



FISCAL AFFAIRS

Insights from recent FAD work on gender

MARCH 14, 2023

Cindy Negus

Technical Assistance Advisor

Fiscal Affairs Department, IMF

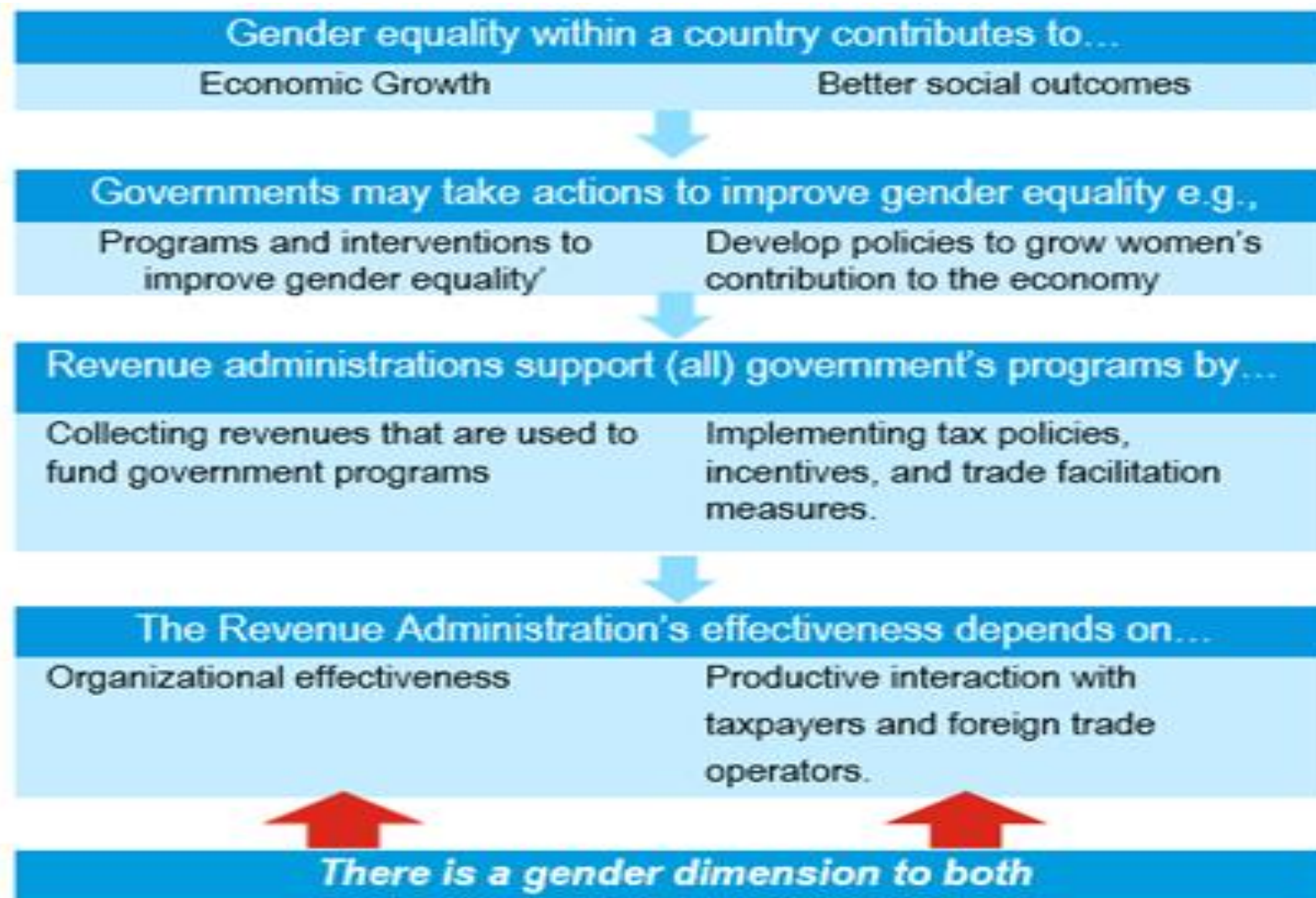
The views expressed in this presentation are those of the authors and do not necessarily represent the views of the IMF, its Executive Board, or IMF management.

Outline

- 1. The connections between Revenue Administration (RA) and Gender Equality**
- 2. How RAs can contribute to gender equality**
 - Building a gender balanced workforce
 - Applying a gender lens to administering tax laws and facilitating trade
- 3. Gates Project: Gender, Fiscal Policy and Institutions**
 - Digitalization and Gender in Revenue Administration

1. The connections between Revenue Administration (RA) and Gender Equality

How are gender equality and revenue administration (RA) connected?



Revenue administrations have important levers for contributing to gender equality:

- By **administering pro-gender tax laws effectively and applying a gender lens when administering the tax or trade laws** to minimize or eliminate barriers for women's employment, entrepreneurship, and trade. Providing unbiased information and support may affect whether, or not, a woman will seek employment, start a business, or be successful in that business.
- By **collecting tax revenue effectively and efficiently** thereby enabling the government to finance public programs including vital social programs like those that directly support women and girls.

Revenue administrations have important levers for contributing to gender equality:

- Through a **gender balanced workforce** with workforce policies and procedures that ensure equal employment opportunities within the RA for all genders.

