



TAX JUSTICE  
NETWORK  
AFRICA



2019  
**ANNUAL**  
REPORT



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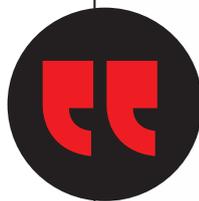


**OUR ACHIEVEMENTS 2019**

- 7th Pan African Conference on Illicit Financial Flows & Taxation
- Invalidation of the Kenya-Mauritius DTA Ruling
- Revision of TJNA's 3rd Strategic plan: 2021-2025

## MESSAGE FROM THE EXECUTIVE DIRECTOR

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**Success through Collaboration and Partnerships”**

**Alvin Mosioma**  
Executive Director  
Tax Justice Network Africa

2019 was great year for TJNA as we took another step forward towards our ambitious vision of ensuring that tax justice in Africa prevails. Working collaboratively with our 32 member organizations, our strategic partners and supporters, TJNA engaged in various policy-advocacy efforts at global, regional and national levels. In pursuit of our shared objectives of more equitable, transparent, and accountable tax systems that support domestic resource mobilization in Africa as underpinned by our vision, mission and core values.

Among some of the most recognizable highlights of the year is the TJNA landmark case which challenged the validity of the Kenya-Mauritius Double Taxation Agreement (DTA). The favorable ruling has since laid the foundation for using public litigation as an advocacy strategy, an area TJNA is keen to explore. TJNA continued its investment in the generation and dissemination of knowledge on tax and IFF to inform policy discourse. We present in this report our key 2019 publications

Our outreach and capacity building activities were carried out across the year. The 7th Pan African Conference on Taxation and IFFs provided an opportunity for relevant key players to discuss and engage on issues of

taxation and fintech from different angles. PAC's success was marked by an outcome document and a working paper on the compatibility of the Multilateral Convention to Implement Tax Treaties (MLI) with the African Tax Administrations Forum (ATAF) and the East African Community (EAC) model Double Taxation Treaties.

Our members, partners, donors and different stakeholders play an integral part in strengthening our impact in all spheres. This report illustrates the success of joint programming under our 'Scaling up Tax Justice (SCUT) programme which has facilitated implementation of policy recommendations at national levels. The existing and emerging partnerships featured provide the answer to our effective implementation quest. It is through partnerships that our strategy and agenda will be delivered.

On behalf of the Secretariat and the Executive Council, I would like to extend my profound gratitude to everyone who supports our work. Together, TJNA will grow from strength to strength through promoting coordinated implementation while serving as a collaborative platform for tax justice advocacy in Africa.

# MEET OUR EXECUTIVE COUNCIL



**Michael Otieno**  
Member (NTA-KE)



**Jean-Paul Mulyanga**  
Member (CENCO-DRC)



**Malda Hadebe**  
Member (EJN-SA)



**Benedict Doh**  
Treasurer (GII-Ghana)



**Jane Nalunga**  
Chair (SEATINI-UG)



**Chafik Ben Rouine**  
Member (TOE-Tunisia)



**Cecilia Mattia**  
Member  
(NACE-Sierra Leone)



**Jean Mballa Mballa**  
Vice-Chair  
(CRADEC- Cameroon)



**Omar Ghannam**  
Member (SJP-Egypt)



**Mutuso Dhlwayo**  
Member  
(ZELA- Zimbabwe)



**AFRODAD CEO**  
Member (Zimbabwe)

## Establishment of the Technical Advisory Council

The TJNA Technical Advisory Council was established in 2019 to provide technical, strategic and political support in an advisory capacity geared towards helping TJNA achieve its vision, mission and strategic objectives. The

Council is comprised of eminent personalities, with rich and diverse experience that that can complement TJNA's efforts to deliver upon its mandate.

### Members of the Technical Advisory Council



**Hon. Irene Ovonji-Odida**



**Mr Charles Abugre**



**Dr Daisy Ogembo**



**Dr Ndongo Samba Sylla**



**Mr Logan Wort**



**Ms Vera Mshana**

Read more on their profiles by clicking here:

<https://taxjusticeafrica.net/about-us/advisory-council/>

# ABOUT TAX JUSTICE NETWORK AFRICA

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## WHO WE ARE

Tax Justice Network Africa (TJNA) is a pan-African research and advocacy organisation established in 2007 and a member of the Global Alliance for Tax Justice (GATJ). TJNA comprises a network of 32 Civil Society Organizations (CSOs) within all sub-regions of Africa. Our geographical positioning allows for partnership and collaboration with other regional economic governance institutions, including the African Tax Administration Forum (ATAF) and the United Nations Economic Commission for Africa (UNECA). Also, it allows us to create, increase and sustain traction in national, regional and international policy agenda. TJNA is also a member of the 'Stop the Bleeding' (STB) Consortium: A coalition of about 6 CSOs with a huge network across Africa focusing on economic justice and created out of the need to curb illicit outflows from

Africa. TJNA envisions “**A new Africa where tax justice prevails to contribute to an equitable, inclusive and sustainable development**”. Our mission is “**to spearhead tax justice in Africa’s development by enabling citizens and institutions to promote equitable tax systems through policy-influencing.**”

TJNA advocates for tax policies with pro-poor outcomes and tax systems that curb public resource leakages and enhance domestic resource mobilisation (DRM). TJNA aims to achieve these by challenging harmful tax policies and practices that facilitate illicit resource outflows and on the other hand, favour the wealthy while aggravating and perpetuating inequality. TJNA endeavours to provide a platform dedicated to enabling African researchers, campaigners, civil society organisations, policymakers, and investigative media to co-operate and increase synergies in their battle against illicit financial flows, tax evasion, tax competition and other harmful tax policies and practices.

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## THEMATIC FOCUS



### Tax and the International Financial Architecture

The international financial architecture suffers from systemic weaknesses that create opportunities for businesses, particularly multinational corporations (MNCs) and wealthy elites, to exploit loopholes in the tax system. The result of this exploitation is the flow of resources out of predominantly poor developing countries to high-secrecy jurisdictions and tax havens. According to the High -Level Panel report of 2015, Sub-Saharan

African countries have lost USD 50 billion in the last decade to Illicit Financial Flows (IFFs). The same report makes recommendations on how these practices can be curbed and policed effectively. The programme’s goal is to contribute to the achievement of an inclusive and transparent global regulatory financial framework with a governance structure that curbs Illicit Financial Flows.



