carried out, and the tool was cross-checked against the WCO’s framework for customs to ensure adequate coverage for customs administration. The comprehensive guidance note has now been completed. Additionally, the framework has been summarized for incorporation into an IMF book entitled, “*A Risk-Focused Approach to Addressing Fiscal Governance Vulnerabilities: A Practical Guide.*”

Next Steps: Feedback from the pilot mission to Liberia is currently being taken into consideration and changes made to the RAGIA framework and the Excel worksheet. Additionally, a request from Sierra Leone at the Annual Meetings for a RAGIA assessment has been received. Two additional pilots are also being sought to ensure a good cross-section of countries in differing stages of economic development are tested.

III. RISK ASSESSMENT

Description	Rating	Mitigation Measures
Political Support		
Lack of political support for assessing governance and integrity inhibits required actions or resources being allocated that are needed for enhancements to fiscal risk management institutions and practices.	Very High	Ensure fiscal risk capacity development (CD) is focused on priority areas and engage regularly with ministers and senior management to ensure government ownership of reforms.
Management and Technical Staff Support and Commitment		
Low commitment of management and staff in finance and other ministries to adopt and implement governance and integrity good practices.	Medium	Engage with senior management and technical staff proactively and explain the importance of strengthening governance and integrity within revenue administration.
Resource Adequacy		
Insufficient technical capacity and human resources necessary to implement governance and integrity reforms are limited.	Low	Ensure CD plans include sufficient capacity building and training elements and prioritize CD to priority or high-risk areas where resources are limited.

IV. PROJECT MANAGER: CONTACT INFORMATION

Project Manager	E-mail
Andrew Masters	amasters@imf.org