2. How RAs can contribute to gender equality

- Building a gender balanced workforce

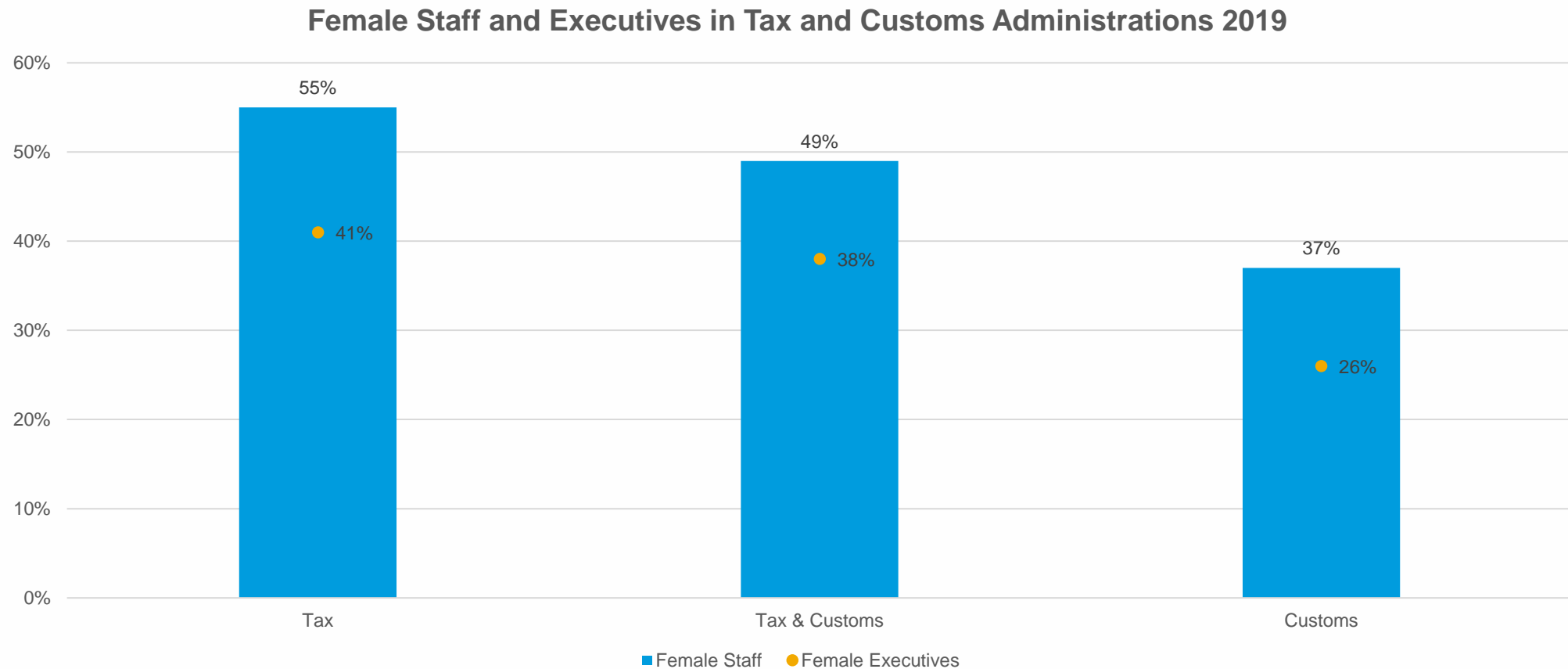
Gender balance in revenue administrations: current picture (1)

- Most tax administrations employ more women than men...
- The reverse is true for customs administrations: customs dominated by male employees
- Women are under-represented at executive/senior management levels (percent female executives < percent female staff)
 - Country data (where available) show progressively fewer women at more senior levels in the organization

Sources:

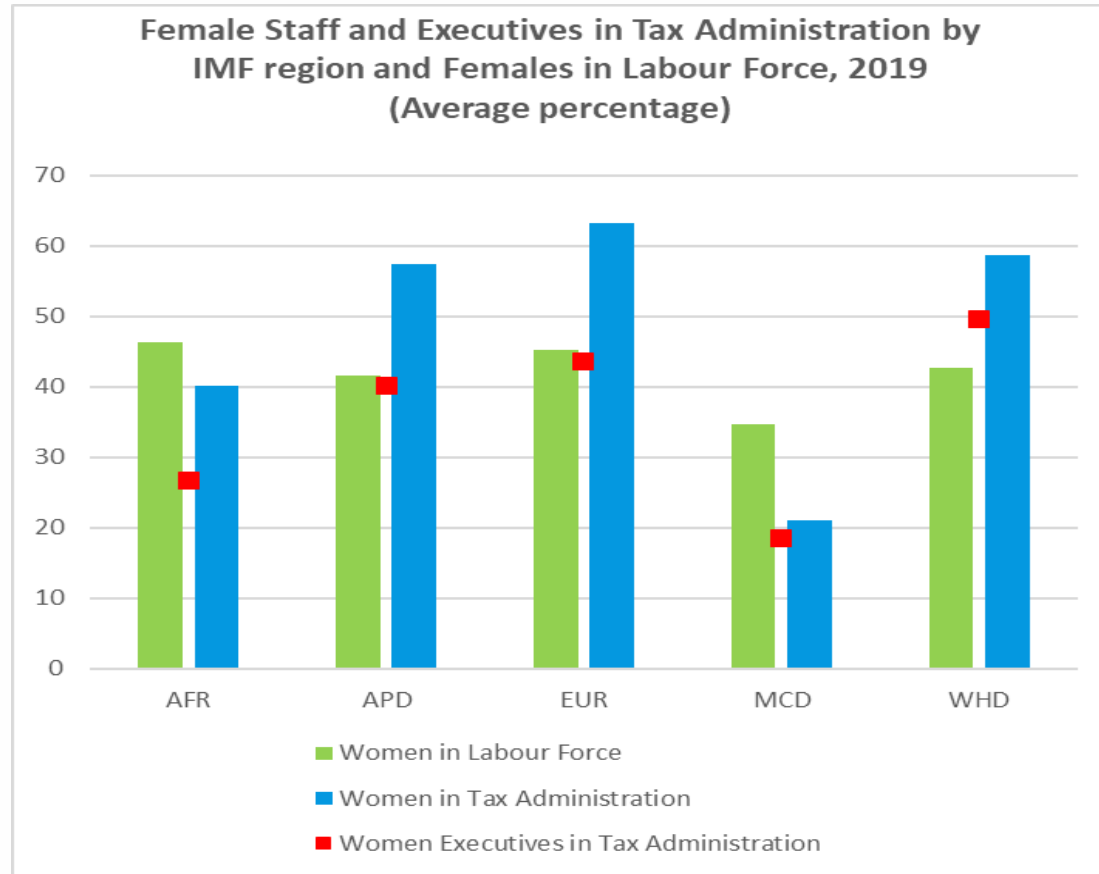
International Survey on Revenue Administration (ISORA) for FY 2019 – ADB, CIAT, IMF, IOTA, OECD; WCO Annual Report 2020; data from SA, Rwanda, Uganda; WCO Annual Survey

Gender balance in revenue administrations: current picture (2)

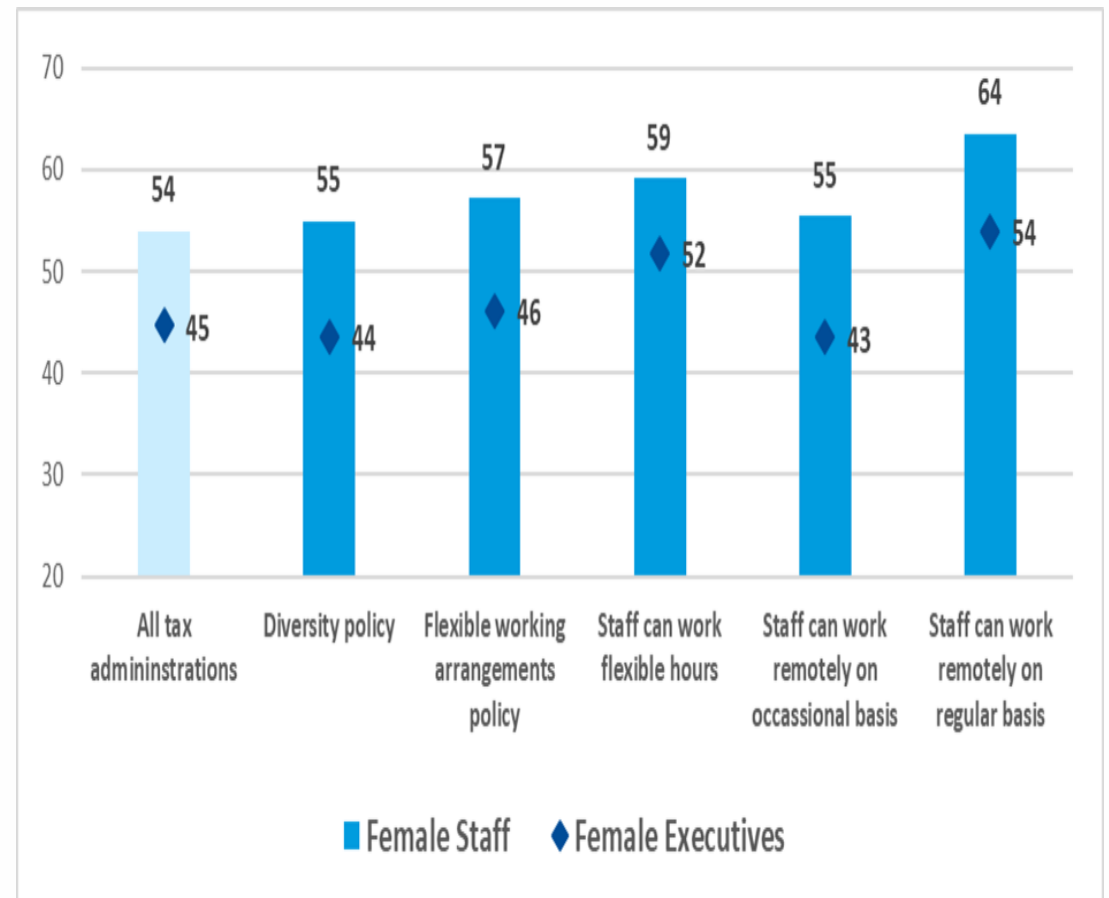


Source: ISORA and WCO

There are distinct regional differences



Factors contributing to better gender balance



ISORA 2018 data for Fiscal year 2017 ISORA 2020 data for Fiscal year 2019

Building a revenue administration gender balanced workforce * (1)