### Tax and Natural Resource Governance

Africa has an abundant endowment of natural resources. However, fiscal regimes governing the extractives sector in most African countries make it difficult for states to tax this sector. In

many cases, companies enjoy a wide range of tax incentives that are spread over a long period of time. As a result, many resource-rich countries are not only faced with dwindling tax revenue from the extractive sector partly due to falling global commodity prices, but also due to harmful tax incentives or outright tax avoidance. The strategic driver under this thematic area is the ineffective fiscal regime governing the extractive industry in resource-rich African countries, which results in inadequate mobilisation of tax revenues from the sector. Our goal is to achieve improved fiscal transparency and regulatory regimes in Africa's extractive sector to curb outflows of financial resources. TJNA has been at the forefront in advocacy efforts towards the domestication of Africa Mining Vision (AMV).



### Fair and Equitable Tax

Growing inequality and wealth concentration where half of the world's wealth lies in the hands of just 1% of the population poses a serious threat to the global economy and undermines democracy.

Existing flaws in international financial systems have significantly contributed to aggravating global inequality. Inequality in all its dimensions leads to further marginalisation of vulnerable groups and creates despondency, which undermines social and political stability. Additionally, the inability to effectively tax corporate income due to favourable tax incentives has made governments in Africa target the so-called informal sector as a source of additional revenue. As a result, many African countries have an imbalanced tax mix between direct and indirect taxes and tend to depend more on indirect taxes, which are often regressive. Regressive tax systems usually burden the poor more than the rich. Particularly, Value Added Tax (VAT) and other consumption taxes have become a key source of revenue generation for many countries in Africa. Efforts to introduce reforms that would see the rich pay more taxes through measures such as Capital Gains or Wealth Taxes have faced significant opposition partly due to business and elite apprehension. The strategic driver under this thematic area is weak and regressive tax systems characterised by narrow tax bases, which increase the burden to low-income earners, ultimately aggravating inequality and poverty. Our goal is to achieve equitable, transparent, accountable and

inclusive domestic tax systems in Africa.



### Tax and Investments

Africa faces several challenges as it struggles to protect its tax base in the face of renewed interest as a favourite destination for foreign investments. The race to attract foreign investments is emerging as a race to the bottom as countries use harmful tax incentives or sign unreliable double tax agreements that severely erode their tax bases and limit their taxing rights on corporate income. Unfavourable double tax agreements, particularly those signed with tax havens, not only limit taxing rights, but they also open the country to treaty abuse by unscrupulous investors. The latter use the treaty provisions to shift their profits to avoid taxation aggressively. Revenue foregone because of harmful tax incentives and unfavourable double taxation, trade and investment agreements have impeded state ability to deliver services. The strategic drivers under this thematic programme are weak trade and investment regimes as well as harmful Double Taxation Agreements (DTAs). These regimes and agreements grant harmful tax incentives that erode African countries domestic tax bases. Our goal is to achieve progressive tax policies within national investment regimes that support domestic revenue generation and reduce IFFs on the other hand.

## MEMBERSHIP

Tax Justice Network Africa is a membership-based organisation with 32 member-organisations spread across 22 countries on the continent. TJNA's overarching goal is to create a pan-African movement of like-minded organisations agitating for tax justice.

Through the secretariat, member-organisations collaborate on joint programmes towards scaling up tax justice, capacity building, and training, as well as exchange information. At the national level, members work together to drive collective policy actions through tax platforms, alliances and coalitions that advocate for pro-poor tax regimes and promote domestic resource mobilisation.

The network's ambition is to have a presence in all 54 nations in Africa.



