



FISCAL POLICY FOR FINANCING SUSTAINABLE DEVELOPMENT IN AFRICA

CALL FOR APPLICATIONS



ECONOMIC REPORT ON AFRICA



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FISCAL POLICY FOR FINANCING SUSTAINABLE DEVELOPMENT IN AFRICA

Call for Applications

Announcement in Brief

<u>Type</u>	:	Short Term Course
<u>Programme Area</u>	:	Fiscal policy, Finance, Sustainable development
<u>Beginning - end of the course</u>	:	21 October 2019 - 5 January 2020
<u>Duration</u>	:	10 Weeks
<u>Language</u>	:	Bilingual (English-French)
<u>Location</u>	:	Web Based E-Learning
<u>Fee</u>	:	No Fee
<u>Application Deadline</u>	:	September 06, 2019
<u>Specific target audience</u>	:	No
<u>Website</u>	:	http://services.unidep.org/e-idep/
<u>Applications</u>	:	https://www.unidep.org/?apply

PROGRAM RATIONALE

The outcomes of the third International Conference on Financing for Development have defined one of the key means of implementation of the 2030 Agenda for Sustainable Development and AU Agenda 2063. The Addis Ababa Action Agenda offers an opportunity for African countries to clearly articulate the continent's priorities for development finance and make specific recommendations on the commitments made by member States and partners for financing the transformation of African economies to create shared growth, decent jobs and economic opportunities for all. Furthermore, the Addis Ababa Action Plan on Transformative Financing for Gender Equality and Women's Empowerment outlines expanding government's fiscal spaces as one of the strategic measure to address inequality between women and men, in the sustainable development processes. This position moves the debate on financing beyond a mere focus on the supply of funding by linking Africa's development financing to the broader issues of structural transformation, underpinned by capable, inclusive and accountable institutions at the national, regional and global levels.

In the above context, fiscal policy with its four major functions in the economy, namely: allocation, distribution, stabilization and development plays a critical role in financing structural transformation and inclusive, equitable and sustainable development in Africa.

The allocative and distributional role of fiscal policy is a vital feature for structural transformation including social development. The emergence of vast new opportunities that could be unleashed through trade and financial integration in Africa and technological progress has increased returns to human capital and the skill premium. This provides an opportunity for effective fiscal policy that ensures social outcomes that are equitable in terms of opportunity and outcome. In addition, the use of the distributional role of fiscal policy ex-ante and ex-post is an important instrument in impacting inequality (Claus et al 2013). Finally, the increased role of the private sector in providing social services and their role in achieving the SDGs needs to be factored in while recognizing the sector's limitation in meeting the needs of low income sectors and workers who most in need of public social services.

Increasing the flow of taxes and non-tax revenue into government treasuries is key to achieving the ambitious SDGs (World Bank (2016)). This highlights that countries must put more emphasis on developing and implementing effective fiscal policies. To achieve this, African countries must deal with the various challenges in tax policy formulation and administration including addressing tax evasion and avoidance by businesses and professionals, high levels of informality, weak revenue administrations, poor governance and illicit financial flows (IFF). Specific attention will be focused on addressing the differential impact of taxation on women and men (girls and boys), as well as on the poor and vulnerable groups.

Africa is urbanizing very fast and will become the fastest region, overtaking Asia, in few years. Urbanization has spatial and financial implications, which bring economic benefits as well as potential fiscal revenues. Taxation, especially property tax, is one of many mechanisms that has proved efficient in harnessing resources to finance development. Moreover, given the scale and scope of current investments made by African member

States, land value capture is one of the financing tools that has the potential to create the necessary fiscal space at local and national level.

Fundamental to the success of the plans developed by African countries is the ability not just to mobilize resources but also to allocate these resources to productive sectors that will support the growth and diversification of the economy and thus be the driver of inclusive sustainable development. In this context ensuring the complementarity between public and private investment is critical to the transformation process. Government expenditure has also an important impact on individuals' savings in the economy. Provision of transfer payments and publicly provided services may reduce the need for lifecycle saving and the need for precautionary saving or insurance. At the same time, government expenditure on education, health and other public goods would promote households' savings. Equitable government expenditures on social sectors also would support human capital development which is essential to boosting Africa's economic diversification and transformation. The role and capacity of government expenditure among the African countries in mobilization of savings and promotion of investment therefore needs to be critically assessed.