Gender equality planning

- Setting organization-wide targets in the RA's strategic and business plans
- Establishing KPIs
- Monitoring and reporting against KPIs

Policies promoting workplace equality

- Anti-discrimination, Harassment and Parental Leave Policies

Flexible work arrangements

- Remote work
- Flexible hours
- Job sharing

Examples of KPIs:

- Pay gaps by gender
- Proportion of women in each function or business area
- Proportion of women at each level of management
- Women as percent of new recruits
- Ratio of women promoted to those eligible for promotions
- Attrition rates for all genders

* As discussed in detail in forthcoming Technical Note

Building a revenue administration gender balanced workforce* (2)

Providing women-friendly workplace facilities

- Child-care facilities
- Safe, clean bathrooms
- Safe transportation

Continuing career development during career breaks

Mentoring programs

Promoting a culture of gender equality – dealing with unconscious bias

Virtual collaboration platforms have been used widely during COVID-19 pandemic. These tools can facilitate continuing career development, through e.g.

- Online training
- Maintaining contact with supervisors/peers

**As discussed in detail in forthcoming Technical Note*

Building female leadership*

- Talent management
 - ▶ Identify women staff with high potential
 - ▶ Proactively foster their career development
- Spotighting women leaders as role models
- Developing networks for women to share experiences within administrations
- Developing networks within the revenue administration community
 - ▶ Example: African Tax Administrators Forum Women In Tax ([ATAF Women in Tax: Everything you need to know about the network \(ataftax.org\)](https://ataftax.org))

Podcasts by women leaders in revenue administrations:

- **Ecuador, Jamaica**



- **Maldives, Romania**



- **Uganda, Australia**



**As discussed in detail in forthcoming Technical Note*

2. How RAs can contribute to gender equality

- Applying a gender lens to administering tax laws and facilitating trade

Applying a gender lens to taxpayers and traders

- There is a well-established practice within revenue administrations of **identifying taxpayers and trader segments**, to customize services for relevant taxpayer and trader groupings, and thereby facilitate voluntary compliance. For example:
 - ▶ 90 percent of tax administrations have a unit/program devoted to large taxpayers
 - ▶ 25 percent have a unit/program dedicated to High Net Wealth Individuals

Source: ISORA, FY 2020

Points to consider for more effective engagement with women taxpayers and traders (1)*

- *There may be **barriers** to women's economic participation and to accessing the tax system:*
 - ▶ Low literacy levels, including financial, tax and digital literacy.
 - ▶ Complex tax and trade policy.
 - ▶ Tax systems may disadvantage women explicitly or implicitly.
 - ▶ Lack of access to credit or a bank account.
 - ▶ Limited access to technology, mobile and smart phones.

**Discussed in detail in forthcoming Technical Note*

Points to consider for more effective engagement with women taxpayers and traders (2)*

- *How **services** can be tailored to accommodate women, particularly women entering the tax system for the first time:*
 - ▶ Using communication products and service targeting women taxpayers and traders and their industry groups.
 - ▶ Reviewing administrative approaches to ensure there is no explicit or implicit gender bias.
 - ▶ Recognizing that gender-neutral intentions may actually be gender blind.
 - ▶ Consider gender in setting case allocation priorities.

**Discussed in detail in forthcoming Technical Note*

Building gender perspectives into revenue administrations' reform plans*

- Recovery from the COVID pandemic requires revenue administrations to revisit reform plans.
- Components should include
 - ▶ Addressing gender equality issues in the RA workplace and
 - ▶ Expanding women's inclusion in the tax system.