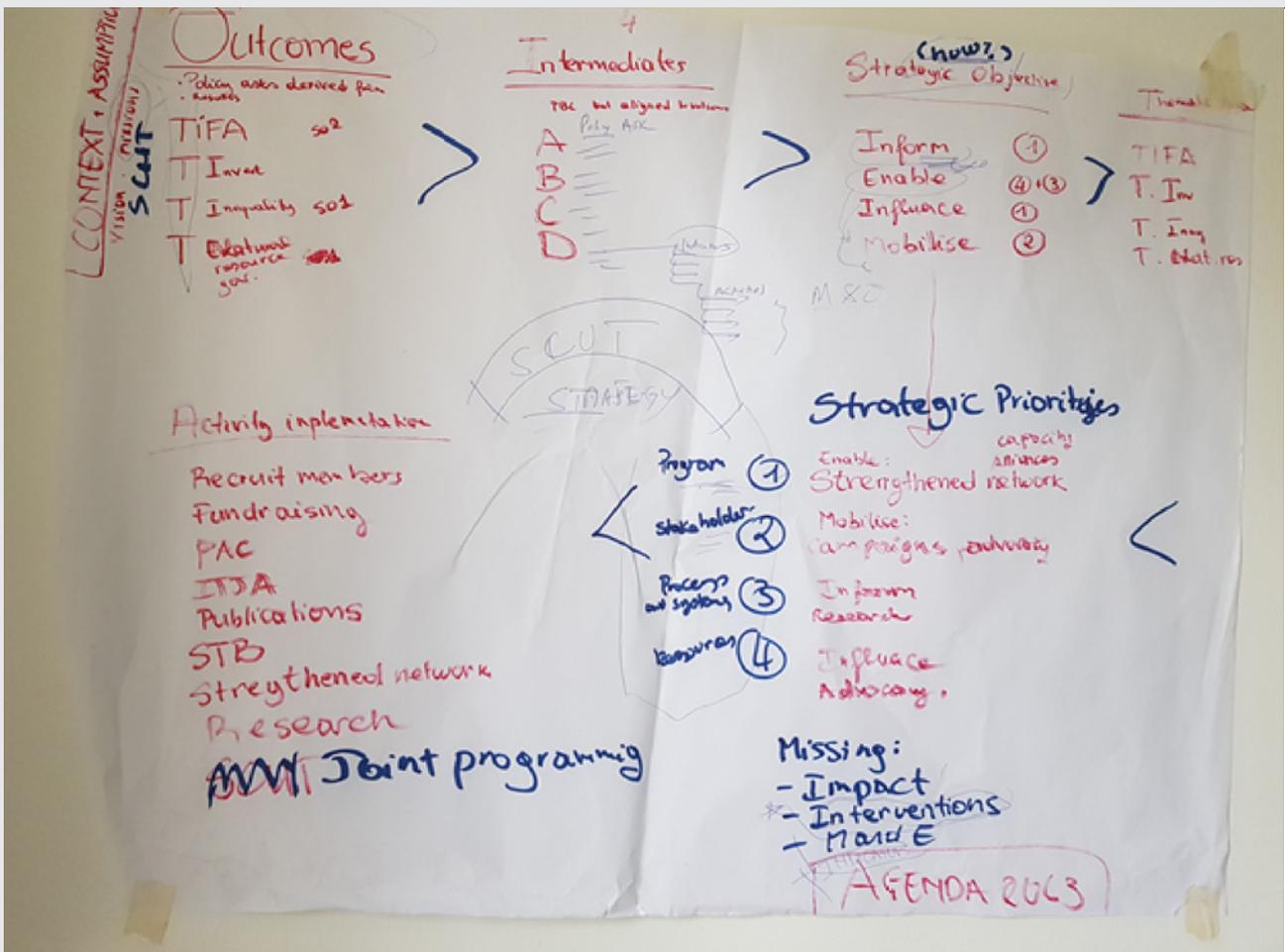
## REVISION OF TAX JUSTICE NETWORK AFRICA STRATEGIC PLAN

TJNA is in the process of revising its strategic plan following an in-depth evaluation of the current strategic plan that was conducted in 2019. The new strategic plan will cover the period from 2021 to 2025.

The strategic planning process was commenced by an in-depth review of the previous strategic plan to assess the organization's performance and form a basis for planning the next phase of programmes. The development of TJNA (2021 – 2025) Strategic

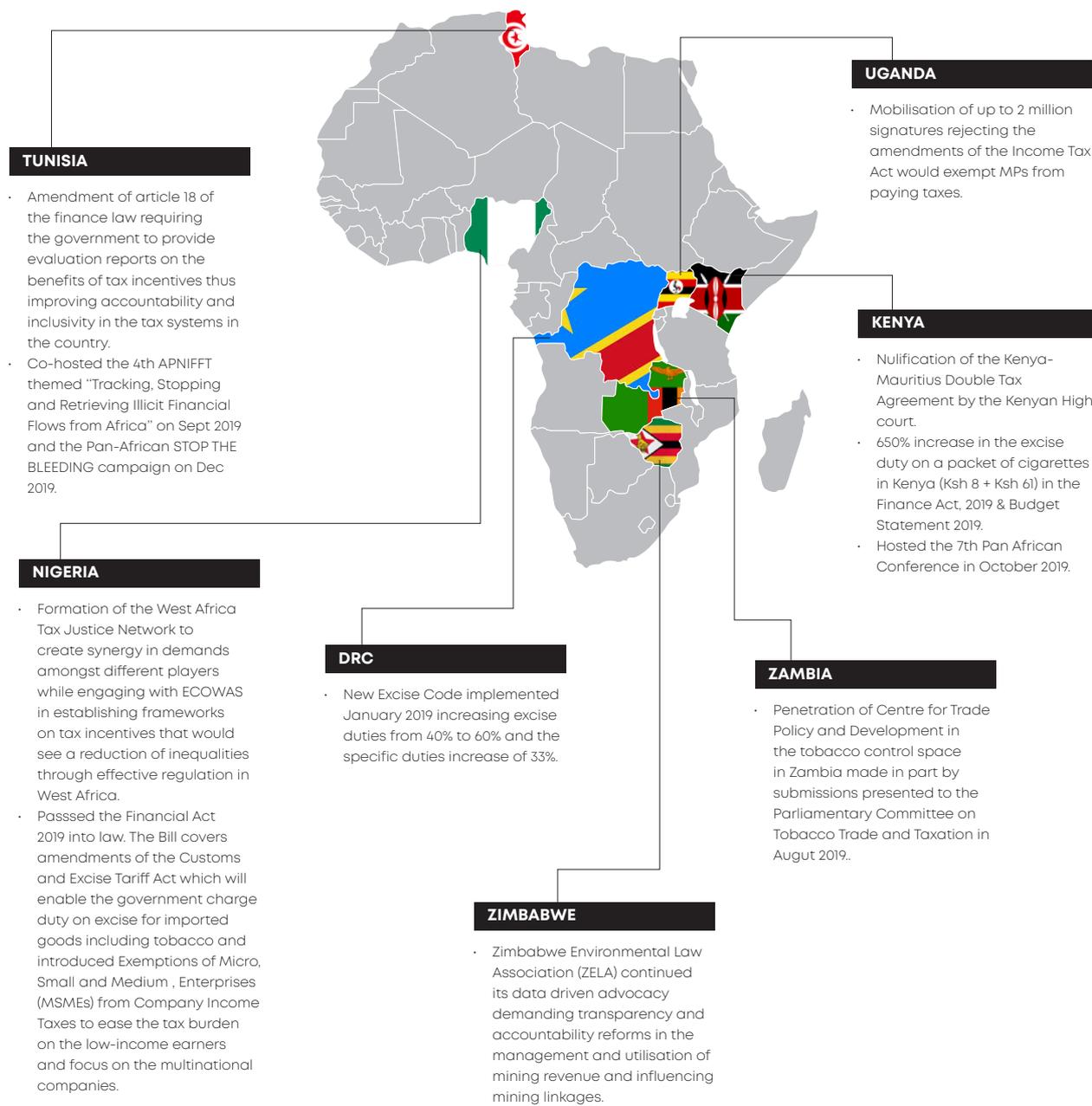
Plan follows three key stages, as described in the figure below involving a broad scope of consultation with relevant stakeholders, staff, beneficiary institutions, and members of the Executive Council.

The year 2019 focused on phase one, which involved evaluating performance and operating environment. The exercise entailed interviewing staff, the Executive Council, partners and a wide range of stakeholders.



