

# TAX FLASHLIGHT

Updates on Economic Justice in the EAC eataxgovernance.net

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Over the past year, the East African Tax and Governance Network (EATGN) continued to reimagine and reinvent itself into an organization that seeks to develop assets that strengthen tax justice and good governance in the East African Community (EAC) region. EATGN is now fully registered as an independent legal entity, continuing its institutional development process in serving its members within the region. EATGN wishes you a prosperous 2023 as in upcoming strategic engagements or partnerships in promoting fair, transparent, accountable, and citizen-driven tax systems in East Africa. This newsletter edition highlights some of the successes and lessons carried throughout 2022.

## **Initiatives and Impact**

In 2022, EATGN participated in tax advocacy initiatives across the East African region. These include programs to <u>strengthen and embed the tax justice movement and campaign against illicit financial flows (IFFs) at the regional level, enhance women's power and voices on tax justice for gender equality, explore the cost of tax expenditures in Kenya and frame the linkages between <u>beneficial ownership data and public procurement in Kenya</u>. These initiatives focused on practical and evidence-based actions to help drive institutional or societal change in EAC tax systems.</u>



#### Knowledge Creation and Awareness building

Taxation is a niche development debate that excludes many stakeholders. In 2022 EATGN conducted research aimed at creating awareness and informing debates for advocacy purposes within the EAC. 5 studies were published on various themes such as Double Taxation Avoidance Agreements (DTAAs), the <a href="mailto:emergence">emergence</a> of <a href="mailto:International Financial Centre's">International Financial Centre's</a>, the <a href="mailto:hidden cost of tax expenditures">hidden cost of tax expenditures</a> and <a href="mailto:regional tax">regional tax</a> <a href="mailto:harmonization">harmonization</a>. It is hope that the studies will serve to enhance broader understanding of domestic revenue mobilization (DRM) issues within public finance in the EAC. See more



#### Access to Policy Makers

The participation of citizens is at the heart of democracy. CSOs play a key role in bridging the gap between legislators and citizens in relation to public service delivery. With submissions ranging from the <a href="mailto:annual Finance Bill">annual Finance Bill</a> to the <a href="mailto:beneficial">beneficial</a> <a href="mailto:ownership framework in Kenya">ownership framework in Kenya</a>, EATGN participated in policy-making processes in Kenya. EATGN hopes to continue engaging and building positive relationships with policymakers as part of a broader agenda to promote democratic governance, increasing accountability, and championing transparency in public finance.



#### **Enhanced Mobilisation capacity**

EATGN carried out country visits in <u>Uganda</u>, <u>Tanzania</u>, <u>Burundi</u>, and <u>Rwanda</u>. As a result, signed Commitment Charters to develop a functioning and responsive membership network structure within the EAC. The encouraging engagements are a solid foundation for future partnership thanks to the willingness of member countries to share their experiences and participate in future EATGN activities. This will result in collaboration among various stakeholders, enriching network capacity, more collective actions, increased citizen awareness, nuanced evidence-based advocacy, and growing membership within the EAC.



## What's Next?

In 2023, EATGN looks forward to working collaboratively with partners at all levels on the following initiatives:

- **Supporting regional partners** by building their capacities and expanding their skills or knowledge base to participate in tax policy dialogues effectively.
- **Collaborating with regional partners** to follow up on the national capacity-building workshop outcomes to operationalize realized action plans.
- **Mobilizing tax justice champions** to advance meaningful engagements, enhance collaboration within the network and broaden the constituency of stakeholders advocating for tax justice.
- **Undertaking new research** to generate knowledge on critical areas around tax and governance at national and regional levels.
- **Engaging with parliamentary committees and working groups** to strengthen the quality of policy debates and decision-making processes.

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