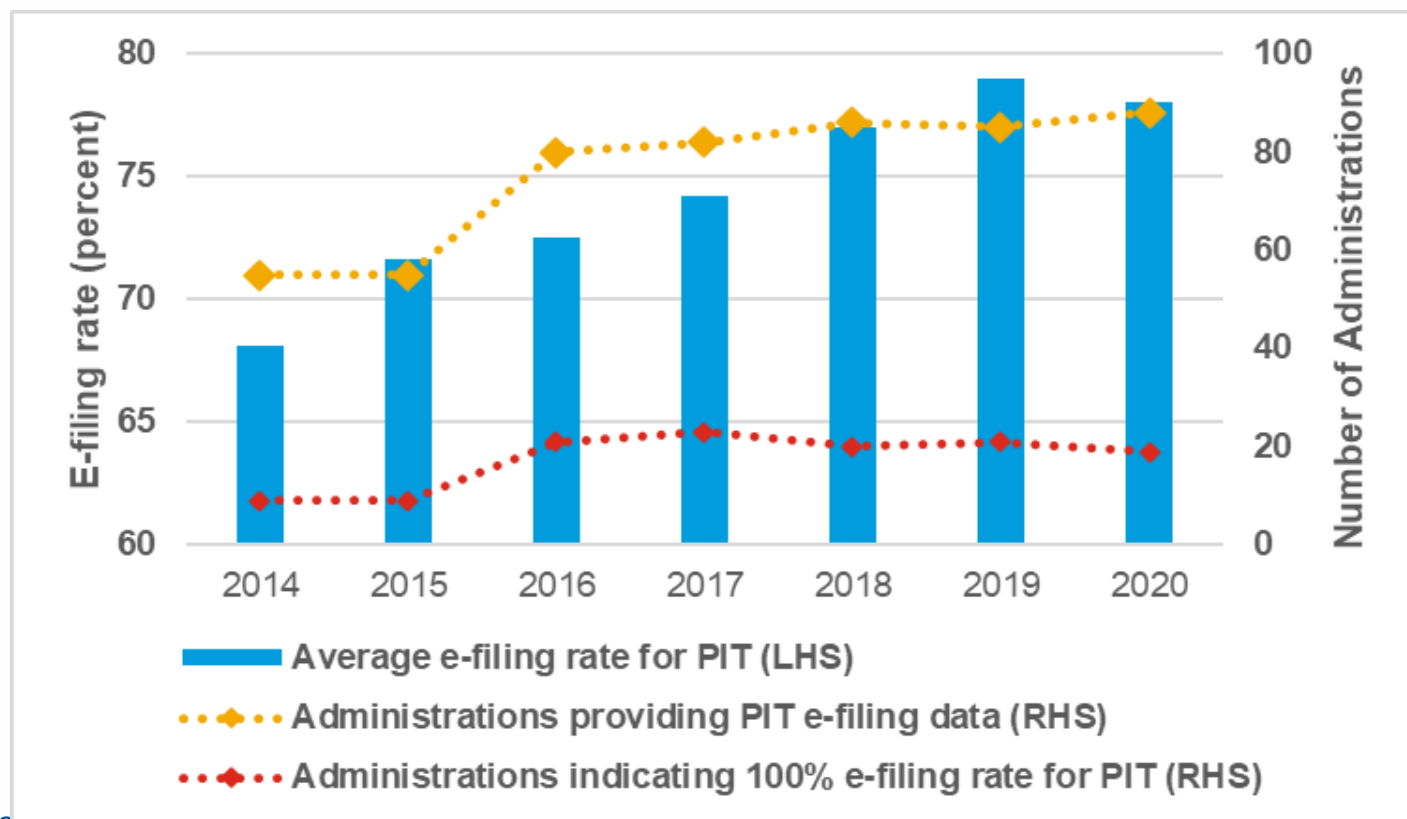
**Discussed in detail in forthcoming Technical Note*

- **Gender, Fiscal Policy and Institutions**
 - Digitalization and Gender in Revenue Administration

Fiscal policies, institutions and gender: Gender and digitalization in Revenue Administration

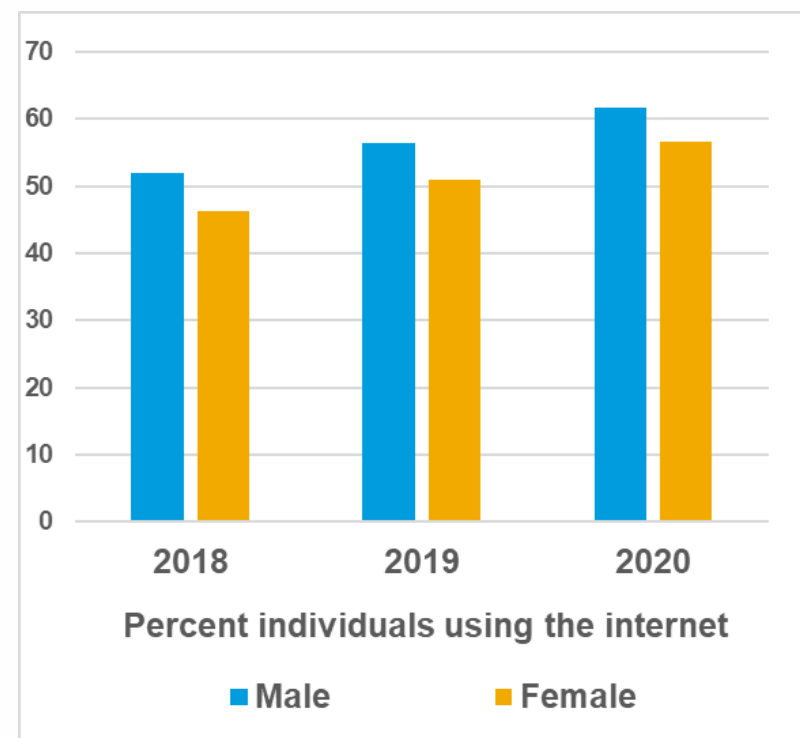
Why digitalization?

- ▶ Administrations encouraged to digitalize for increased effectiveness and efficiency, and reducing taxpayer compliance burden
- ▶ There has been rapid growth in e-filing and e-payment uptake



Why apply a gender lens?