Strategic Planning Process

# 2019 CONTINENTAL WINS





CAMPAIGN  
TO END  
ILLEGAL  
FINANCIAL  
FLOWS

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# INFLUENCING TAX JUSTICE IN AFRICA

[@Stop\\_AfricaFFs](#) [www.stopafricaffs.org](#)

# A first of its kind: Nullification of Kenya-Mauritius DTAA is a win for africa



In an unprecedented move, Tax Justice Network Africa (TJNA) filed a petition at the High Court of Kenya, to challenge the constitutionality of the Double Tax Avoidance Agreement (DTAA) between Kenya and Mauritius. The petition focused heavily on related constitutional issues that the Government of Kenya defied to have the treaty invalidated. This includes parliamentary scrutiny and public debate in ratifying the treaty in accordance with the Treaty Making and Ratification Act (TMRA) 2012 as a contravention of Articles 10 (a), (c) and (d) and 201 of the constitution of Kenya. In a groundbreaking ruling, the High Court of Kenya noted that due process was not followed before the gazettment of the DTAA. This was on the grounds that it had not been laid before Parliament within seven days as required by the statutory instruments Act 2013, s.11. Instead, the Government of Kenya treated it as an administrative act that did not require parliamentary participation.

Notably, the Kenyan Government defied the constitutional requirement of public participation and opted for consultations with expert institutions on the assumption that the public lacked knowledge and expertise on the subject matter hence would not offer valuable input.

While in theory, DTAA's are an important policy regulatory instrument to ensure that companies operating in more than one tax jurisdiction don't face double taxation, they are prone to abuse resulting in enormous revenue leakage. Some of the imminent temptations to abuse include treaty shopping, round-tripping and manipulation of transfer pricing regulations. Ratification of treaties should, be subjected to the procedures specified in the Technical and Miscellaneous Revenue Act (TMRA).

The TJNA's court case win, which is one of its kind, set a precedence for other African countries in similar situations. Many states have signed such agreements, and the High court of Kenya has made it crystal clear they could be revisited, checked out on irregularities to have them revised, or nullified to halt fiscal evasion.

TJNA's petition against the Kenya-Mauritius DTAA was launched in October 2014, and the High court of Kenya published its judgment on 15th March 2019. The ruling by the High Court of Kenya was made in favour of TJNA, after a four year-long legal process, rendering the Kenya-Mauritius DTAA void and unconstitutional. TJNA is the first organisation in the continent to have challenged any government on bilateral agreements concerning DTAA's, and the judiciary ruled in its favour.

TJNA's remarkable win has been widely documented, and readers can access more information in the references below:

- Our press release provides the date and summarises the Ruling: [Court declares the Kenya Mauritius DTA unconstitutional.](#)
- Our experts note: [Why Tax Justice Network Africa challenged the constitutionality of the Kenya Mauritius DTAA.](#)



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**ENABLING TAX JUSTICE  
STAKEHOLDERS IN  
AFRICA**

# Civil Society Organisations Shaping Tax Policy in Uganda

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Civil Society Organisations (CSOs) play a critical role in shaping policy and practice on revenue mobilization, utilization and accountability at different levels. However, until recently, spaces for CSO engagement in tax policy formulation were limited. Moreover, CSOs had limited capacity to engage due to poor knowledge on tax issues and misconceptions on taxes, which were perceived as being too technical and best left to experts. As a result, there were no CSO platforms and alliances to effectively influence equitable, inclusive and responsive tax policies and practices in Uganda.

In an effort to address this challenge, in 2012, SEATINI Uganda, in partnership with TJNA and Oxfam, set out to build the capacity of CSOs in Uganda with the primary goal of influencing government in the adoption of fair taxes under the Capacity for Research and Fair Taxation (CRAFT) project. At that point, SEATINI and partners took steps to put a human face to taxation and were featured not only in business discussions, but also in social discussions.

As part of the process, SEATINI Uganda, TJNA and Oxfam developed training manuals that were used for capacity building sessions on taxation. A number of tax justice campaigners were also identified, and capacity built to sensitise citizens across the country to appreciate the concepts of tax justice. During this time, a CSO platform, the Tax Justice Alliance- Uganda (TJAU) was revamped to bring together like-minded CSOs to influence government for the adoption of fair, just and accountable tax policies in Uganda. A steering committee was also set up to oversee and guide the Alliance. While working with TJNA and other partners, SEATINI Uganda has since progressively worked towards building the capacity of the alliance and further broaden it to have a regional balance with members

at both the national and subnational level. This has seen the growth of its membership from seven members at the national level to 43 members spread across different regions in Uganda.

As a result of these collaborative efforts and enhanced capacity in tax justice, several CSOs have mainstreamed tax issues into their work and through the leadership of TJAU, steered a number of campaigns designed to direct the government towards the adoption of fair tax policies. In addition, SEATINI Uganda and TJAU have been recognized in the different government processes. For instance, SEATINI Uganda was engaged during the development of Uganda's DTA policy and TJAU was part of the Domestic Revenue Mobilization Committee that developed the recently launched Domestic Revenue Mobilization Strategy (DRMS).

As SEATINI Uganda continues to strengthen the capacity of TJAU members, mobilize stakeholders to participate in tax related work and engage with policy makers using evidence-based advocacy, they will continue to rely on the support of a coalition of regional and global tax justice partners including Action Aid International, Uganda, Oxfam Uganda, Democratic Governance Facility, East African Tax and Governance Network, Global Alliance for Tax Justice and Tax Justice Network Africa.

TJNA seeks an enabling tax justice environment in Africa. TJNA has been supporting high-level advocacy and stakeholder's engagement as strategies. The PAC is the major highlight in this regard, and other high-level activities include the below:

### **International Level**

- TJNA provided technical support to TJNA member, SEATINI, by way of a presentation at a dialogue on current policy frameworks for trade and investment because of the African Continental Free Trade Area.
- We presented a 13-Point Action Plan at the UN Conference on South-South Cooperation (UNOSSC), or BAPA +40 side event. The inputs formed part of the inclusions in the revised output document of South-South Cooperation.
- We have produced a draft position paper on the compatibility of the OECD Multi-lateral Instrument with the ATAF and EAC model Double Taxation Treaties.

