

I. BACKGROUND

The IMF's Fiscal Affairs Department (FAD) expanded its tax policy and revenue administration work in the African region, with the support of regional long-term resident advisors (LTX) and policy advisors, on these projects:

- Strategic Domestic Resource Mobilization (DRM) Design and Implementation
- Strengthening the Management of Tax Risks in Key Sectors in Central Africa
- Regional Digitalization
- Extractive Industries (EI) Revenue Administration
- Tax Administration in Comoros

II. PROJECT DELIVERY HIGHLIGHTS

Strategic DRM Design and Implementation
RM I: Revenue Module I – Tax Policy
The regional tax policy advisor (Mr. Benninger) provided support to Ethiopia, Kenya, Malawi, Rwanda, Uganda and Tanzania through 10 country visits and remote support. Key topics of assistance included general tax policy training, value-added tax (VAT) modelling and distributional analysis and revenue forecasting. The advisor coordinated closely with other capacity development (CD) providers such as the UK's Foreign, Commonwealth & Development Office (FCDO) TaxDev program and collaborated with other regional advisors based at the IMF's Regional Technical Assistance Center for East Africa (AFE).
Ethiopia: Together with AFE's macro-fiscal advisor, review of the revenue forecasting framework and recommendations for its improvements
Kenya and Tanzania: VAT modelling workstreams to build capacity for VAT policy simulation including the estimation of yields and distributional impacts from policy changes and the costing of tax expenditures.
Malawi: Capacity building for VAT modelling in preparation of the publication of the first tax expenditure report and personal income tax modelling to support policy simulation.
Uganda: Together with AFE's macro-fiscal advisor, review of the revenue forecasting framework, recommendations for its improvements and capacity building for revenue forecasting methodologies including forecast error analysis. Review of the tax expenditure calculation and development of VAT policy model to strengthen VAT tax expenditure estimation.
Rwanda: Capacity building for VAT modelling to transition to new Supply-Use-Tables and strengthen capacity for tax expenditure estimation and policy simulation. In collaboration with the FCDO TaxDev advisors, general tax policy training to onboard new staff of the tax policy unit and the Rwanda Revenue Authority (RRA).
Strengthening the Management of Tax Risks in Key Sectors in Central Africa
RM II: Revenue Module II – Revenue Administration

The LTX working on tax risk management in Central Africa (Mr. Ngneba) provided support to the Central African Republic (CAR), Chad (duty station) and the Democratic Republic of the Congo (DRC).

Chad: The advisor supported the implementation of the tax administration's priority revenue mobilization action plan. He notably: (1) supported short-term revenue recovery initiatives; (2) provided hands-on assistance for the rollout of an Automated Desk-Audit project; (3) supported design of an internship program to address staffing shortages in oil and gas and telecommunications; (4) assisted in recruiting a solution provider for an automated system for the collection of VAT due on digital services supplied by non-resident firms; and (5) assisted the authorities secure financial support from the African Development Bank (AfDB) for the rollout of pilot Tax Teleservice Centers to facilitate taxpayers' use of the E-Tax system.

Central African Republic: The advisor supported key revenue mobilization actions for the current fiscal year. He notably: (1) assessed the audit function and strengthened the manual cross-checking of tax data; (2) assisted in developing data cross-checking functionalities of the e-Tax system, both with optimizing its payment functionalities; and (3) developed a donor coordination matrix to improve alignment in public finance reforms.

Democratic Republic of Congo: The advisor supported two key initiatives: he (1) provided hands-on support for drafting a VAT administration modernization strategy; and (2) identified short-term high impact recovery measures to increase revenue yield during the current fiscal year.

Cross-country engagement: The advisor contributed to regional workshop led by the IMF's Regional Technical Assistance Center for Central Africa and supported the drafting of a tax administration manual to underpin reform efforts in fragile and conflict-affected states (FCS).

Regional Digitalization

RM II: Revenue Module II – Revenue Administration

The regional digitalization advisor (Mr. Wandja Fondja) provided support to CAR, Chad, Rwanda, and Senegal (duty station). His activities focused on strengthening core tax functions, and tax administration management and governance arrangements through cross-checking of data, data and IT governance, and implementation of Integrated Tax Administration Systems (ITAS). CD was provided through a mix of in-person missions and remote work. The digitalization advisor coordinated closely with advisors at AFC and AFE, and the advisor focused on tax risk management to increase the impact of digitalization of CD on tax administrations.