- ▶ Gender gap in access to and use of digital technologies



IN LOW- AND MIDDLE-INCOME COUNTRIES:

Progress in reducing the **MOBILE INTERNET GENDER GAP** has **STALLED**

In 2017, women were **25%** less likely than men to use mobile internet

This dropped to **15%** in 2020 | But rose to **16%** in 2021

Progress in reducing the **GENDER GAP** in **SMARTPHONE OWNERSHIP** has **STALLED**

Women are now **18%** less likely than men to own a smartphone

315M fewer women than men own a smartphone

Women are still **7%** less likely than men to own a mobile phone

131M fewer women than men own a mobile phone

MOBILE PHONE OWNERSHIP:
The top three barriers preventing women from owning a mobile phone are:

1. Affordability
2. Literacy and digital skills
3. Safety and security

IN LOW- AND MIDDLE-INCOME COUNTRIES:

Awareness of mobile internet grew rapidly from **2017 to 2019** but has since slowed

60% of women now use mobile internet

But there are still **264M** **FEWER WOMEN** than men using mobile internet

MOBILE INTERNET USE:
The top three barriers preventing female mobile users who are aware of mobile internet from adopting it:

1. Literacy and digital skills
2. Affordability
3. Safety and security

Men and women are using their mobile phones for a **wider range** of activities in most of the survey countries, but there is a **persistent gender gap**

In some countries, a significant proportion of **smartphone owners do not use mobile internet**, particularly women

Women are **LESS LIKELY** than men to **choose their handset model**, even when they paid for it

Source: The Mobile Gender Gap Report 2022 Global System for Mobile Communications (GSMA)

Gender and digitalization in Revenue Administration: broad approach to study

Approach:

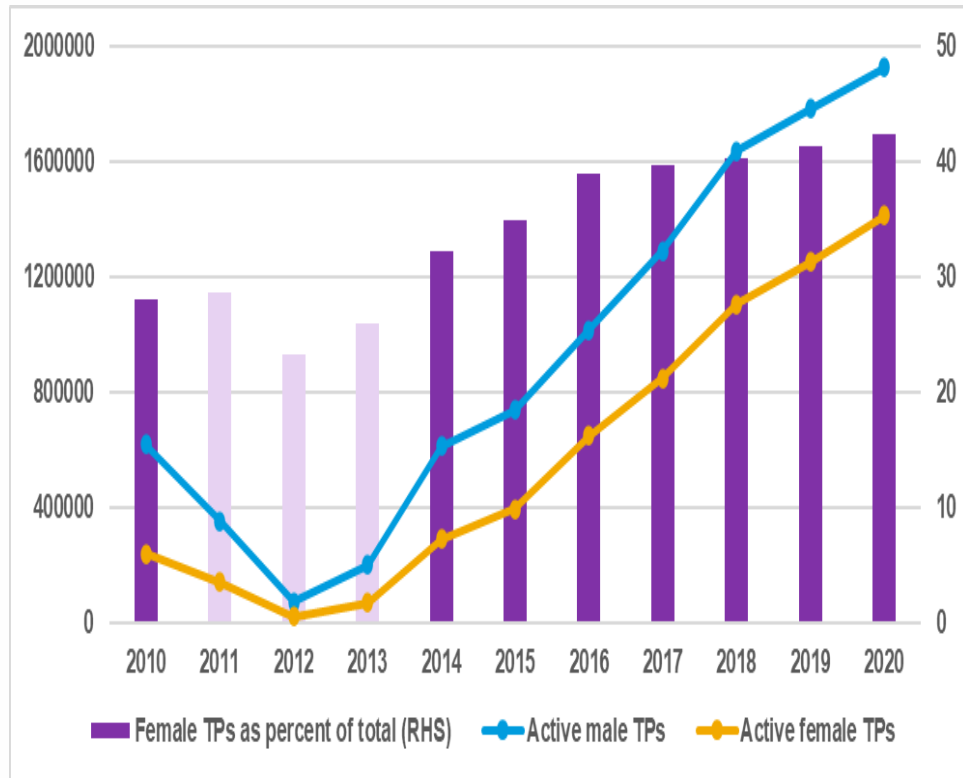
- Given lack of gender-disaggregated data - go to case studies to examine two questions:
 - *Is there evidence that digitalization of revenue administration has meant 'better' service from Revenue Administrations for women, and to the same extent as men?*
 - *Is there evidence that the digitalization of revenue administration has had unintended consequences, making it more difficult for women taxpayers and traders to interact with revenue administrations, because of the digital divide?*

