

THE EFFICIENT TAXATION OF THE INFORMAL SECTOR IN AFRICA

GOOD PRACTICES, SUCCESS
STORIES, AND LESSONS
LEARNT

An ATAF Publication



AFRICAN TAX
ADMINISTRATION FORUM

FORUM SUR
L'ADMINISTRATION
FISCALE AFRICAINE

This publication was made possible by the support of the African Development Bank.



AFRICAN DEVELOPMENT BANK GROUP

Copyright notice

Copyright subsisting in this publication and in every part thereof.

This publication or any part thereof may not be reproduced, transmitted, transcribed or otherwise stored or translated into any language or computer language, in any form or by any means, without the prior written permission of the African Tax Administration Forum (ATAF), an international organisation with full legal standing and established, in terms of the Vienna Convention on the Law of Treaties, on 8 October, 2012. Any unauthorised reproduction or adaptation of this publication will constitute a copyright infringement and render the doer liable under both civil and criminal law.

Restrictions on use

The information contained in this publication is privileged and belongs to the ATAF, any member country of the ATAF, and its subsidiaries. This information is furnished in confidence with the understanding that it will not, without prior written permission from the ATAF, be used for purposes other than for what is intended.

Series: *ATAF's Research Publications*.

ISBN 978-0-620-93524-1 (PDF)

ISBN 978-0-620-93770-2 (Print)

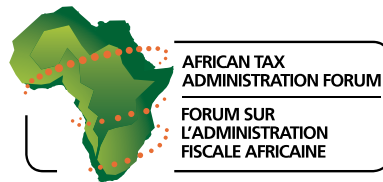
About ATAF

The African Tax Administration Forum is an organisation which was established by African revenue authorities in 2009, in order to improve the performance of tax administrations in Africa. The tax administrations of 40 countries in Africa are members of ATAF, i.e., 74% of tax administrations on the continent, making it the premier body on tax matters on the continent. Two countries, Mali and Somalia, were the latest to join the organisation in 2020. ATAF believes that better tax administration will enhance economic growth, increase accountability of the state to its citizens, and more effectively mobilise domestic resources. Now in its 11th year of existence, ATAF has positioned itself as Africa's home-grown solution to improving revenue collection, advancing the role of taxation in governance and state-building and providing a voice for the continent on international tax issues.

The Efficient Taxation of the Informal Sector in Africa

Good Practices, Success Stories, and Lessons Learnt

June 2021



For more information:

ATAF Secretariat

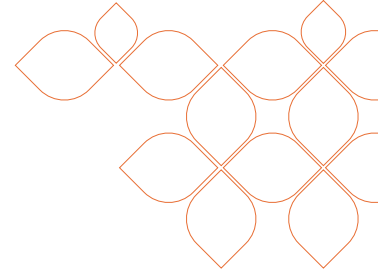
Research Directorate

Hatfield Gardens, Block G, 2nd Floor
Hatfield, Pretoria, South Africa, 0181

Tel: +27 12 451 8800

E-Mail: Research@ataftax.org

www.ataftax.org



CONTENTS

Contents	i
Abbreviations	iii
Acknowledgments	iv
Foreword	v
I. KENYA: THE M-SERVICE	1
1. Problem statement	1
2. Implementation process	1
3. Outcomes	2
4. Lessons learnt	3
II. MADAGASCAR: THE “ANJARAHETRAKO” PROGRAMME	4
1. Problem statement	4
2. Programme implementation	4
3. Outcomes	5
4. Lessons learned	5
III. RWANDA: TRADING LICENSE ENFORCEMENT	6
1. Problem statement	6
2. Program implementation	7
3. Outcomes	7
4. Lessons learnt	7
IV. RWANDA: THE SIMPLIFIED TAX REGIME FOR SMALL AND MICRO ENTERPRISES	8
1. Problem statement	8
2. The implementation of the program	8
3. Outcomes	9
V. TOGO: THE “NIGHT CONTROL”	10
1. Problem statement	10
2. Programme implementation	11
3. Outcomes	12
4. Lessons learned from the programme	12