CAR: The advisor continued to support the implementation of the CAR Tax Administration's (DGID) strategy. In particular, he provided hands-on assistance in several key areas: (1) designing the user assistance scheme to enhance the use of the new IT system (E-Tax) by taxpayers and tax officials, which included the establishment of the Tax e-services center and the launch of tax e-payments; (2) processing the ongoing manual data cross-check analysis to tackle tax fraud; (3) fixing the loopholes in E-Tax; and (4) advising on the next version of E-Tax, SIGICA, which will serve as CAR's integrated tax administration system.

Chad: The regional digitalization advisor has supported the Chadian Tax Administration (DGI) in implementing the plan to address tax compliance risks developed in FY25. His activities focused on: (1) processing the ongoing manual data cross-check analysis to address tax fraud, and (2) supporting the

implementation of IT tools to sanitize the current taxpayer registry and to develop the Automated Desk-Audit.
Rwanda: The advisor has postponed hands-on support for implementing the RRA's digital transformation plan due to delays in RRA's internal IT operations. If confirmed by the authorities, CD would resume in FY 27, principally by developing RRA's IT architecture capacities and data management to support increasingly digitalized operations.
Senegal: The advisor has provided support to the Senegalese Tax Administration's (DGID) on several critical activities, including (1) the rollout of "FAY SAMA IMPÔT", the online tax payment through mobile operators' apps; (2) the design and implementation of the business continuity plan to strengthen the DGID's resilience; (3) the implementation of the plan to replace the outdated current ITAS, SIGTAS, with the new system SENTAX; and (4) the deployment of IT tools to facilitate participation in the Global Forum on Transparency and Exchange of Information for Tax Purposes.
Regional: The LTX has contributed to an innovative joint initiative between FAD and AFC aimed at addressing specific challenges to revenue mobilization reforms in the context of fragility and instability. He contributed to a regional seminar led by the AFC in N'Djamena, Chad, which focused on cross-checking tax data of AFC member countries.
Extractive Industries in African Region
Revenue Module II – Revenue Administration
The Extractive Industries (EI) Revenue Administration LTX, Mr. Bernard Sanya, provided CD support to Uganda, Nigeria, and Mozambique. CD activities focused on strengthening tax audit capabilities, particularly in relation to international tax risks, and on enhancing EI customs administration. Targeted assistance was also delivered on selected technical topics, including crude oil market dynamics and pricing mechanisms. Support was provided through a mix of in-person missions, virtual CD delivery, and short-term expert assignments. The advisor coordinated closely with other advisors at AFE to deliver complementary CD support to the authorities. Country-specific outcomes are summarized below, with further details presented in the respective country's progress reports.
Uganda. In collaboration with AFE's Customs LTX, two multi-agency workshops were delivered, supporting the authorities in adapting customs standard operating procedures (SOPs) to address EI-specific risks. A follow-up visit in March 2026 deepened technical understanding of crude oil market fundamentals and pricing mechanisms and supported the refinement and updating of the related standard operating procedures. On the tax side, CD activities continued to strengthen audit capabilities, with a focus on managing international tax risks, and assisted the authorities in developing harmonized administrative procedures to govern crude oil pricing ahead of the imminent start of production.
Nigeria: CD continued to address audit skills and capabilities, with a particular focus on international tax risks associated with the EI sector. A 10-day workshop provided technical training on the principles and concepts of international tax risk management, followed by case-based reviews that addressed practical issues encountered by the authorities in past and ongoing sector audits.
Mozambique: Risk matrices and EI compliance improvement plan are in place, and the authorities are engaged in comprehensive tax audits addressing complex technical issues, including transfer pricing in the EI sector. Discussions with the authorities identified four priority areas where future CD would add the

greatest value: (1) strengthening institutional capacity for mineral pricing and valuation; (2) rebuilding compliance risk management and analytical capabilities, including the development and implementation of standard operating procedures for core risk analysis functions; (3) consolidating audit effectiveness through hands-on audit training coaching and mentoring, analytics-driven support and the phased deployment of computer-assisted audit tools; and (4) undertaking a customs diagnostic mission to assess and propose a sequenced reform program to reinforce customs administration of EI operations.

Tax Administration in Comoros

Revenue Module II – Revenue Administration

Since June 2025, the GPFP tax resident advisor (Mr. Abderrahmane Raouya), was assigned to the cabinet of the ministry of finance. The past year he supported the authorities to (1) design the director general of tax administration's performance contract; (2) develop the large and medium-sized taxpayers compliance improvement plan; (3) improve tax audit planning and strengthen tax arrears collection; and (4) review core tax procedures with the aim to improve the tax payment environment and strengthen tax administration's efficiency.

III. PROJECT MANAGERS: CONTACT INFORMATION

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