We presented a position statement into the G77 IFFs Resolution. This resolution

focuses on corruption, crime, and asset recovery. The position was a reflection of the political challenge around introducing tax avoidance related issues in IFFs negotiations. The 2019 G77 resolution is more ambitious and introduces language recognizing IFFs associated with profit-shifting activities as damaging and calls for upgrading the UN tax committee.

### **Regional Level**

- In partnership with ATAF, TJNA hosted the African Parliamentary Network on Illicit Financial Flows (APNIFFs). This platform brings together Members of Parliament from countries across Africa to share knowledge on IFFs policy issues in Africa.
- We developed a position paper on taxing financial technology (fintech) to develop a deeper understanding of the context of taxing fintech in select African countries as a means for providing recommendations on the same.

## The 7th Pan African Conference on illicit financial flows and tax



Participants following proceedings at PAC 2019.

TJNA continued to enable policy reform through the mobilisation of diverse stakeholders on IFFs. The 7th Pan-African Conference (PAC) held from 1st – 3rd October 2019 captured the moment. Hosted in Nairobi, **“Taxing Intangibles, Financial Technology (FinTech) and the Digitalised Economy: Implications for Illicit Financial Flows from Africa,”** was the theme of the Conference.

PAC was co-convened by many organisations including the African Women’s Development and Communication Network (FEMNET), African Tax Administration Forum (ATAF), United Nations Economic Commission for Africa (UNECA), Pan African Lawyers Union (PALU), The African Forum and Network on Debt and Development (AFRODAD), Financial Transparency Coalition (FTC), Global Alliance for Tax Justice (GATJ), Action Aid, Oxfam, Coalition for Dialogue on Africa (CODA) and Trust Africa, Tax Justice

Network Africa (TJNA) with support from Open Society Foundations (OSF), Hewlett Foundation and Diakonia.

The Conference sought to provide a forum for policy actors to articulate issues and challenges surrounding the preparedness of tax systems in African countries to adapt to evolving technological advancements.

**The Outcome document** was developed by TJNA and its partners, reaffirming their commitment to fighting for tax justice in the wake of intangibles transactions, FinTech, and increasing digitalisation of the economy. The outcome document of the 7th PAC will inform the AU-Ministerial meeting to be held in June 2020 to discuss Africa’s position on taxation of the digitalised economy.

**Pan African conference on illicit financial flows and taxation 2019**

Using Intangibles, Financial Technology (Fintech) and the Digitalized Economy: Trends, Challenges and Opportunities for Domestic Revenue Mobilization in Africa

Happened on **1 2 3** of OCTOBER

With **159** PARTICIPANTS

79 women 80 men

**Representation**

Govt	17.0%
Academics	4.4%
Civil society	64.0%
Urban/Trade, NGOs, Business, Parliament, Research, Media Org	14.6%

**PAC 2019 was live!**

Watch more videos on Tax Justice Network Africa YouTube channel

**What are your (PAC) expectations?**

7 Policy sessions — 7 Think away sessions — 4 Side events

**And... 1**

PAC 2019 OUTCOME DISCUSSION

PAC 2020 WILL BE IN DAKAR, SENEGAL

WE are here!

## In the Spotlight

# The Tax Challenges of the Digitalized Economy

As economic activities expand globally, mainly with growing foreign direct investment (FDI) and increasing use of digitalization, there is a challenge of maintaining the traditional standard of taxation. Taxing by use of conventional standards means taxing worldwide income by residency, which results in Double Taxation. This result contributes to the need for Double Taxation Treaties entered into by most African countries to mitigate these challenges. These challenges of taxing the digitalized economy are further complicated by the level of sophistication by Multinationals who employ tax planning strategies. The feature of cross-border taxation and the use of technologies required more technical approaches. This trend of challenges continues to shift revenue away from African shores through digital enterprises and virtual means.

To date, the global debate has taken three trends: taxing by significant economic presence, taxing by user participation, and taxing by marketing intangibles. These proposals are merged into the Unified Approach through the OECD's Inclusive Framework on Base Erosion and Profit Shifting. Over 25 African countries are members of this framework. While this presents achievement, there are still challenges of the absence of a global-tax-governance body for setting universal standards in leading institutions and determining penalties and incentives at all levels. The existence of this gap has

given the OECD processes setbacks and a big push for developed countries' agendas. They are thereby lending Africa less voice in the global debate.

The African Tax Administration Forum (ATAF) continues to support a more participatory African position in determining global rules to 'The Tax Challenges Arising from the Digitalisation of the Economy'. ATAF technical support led to capacity building, conducting technical analysis, and coordinating feedback, <https://www.ataftax.org/library>. ATAF lacks the policy mandate, this limitation emphasizes the need for active political leadership on international tax matters to buttress ATAF efforts in Africa.

In promoting engagement along this path and in its usual Pan – African regalia, TJNA supported the need for convergence of views from across stakeholders in Africa through its 7th Pan African Conference (PAC) hosted in Nairobi, Kenya. The Conference theme was «Taxing Intangibles, Financial Technologies, and The Digitalised Economy: Trends, Challenges, and Opportunities for Domestic Revenue Mobilization in Africa.» Attended by over 160 participants from 43 countries, mostly from Africa and across relevant sectors, including Tax Administrators, NGOs, Academics, CSOs, Members of Parliament, Ministries of Finance and Development Planning (MFDP), and others. Participants made several very significant recommendations, few of which are as follow:

1. African political leaders should become more proactive in their responses to the global tax agenda. Other regions have seen a strong political commitment to achieve domestic-revenue mobilization.
2. Establishment of a continental tax policy coordination platform like that of the OECD with a deeper mandate to penalize, and incentivize rules development and implementation of regional tax-policy standards.
3. Participants called for the need to re-enforce the strengthening of Africa's position on the international tax agenda, particularly the challenges of the digitalized economy.
4. That African countries should increase the culture of signing and implementing agreements on automatic exchange of information for taxation purposes.
5. That African tax systems need to be more inclusive of voices and participation in Africa and with consideration of other human rights and gender issues.
6. That the current regional data reporting on Administration practice by ATAF need to extend to other local sectors or institutions deemed as significant drivers of illicit financial flows.