Gender and digitalization in Revenue Administration: progress-to-date

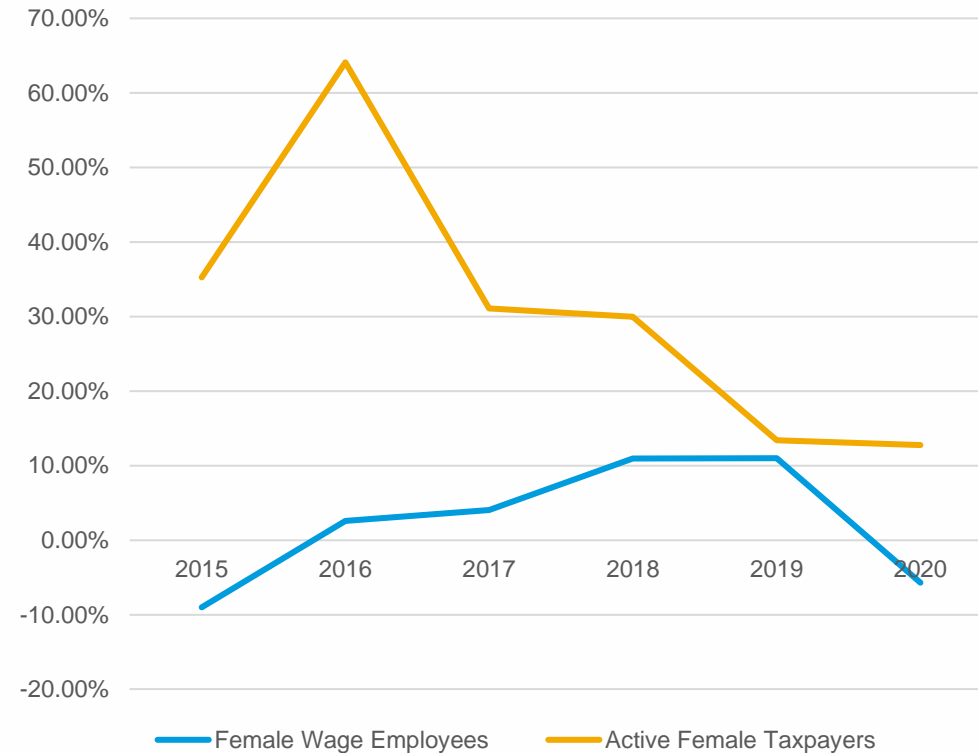
- Requested country partnerships from around 20 countries
- Some challenges to obtaining pre- and post- gender-disaggregated data on individual taxpayers:
 - Legal obstacles to using data on the gender of taxpayers
 - Some administrations do not have access to taxpayer gender data
 - Taxpayer gender recorded in register, but not in transactional records
 - Data not available prior to introduction of digital Integrated Tax Administration System
- Gender-disaggregated data received to date from Jamaica, Kenya, Uganda and Zambia, with Kenya and Jamaica completed.