Financing for public spending and investments through debt can be an important source of change in Africa as public projects can improve productivity, welfare, competitiveness and inclusiveness of the continent. However, debt sustainability is currently a major challenge confronting policy makers in Africa and other developing countries. Therefore, it is important to ensure that that debt is sustainable and that further borrowing will not lead to a financial crisis. The impact of SDG related expenditures on debt sustainability remains a major policy gap in the SDG agenda (Schmidt-Traub, 2015).

LEARNING OBJECTIVES

The course will provide a strategic and multi-sectoral approach to how government revenue (taxes and non-tax), spending and public debt can be marshalled in pursuit of sustainable development goals in Africa. It will provide a robust assessment of the role of fiscal policy in financing sustainable development in Africa and evidence-based reference material for policymakers and other stakeholders on harnessing fiscal policy finance for Africa's sustainable development.

Accordingly, the course aims to provide policymakers with clear understanding of the following:

- Rationale and evidence base (including the financing gap) on the need to harness fiscal policy for funding Africa's implementation of SDGs and Agenda 2063;
- Scenarios where different categories of taxes can facilitate mobilization of resources (domestic and foreign) for development financing;
- Specific challenges (potential pitfalls to macroeconomic stability and debt sustainability) and opportunities, as well as enablers for strengthening linkages between various instruments of fiscal policy and sustainable development pillars, as well as the possible impact on productivity, competitiveness, employment generation, access to social services and environmental sustainability;

- Best practices to identify lessons and conducive environment for optimizing the fiscal policy for Africa's equitable, inclusive and sustainable development;
- Fiscal policy framework for financing development and implementation of SDGs and Agenda 2063.
- Interpret statistical analysis results and write reports.

CONTENT AND STRUCTURE

The course content is aligned with the ERA2019 publication chapters:

Module 1: Recent Economic and Social Developments in Africa

Module 2: Fiscal Policy and Development Finance in Africa

Module 3: Tax policy and performance in Africa

Module 4: Tax administration in Africa

Module 5: Multinational corporations, tax evasion and natural resource management in Africa

Module 6: Non-Tax Revenues in Africa

Module 7: Fiscal sustainability and debt

METHODOLOGY

This self-paced course will be delivered from 21 October 2019 to 5 January 2020. The course will be moderated asynchronously on a weekly basis and participants are required to participate in the weekly on-line discussions. In addition, each module has interactive lessons that provide the core content around the topic for that module. The lessons are designed in a way that learners are also able to self-assess their understanding through built-in quizzes. Additional resources such as bibliographies, web links and optional readings are provided for participants who wish to deepen their knowledge of the course topic.

TARGET AUDIENCE

The course targets groups and individuals that are interested in mastering a strategic and multi-sectoral approach to how government revenue (taxes and non-tax), spending and public debt can be marshalled in pursuit of sustainable development goals in Africa They include:

The course targets mid-level to senior policy officials working in the following Ministries

- Middle and senior level policy officials and managers directly connected with or responsible for tax system, financing, managing, monitoring and evaluating development in their countries;

ADDITIONAL INFORMATION

Acceptance to the Course

Applicants to the course are expected to have, as a minimum, a bachelor's degree preferably where courses related to Finance, planning, project management and monitoring project evaluation. In addition, two years of work experience will be required. Women candidates are also strongly encouraged to apply.

Until the registration deadline, participants are accepted to the course on a rolling basis and subject to availability of slots.

Applications must be completed exclusively on IDEP online application platform at <https://www.unidep.org/?apply>

Certificate of Completion

A Certificate of Completion will be issued by IDEP to all participants who successfully complete the course-related self-assessments presented for each module.

Technical Requirements

Access to internet is an essential condition for participation. The following specifications, as a minimum in terms of hardware and software, are required to take this e-Learning course, please consult your Network Administrator or Systems person to ensure that you have the following:

- Platform: Windows 95, 98, 2000, NT, ME, XP or superior; Mac OS 9 or Mac OS X; Linux
- Hardware: 64 MB of RAM, 1 GB of free disk space
- Software:
 - Adobe Acrobat Reader
 - Adobe Flash Player
 - Microsoft Office (Windows or Mac) or Open Office
 - Browser: Internet Explorer 7 or higher or Firefox 36 or higher
- Modem: 56 K
- Note that JavaScript, Cookies and Pop-ups must be enabled

CONTACT INFORMATION

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