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## PRESS RELEASE

## Zambia Revenue Authority and International Growth Centre launch partnership aimed at expanding tax base at regional event in Lusaka

The International Growth Centre (IGC) and Zambia Revenue Authority (ZRA) launched a partnership to collaborate on research and data sharing to strengthen Zambia's tax system at a regional conference held on 11 July in Lusaka.

Developing countries collect much less tax revenue on average (10-15% of GDP) than developed countries (30-40% of GDP), giving them less resources to deliver public services. Through this partnership, the IGC, an organisation directed by the London School of Economics (LSE) and University of Oxford, is working with the ZRA to address this problem in Zambia.

ZRA Commissioner General Kingsley Chanda said: "Tax revenue is critical for Zambia's fiscal fitness and for sustained economic growth. We are pleased to formalise ZRA's ongoing partnership with the IGC to use research evidence to improve tax administration and develop more effective policies. This work will ultimately help the Government to better provide economic and social services to its citizens."

The agreement was signed by Commissioner General Chanda and IGC Zambia Country Director Anand Rajaram at the regional event co-hosted by the IGC and the Ministry of Finance entitled 'International experience in tax policy design and enforcement'. IGC Research and Policy Director Adnan Khan (LSE), a highly respected researcher on taxation in developing countries, delivered the keynote address.

Tax officials from several African countries shared tax experiences at the event including officials from the Uganda Revenue Authority, Ghana Revenue Authority, Sierra Leone Ministry of Finance and Economic Development, and the Rwanda Revenue Authority.

The ZRA also presented their ongoing research on strengthening Personal Income Tax (PIT) compliance in Zambia, done in collaboration with IGC researcher Anders Jensen (Harvard University). With PIT being one of the country's most important sources of tax revenue, accounting for approximately 26% of tax revenue in the 2017 budget, the study is analysing important sources of non-compliance that need to be addressed to maximise revenues.

Additionally, researchers from Paris School of Economics, University of South Africa, and other institutions presented on topics such as improving VAT enforcement and compliance in Uganda and Rwanda, small business taxation in South Africa, and taxing high-net-worth individuals in Uganda.

Mr Rajaram said: "The IGC has been collaborating on research with national revenue authorities across Africa for close to a decade, and we are happy to convene many of these policymakers and researchers here in Lusaka to share their experiences. We will take forward the lessons learned from other countries and evidence presented at this conference in our continuing work with the ZRA and Ministry of Finance."

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## **Notes for editors:**

- The International Growth Centre (<u>www.theigc.org</u>) aims to promote sustainable growth in developing countries by providing demand-led policy advice based on frontier research. The IGC directs a global network of world-leading researchers and in-country teams in Africa and South Asia and works closely with partner governments to generate high quality research and policy advice on key growth challenges. Based at LSE and in partnership with the University of Oxford, the IGC is majority funded by the UK Department for International Development (DFID).
- More information on the event can be found here: <a href="https://www.theigc.org/event/igc-regional-conference-international-experience-tax-policy-design-enforcement/">https://www.theigc.org/event/igc-regional-conference-international-experience-tax-policy-design-enforcement/</a>