## Linking the Local to the Global: Impetus for Driving Change



At the global level, TJNA is a network member of the **Global Alliance for Tax Justice (GATJ)**. GATJ is a movement of CSOs, activists, trade unions and committed partners united in campaigning for greater transparency, democratic oversight and redistribution of wealth in national and global tax systems. It comprises of five regional networks of Africa, Latin America, Asia, North America and Europe, which collectively represent hundreds of organisations. In 2019, GATJ worked with network members and partners to deliver joint Global day(s) of global actions for tax justice on [Tax Justice for Women's Rights](#) led by TJNA and [Tax Justice in the Extractive Industry Now!](#) led by Tax and Fiscal Justice Asia (TAFJA).

GATJ also participated at high-level meetings and side events at meetings of multilateral institutions during the Financing for Development meetings; UN Tax Committee, the IMF and World Bank meetings; UNCSW etc.

The GATJ **tax and gender working group**, as a global working group, continues to provide a space for discussion of the gendered impacts of tax justice and to strengthen the

ongoing collaboration and cooperation and to further build the movement for tax justice and women's rights. Monthly working group meetings for planning joint actions took place, including development of a strategy document. Members were able to engage in global policy spaces, including high-level side events at the IMF & WB Spring and Annual Meetings and others.

Work on **Curbing harmful tax practices and competition** was taken forward via the global working group on Tax & Extractives. The first-ever [campaign on tax and extractives](#) was held in November 2019. Tax Justice Europe (TJE) continues to lead the **CBCR Working Group** taking forward the GATJ work on tax transparency. A new **Global Tax Rules Working Group** has also been established to provide a space for discussions on global tax reforms.

GATJ continues to work closely with the regional networks like TJNA to strengthen the linkages between the local and global players, and to grow the tax justice movement.

## Strengthening the Network: Partner's experience

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With the Tax Justice Network Africa (TJNA) support, The Tunisian Observatory of Economy (OTE) embarked on research to develop a working paper, which led to the development of a policy brief to inform the law on tax incentives. This technical support offers critical insight to lawmakers on tax incentives, as tax incentives are constituted in the law in Tunisia, presenting loss of revenue for the country. This move led to the proposed amendment of the Finance Law by OTE. OTE drafted article 18 for consideration into the Finance Law, and what followed was Parliamentary engagements, which involved raising awareness of members of parliaments on the policy brief on tax incentives and proposed article 18 of the Finance Law.

Due to the work done with the parliamentary finance committee and the members of Parliament, the article was approved during the general voting session.

This was an excellent win for the people of Tunisia, and the result addresses supports outcome one (1) and three (3) of TJNA strategic plan 2016 – 2020.

- **Strengthened network championing tax justice issues:** The capacity of OTE who is a member of Tax Justice Network Africa has been built and as a result, it has in-house ability to conduct research, develop policy briefs, draft proposed amendments, advocate and influence policy.
  - **More inclusive, equitable and accountable tax systems:** The government in Tunisia will now be required by law to produce an evaluation report on the benefits of tax incentives. This contributes to a more inclusive, equitable, and accountable tax system in Tunisia.
- Lessons Learnt from the process of passing of the law**
- Influencing policy requires strong evidence from research,
  - Development of policy briefs should be followed by vigorous advocacy activities to influence policy,
  - Being reactive to the parliamentary agenda to provide timely research and advocacy is crucial,
  - Having an in-house capacity for policy research and advocacy is a big plus to the organisation as it saves the cost of outsourcing and necessary reactivity.

<http://www.economietunisie.org/fr/observatoire/analyseconomics/les-traites-non-double-imposition-tunisie>.

<http://www.economie-tunisie.org/en/observatory/analyseconomics/tax-incentives-loss-revenue-uncertain-benefit>.

# INFORMING THE WORK OF TAX JUSTICE IN AFRICA

## Defining and Promoting Fairer Tax Systems in Africa

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TJNA has been working with Oxfam to define and assess the fairness of national tax systems through the Fair Tax Monitor (FTM) tool with country partners and members. In early 2019, SEATINI in Uganda and CISLAC in Nigeria launched their FTM reports. By the end of the year, Zambia, Malawi, Tunisia, Senegal, Cameroon had prepared reports to be published and disseminated in early 2020.

Key findings from the reports show that in these African countries, more than half of the countries' total tax revenues are derived from indirect taxes and that instead of this situation improving, it is, getting worse. Over the last ten years in Zambia, Malawi, and Tunisia, the trend shows that there is a growing reliance on indirect taxes. Malawi and Zambia initially showed a greater reliance on direct taxes, but this trend has changed in the last two years. In Uganda and Cameroon, the proportion of direct and indirect taxes to total revenue has not changed much over the previous five years, with indirect taxes accounting for 64.4% and 58.7% of total tax revenue, respectively. These findings reveal that the tax systems in these countries harm the poor of which, most are women, and ascertaining these statistics is key for national organisations to undertake advocacy to promote fairer tax systems.

Since the publishing of these reports, country partners in Nigeria have used the FTM recommendations to feed into the ongoing international corporate tax reform through the BEPs monitoring group, with Nigeria representatives making use of recommendations from the FTM report. The

Ministry of Finance is working on a proposal with the World Bank to do a «cost-benefit» analysis of the incentive regime in Nigeria. The publication prompted the need to provide a TJNA network member in Nigeria, a seat in the committee that will be working with the Ministry.

In Uganda, the FTM has provided TJNA member, SEATINI credibility to engage in the national discourses around taxation and the FTM findings have been used by country partners to carry out capacity building on taxation and to highlight the regressive tax policies including the tax exemptions on some income for members of Parliament.

The FTM team continues to work on improving the FTM methodology to capture the contexts in which taxation systems are situated appropriately. The 2019 method has specific questions and indicators, including aspects to gender, corporate tax incentives, debts, the informal economy, and illicit financial flows, among others.

Another success is that TJNA and Oxfam have brought another new partner on board, Action Aid with whom the FTM team will be broadening the scope of countries undertaking FTM studies.

