



LIFTING EACH OTHER UP – IMPROVING SKILLS AND CAPACITIES ACROSS TAX POLICY AND ADMINISTRATION

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Key messages

- Increasing tax revenues requires improving tax policy and practices in the Global South.
- Enhanced tax policy and administration relies on improved skills of governments, their agencies and ultimately government officials. Improved skills amongst academics in public finance in universities and think tanks will complement and further propel governments' skill pool.
- Member states should enable South-South learning, in combination with North-South technical assistance and support to research, as a powerful incubator for increasing skills in the Global South.
- Demand-driven, context-specific, and long-run collaboration projects offer the most significant opportunities as they allow building trust, relationships, and know-how at the same time.

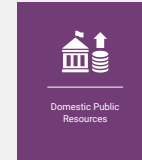
Problem statement

Countries need to base policy decisions on sufficient and adequate evidence to deliver on financing the SDGs. Many developing countries lack the skills and tools to produce evidence that will ultimately help them realize the domestic revenue required to achieve the SDGs. Consistent and forward-looking upskilling of government officials, academia, and civil society is the basis for sustainably raising domestic revenue in the long term.

By grounding policy decisions in solid evidence and successful implementation of policies, countries can better navigate the complexities of tax reforms and ensure that their strategies effectively support the financing of the SDGs. Achieving this goal requires significant skills and capacities, often highly specialized and technical in nature, from revenue authorities and governments.

In addition to foundational skills, there is a need for advanced competencies in data analysis and interpretation, economic modelling, and tax policy design. Proficiency in public financial management and a deep understanding of legal and regulatory frameworks are also crucial. Furthermore, effective stakeholder engagement and project management skills are essential to ensure that policies are well-designed and successfully implemented. Strong communication and

RELEVANT ACTION AREAS



ABOUT THIS SERIES

The Financing Policy Brief Series has been prepared by the Inter-agency Task Force on Financing for Development to inform the substantive preparations for the Fourth International Conference on Financing for Development (FfD4), to be held in Sevilla, Spain, from 30 June to 3 July 2025.

The Inter-agency Task Force on Financing for Development is comprised of more than 60 United Nations Agencies and international organizations. The policy briefs in this series were not subject to review by Task Force Members, and represent the views of the authoring organizations.

The full series is available at:
<https://financing.desa.un.org/iatf/report/financing-policy-brief-series>

MORE ABOUT THIS TOPIC

For further information on the topic of this brief, please see:
<https://www.wider.unu.edu/project/domestic-revenue-mobilization-programme-phase-2>



advocacy abilities are necessary to build public support and drive policy changes. By developing these specialized skills, countries can enhance their capacity to generate the necessary domestic revenue to achieve the SDGs and ensure sustainable development.

expanded their knowledge on the country's social protection schemes and their interaction with each other. The final report was widely discussed and formed the basis for policy reform. The conversation and analysis has continued since then.

✿ Policy solutions

Despite the potential benefits of cooperation in domestic revenue mobilisation, many developing countries still struggle with limited resources and technical expertise. This gap underscores the need for continued international support and investment in capacity development initiatives. By addressing these resource gaps, developing countries can improve the public discourse on taxes the benefits of paying taxes, and ultimately a country's tax-to-GDP ratio.

Collaboration experiences highlight the importance of a long-term vision and demand-driven approach in capacity development. Building sustainable partnerships with local institutions and tailoring support to the specific needs of each country is key. This approach ensures that capacity development initiatives are relevant and effective, fostering local ownership and long-term impact.

For instance, UNU-WIDER's collaboration with the Zambian government on poverty reduction policies has led to significant reform improvements in social protection systems¹. By focusing on demand-driven projects and maintaining a long-term perspective, UNU-WIDER supported the Zambia Institute for Policy Analysis and Research (ZIPAR), an independent think tank closely associated with government, in conducting the necessary analysis. In the process various stakeholders such as officials from Ministries and government agencies and ILO Zambia were brought in to provide information on policies, inform stakeholders about the exercise as such, bring their questions and ideas on board, and discuss results. Throughout the project the team at ZIPAR expanded their methodological knowledge and skills significantly, and government officials who contributed to the exercise

✿ Specific recommendations for FFD4

Technical cooperation through international organizations and bilateral donors can provide essential training and resources to strengthen tax administrations. Governments in the Global South will be able to progress much faster towards the SDGs when partnering with relevant institutions and governments who have developed and deployed relevant methods and practices earlier and successfully implemented them for many years. Technical assistance and research collaboration are thus key to propelling governments in the Global South forward on their path to achieving their goals.

Technical knowledge and the capacity to apply appropriate research methodology and modelling to the relevant data is best learnt in a direct, hands-on manner and alongside experts with long-standing experience in applying such methods. Working together collaboratively to hone these methods to fit the context and needs of the country in question is the fastest track to establishing such infrastructure for policy analysis and research in the Global South. This includes particularly South-South learning, technical assistance and research collaboration between the North and the South.

1. See <https://www.wider.unu.edu/publication/cash-plus-towards-poverty-reduction-zambia>.