Kenya – Preliminary Findings

Active Filing Taxpayers 2010-2020

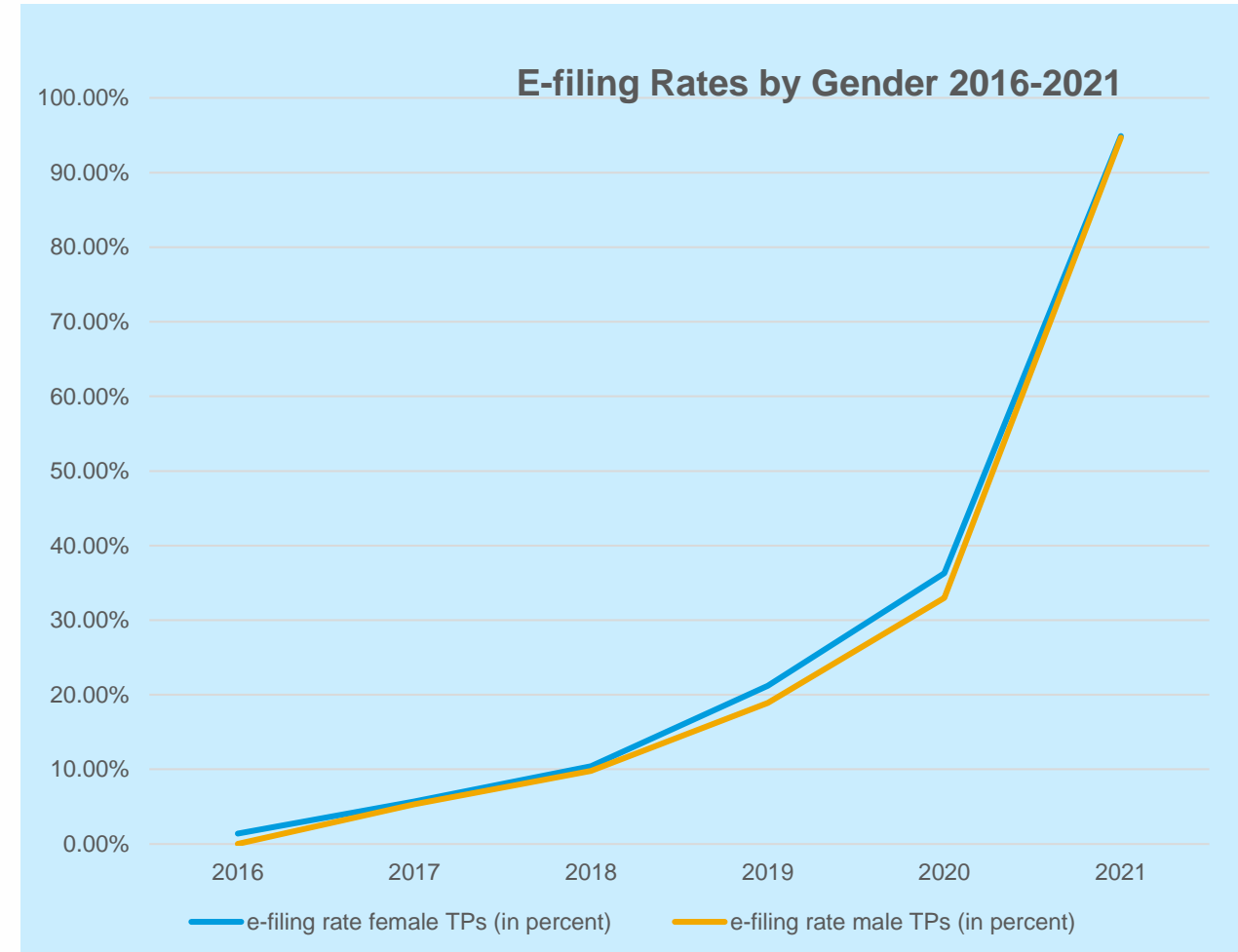
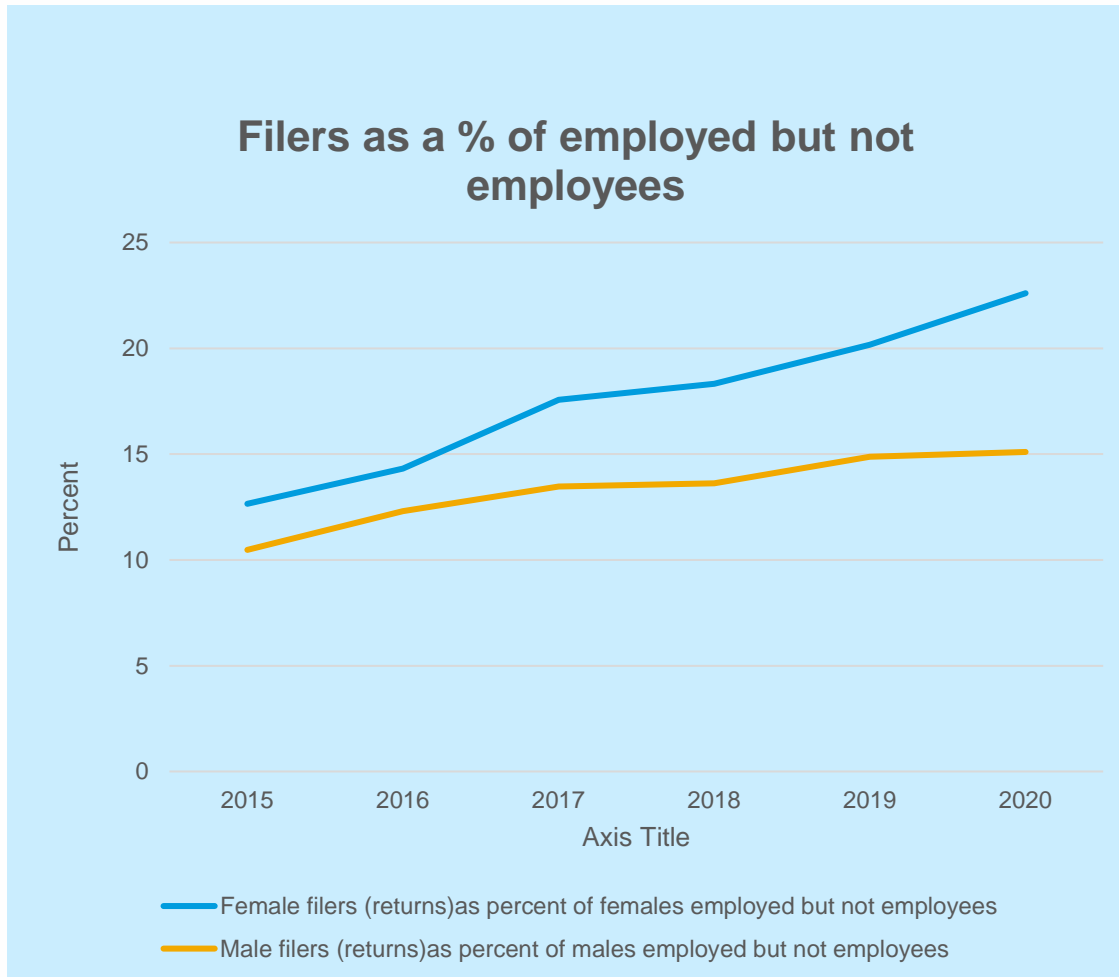


Year on Year Growth Female Wage Employees and Taxpayers 2016-2020



Preliminary observation: It appears that digitalization has enabled/encouraged greater growth in the number of women who are active in the tax system

Jamaica: Impact of Digitalization



Preliminary observation:

It appears that digitalization has enabled/encouraged greater growth in the number of women who are active in the tax system

Source: Data from TAJ

Recommendations to revenue administrations arising from this study (1)

- Promoting the use of digital platforms by women and measure the participation by gender in digital service offerings.
- Conducting research on tax compliance levels by gender. As an example, specifically discuss with non/late-filers and late/non-payers the barriers to filing and payment and develop strategies to address systemic issues where possible and specifically address any gender-based issues.
- Undertaking research to gain an understanding of gender differences in tax awareness and incorporate any findings into the RA's general tax awareness programs.
- Once undertaken, disseminate the findings from research to RA officials and undertake awareness and training on those issues.

Recommendations to revenue administrations arising from this study (2)

- Inclusion of topics related to gender and revenue administration in training courses for tax officials.
- In accordance with a segmented approach to taxpayer assistance, where appropriate, undertake targeted assistance and education programs for female taxpayers and segments such as female-dominant economic sectors. This could also include seeking feedback from female taxpayers on their specific needs in relation to their tax obligations and on RA products and services.
- Consider whether there is a role for the RA, either alone or in partnership with other government agencies, in improving digital literacy – such as assisting women who don't know how to access the internet on their mobile phone (e.g. partner with other government agencies using tax as a use case).

Thank you!