# MOBILISING TAX JUSTICE CHAMPIONS IN AFRICA

## Scaling the Heights of Tax Justice in Africa: Flagship Projects Alumni in Action

TJNA has over the years been investing in building awareness and capacity of selected stakeholders on the issue of Tax Justice and Illicit Financial Flows (IFFs) through its flagship of capacity building programmes: the Africa Media Training Programme (AMTP), International Tax Justice Academy (ITJA) and the African Parliamentary Network on IFF and Tax (APNIFFT). TJNA has facilitated the capacity development of CSOs, Members of Parliaments (MPs) Journalists, and Academia. The lessons from the 2019 implementation focused on the need to continue structuring the pattern of capacity building such that it is a more cohesive and comprehensive package targeting local and regional level participants. To date, over 500 CSO activist, 200 MPs, and 150 journalists, have undergone the customised capacity training.

The International Tax Justice Academy (ITJA) is an annual capacity building programme that was first held in 2014. Under the motto of «Building the next generation of tax justice champions,» it seeks to inspire, empower, and mobilise citizens across the continent to bridge the existing knowledge gap in tax justice. Six years later, the week-long event that targets CSOs, Media, Academia, and Trade Unions has seen close to 1000 tax justice activists successfully go through its customised training on tax justice and IFFs.



5622 Signatures collected in support of STB Campaign!

[www.stopthebleedingafrica.org](http://www.stopthebleedingafrica.org)

### AMTP

22 participants  
17 Nationalities



### ITJA

80 participants  
34 Nationalities



### APNIFFT

54 participants  
26 Nationalities



### PAC

159 participants  
43 Nationalities



# Tax Activism in Digital Media

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Mukasiri Sibanda, is one of the pioneers of International Tax Justice Academy (ITJA). He has inscribed a huge footprint on the digital space in regard to tax justice activism. He capitalizes on his writing skills to document fiscal-trail evidence and arguments on social media. Social Media has aided in lowering the barriers of communication, earned him credibility and brought forth a ripple effect.

Mukasiri's entry into the fiscal sphere was deliberate. He had been exposed and could articulately engage in resource governance conversations at the Zimbabwe Environmental Law Association (ZELA) where he worked as a Finance Officer. It is, however, the training by TJNA that propelled him to activism.

## BENEFITS OF ITJA

- 1 Ability to articulate issues and contribute to the fiscal debate at Zela.
- 2 Opened a door for collaboration between civil society and the government of Zimbabwe in decision making.
- 3 Opportunity to empower the community to be a credible and reliable source of information and use of digital media.
- 4 A teacher and mentor was unvelled. He is the chairman to ZIMCODD board, influencer and trainer.

He left the academy with a clear mind. He recognised the holistic approach to legislation of good laws and practices adopted by civil society. Better still, he identified a distinct gap that he would fill effortlessly; following the missing resources or money which is the ultimate benefit that can delivered to the

citizens. He has never looked back.

He moved with zeal to create an open-source Mining and Sustainable Development blog and twitter account that have remained vibrant for five years. He uses the platforms to state the position of civil society especially on government pronouncements. His posts have stimulated enriching conversations amongst stakeholders far and wide, hence eliminating the perception of civil society as an aloof actor. This not only prompted publication of articles by guest writers for inclusion but also collaboration with the media. The government of Zimbabwe in particular is warming up to genuine collaborations with civil society and recognizes them as stakeholders in decision making. Recently, the clerk of parliament invited ZELA to share concerns from mineral resource governance perspective when the 2020 budget was announced.

There arose a need to integrate the voices of the citizenry anchored on credibility. The two-year old Community Data Journalism Programme was born and has made commendable progress. This has contributed in shaping evidence-based narratives and active online participation. It is refreshing to see locally driven hashtags and stories trending to hold government accountable and to reach out stakeholders widely.

The tentacles of ITJA are spreading. In 2019, Mukasiri was invited to lead a discussion on taxation in the extractives sector organised by ActionAid for their international affiliates focusing on Africa. His session generated a lot of interest and he has been required to do technical backstopping. He is also the chairman of Zimbabwe Coalition on Debt and Development (ZIMCODD) board, a non-profit socio-economic justice coalition.

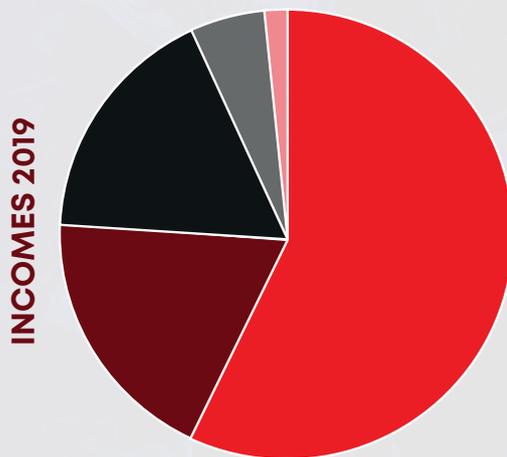
# FINANCIAL OVERVIEW

## REVENUES

In the year 2019, TJNA was able to raise \$ 1,297,457 as an additional income to 2018 deferred income of \$1,087,643, which represented incomes received in 2018 for 2019 implementation. The total available income for programme implementation was \$2,385,100. This meant that we were able to raise 81% of our 2019 budget.

We were also able to establish a general reserve fund, to help build the organisation's financial sustainability. The current reserve has grown by 6% and now stands at \$369,880.

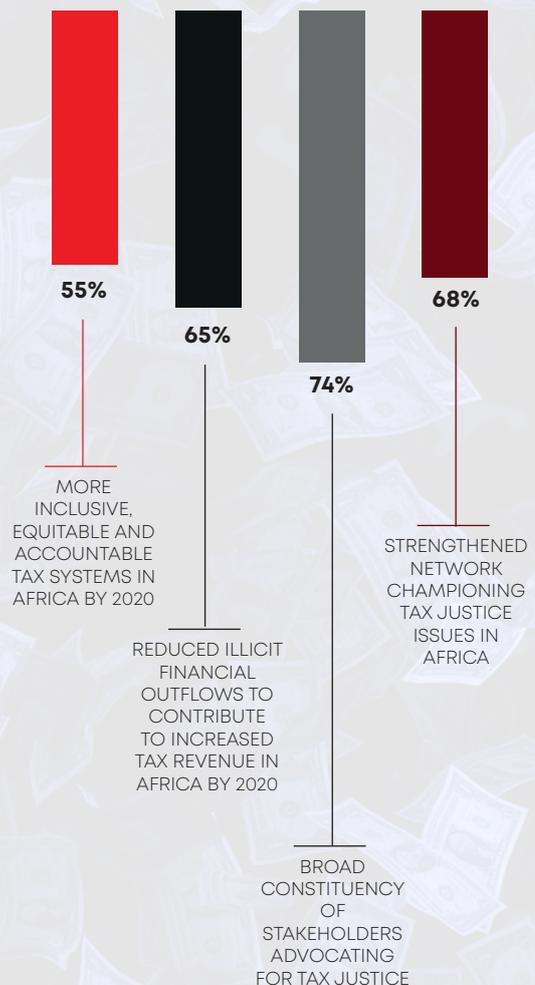
Below is a summary of incomes received during the year.



- Own funds (ITJA, bank interest, General Reserves); **1%**
- Member coalitions; **6%**
- international NGOs; **17%**
- Government agencies; **19%**
- Foundations; **57%**

## EXPENDITURES

TJNA absorption rate of expenses vs income available for 2019 was 81%. These expenses are distributed across our four (4) Strategic Objectives as shown in the chart below:



# Tax Justice Network Members

MEMBER DATABASE (AS AT 31ST DECEMBER 2019)				
REGION	ORGANISATION	ACRONYM	COUNTRY	WEBSITE
EASTERN AFRICA	National Taxpayers Association	NTA	Kenya	<a href="https://nta.or.ke/">https://nta.or.ke/</a>
	Kenya Debt Relief Network-Kenya	KDRN	Kenya	<a href="http://www.kendren.org/">http://www.kendren.org/</a>
	Kenya Human Rights Commission	KHRC	Kenya	<a href="https://www.khrc.or.ke/">https://www.khrc.or.ke/</a>
	East Africa Tax and Governance Network	EATGN	Kenya	<a href="http://www.eataxgovernance.net/">http://www.eataxgovernance.net/</a>
	Policy Forum	PF	Tanzania	<a href="https://www.policyforum-tz.org/">https://www.policyforum-tz.org/</a>
	Southern and Eastern Africa Trade Information and Negotiation Institute	SEATINI	Uganda	<a href="http://www.seatiniuganda.org/">http://www.seatiniuganda.org/</a>
	Halley Movement for Social & Community Development	Halley Movement	Mauritius	<a href="http://www.hallemovement.org">www.hallemovement.org</a>
SOUTHERN AFRICA	Center for Trade Policy and Development	CTPD	Zambia	<a href="https://www.ctpd.org.zm/">https://www.ctpd.org.zm/</a>
	Economic Justice Network of Southern Africa	EJN	South Africa	<a href="http://ejn.org.za/en/">http://ejn.org.za/en/</a>
	Center for Social Concern	CSC	Malawi	<a href="https://www.cfscmalawi.org/">https://www.cfscmalawi.org/</a>
	Malawi Economic Justice Network	MEJN	Malawi	<a href="http://www.mejnmw.org">www.mejnmw.org</a>
	Africa Forum and Network on Debt and Development	AFRODAD	Zimbabwe	<a href="http://www.afrodad.org/">http://www.afrodad.org/</a>
	Zimbabwe Environmental Law Association	ZELA	Zimbabwe	<a href="http://www.zela.org/">http://www.zela.org/</a>
	Center Theatre of the Oppressed Maputo	CTO_ Maputo	Mozambique	<a href="http://www.gtomaputo.org.mz">www.gtomaputo.org.mz</a>
WESTERN AFRICA	Integrated Social Development Centre	ISODEC	Ghana	<a href="https://isodec.org/">https://isodec.org/</a>
	Ghana Integrity Initiative	GII	Ghana	<a href="https://www.tighana.org/">https://www.tighana.org/</a>
	Budget Advocacy Network	BAN	Sierra Leone	<a href="http://www.bansl.org/">http://www.bansl.org/</a>
	National Advocacy Coalition on Extractives	NACE	Sierra Leone	<a href="http://www.nacesl.org/newnace/">http://www.nacesl.org/newnace/</a>
	Social Justice		Cote d'Ivoire	<a href="http://www.socialjustice-ci.net/web/">http://www.socialjustice-ci.net/web/</a>
	Civil Society Legislative Advocacy Center	CISLAC	Nigeria	<a href="http://cislacnigeria.net/">http://cislacnigeria.net/</a>
	Dynamique des OSC Francophones		Benin	<a href="mailto:coordination@oscaf-inter.org">coordination@oscaf-inter.org</a> ;
	Africa Regional Organisation of the International Trade union Confederation	ITUC-Africa	Togo	<a href="https://www.ituc-africa.org/">https://www.ituc-africa.org/</a>

	Réseau des Organisations pour la Transparence et l'Analyse Budgétaire/ The Network of Organizations for Transparency and Budget Analysis	ROTAB	Niger	<a href="http://www.rotabniger.net">www.rotabniger.net</a>
	No-Vox Côte d'Ivoire	NO Vox	Côte d'Ivoire	<a href="http://www.no-vox.org">www.no-vox.org</a>
	Action Mines Guinée	AMINE	Guinea	<a href="https://www.actionminesguinee.org/">https://www.actionminesguinee.org/</a>
	Forum Civil		Senegal	<a href="http://www.forumcivil.sn/">http://www.forumcivil.sn/</a>
<b>CENTRAL AFRICA</b>	Initiative Locale pour le Développement Intégré	ILDI	DRC	N/A
	Centre Régional Africain pour le Développement Endogène et Communautaire	CRADEC	Cameroon	Under development
	Commission Episcopale Justice et Paix	CENCO/CEJP	DRC	<a href="https://cejprdc.org/">https://cejprdc.org/</a>
	Santos Development Organisation	SADO	Cameroon	<a href="http://www.sadoaction.com">www.sadoaction.com</a>
<b>NORTHERN AFRICA</b>	Tunisian Observatory of the Economy	TOE	Tunisia	<a href="https://www.economie-tunisie.org/en">https://www.economie-tunisie.org/en</a>
	Social Justice Platform	SJP	Egypt	<a href="https://sjplatform.org">https://sjplatform.org</a>





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