



PROJECT REPORT
Tax for SDGs
2022–2025

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PROJECT REPORT

Tax for SDGs

2022–2025



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Acronyms and abbreviations

AfCFTA	African Continental Free Trade Area	ERS	Eswatini Revenue Service
AfDB	African Development Bank	ESG	environment, social and governance
ATAF	African Tax Administration Forum	EU	European Union
BIOFIN	Biodiversity Finance Initiative	FfD	Financing for Development
BOLD	Building Opportunities for Leadership in Development German Federal Ministry for Economic Cooperation and Development	FIRS	Federal Inland Revenue Service
BMZ		FNUR	National Emergency and Resilience Fund (Comoros)
CEP	Country Engagement Plan	GMS	general management support
CIS	Commonwealth of Independent States	ICT	information and communications technology
CIAT	Inter-American Center of Tax Administrations	IFFs	illicit financial flows
CIT	corporate income tax	ILA	Investment Licence Agreement
CPAT	Climate Policy Assessment Tool	IMF	International Monetary Fund
DFA	Development Finance Assessment	INFF	Integrated National Financing Framework
DFL	digital forensic laboratory	IPSASB	International Public Sector Accounting Standards Board
DIAN	National Tax and Customs Authority (Colombia)	KPI	key performance indicators
DTMM	Digital Transformation Maturity Model	M&E	monitoring and evaluation
DTT	double taxation treaty	MIRA	Maldives Inland Revenue Authority

NamRA	Namibia Revenue Authority	TIWB	Tax Inspectors Without Borders
NDC	Nationally Determined Contribution	UNORE	United Nations operational rate of exchange
NDP	national development plan	VAT	value-added tax
NRS	Nigeria Revenue Service	WHO	World Health Organization
NTA	National tax administration	ZIMRA	Zimbabwe Revenue Authority
NTS	national tax strategy	TIWB	Tax Inspectors Without Borders
OECD	Organisation for Economic Co-operation and Development	TMS	Tax Management System
PISTA	Platform for Investment Support and Technical Assistance	UNDP	United Nations Development Programme
PTLAC	Platform for Tax Cooperation for Latin America and the Caribbean	UN DESA	United Nations Department of Economic and Social Affairs
SDG	Sustainable Development Goals	UNECA	United Nations Economic Commission for Africa
SEGOB	Secretariat of the Interior (Honduras)	UNORE	United Nations Operational Rate of Exchange
SFH	Sustainable Finance Hub	VAT	Value Added Tax
SIDS	Small Island Developing States	WHO	World Health Organization
SME	small and medium-sized enterprise	ZIMRA	Zimbabwe Revenue Authority
SOE	State-owned enterprises		
STF	SDG Taxation Framework		

At a glance

UNDP TAX FOR SDGS INITIATIVE · FINAL REPORT 2022–2025

Four years. 25 countries. A transformed approach to public finance.

The Tax for SDGs Initiative repositioned taxation as a lever for development impact—building fairer, more effective and more coherent fiscal systems across five regions and laying the foundation for the Public Finance for SDGs Initiative.

Funded by Finland and Norway · Implemented by UNDP · Delivered in partnership with the OECD through the TIWB initiative

25 focus countries supported across 5 regions	\$2.72B additional tax revenue raised via TIWB	165 TIWB programmes across 70 jurisdictions	\$7.67B in additional tax assessed
7,000+ officials trained across tax administrations and ministries	2 digital forensic laboratories established <i>Armenia · Honduras</i>	38 South-South cooperation programmes (up from 8 in 2020)	3 + 1 Global Dialogue Series on Tax and Public Finance for SDGs plus the Public Finance for SDGs Collaborative launched under the Sevilla Platform for Action

Programme journey



Selected policy outcomes

- **Nigeria Tax Act 2025**

Progressive income thresholds, gender-responsive provisions, mandatory publication of tax expenditures

- **Angola Budget Law 2025**

50% tobacco excise; 60% of revenues earmarked for essential medicines and local sanitation

- **Gabon exemption audit**

218 tax exemption measures identified (3.2% of GDP); exemptions suspended; audit launched

- **Djibouti bilateral renegotiation**

French military base fee raised from €30 million to €85 million per year

- **Lao PDR ILA non-renewal**

Tobacco taxes unfrozen after 24 years of frozen rates

SDGs addressed



What comes next

Tax for SDGs was not a project with a fixed end date, but the first chapter of a longer story. The Public Finance for SDGs Initiative expands the focus from taxation alone to revenue, expenditure and debt—ensuring all three work together to support development outcomes.

Executive summary

This report serves a dual purpose. First, it is the final annual report of the Tax for SDGs Initiative, presenting results and achievements for 2025, including the Initiative's transition to a new and broader phase of work: the Public Finance for SDGs Initiative. Second, it provides a cumulative account of the full implementation period from 2022 to 2025, documenting the Initiative's trajectory across its entire lifespan—from launch to consolidation, and from a focused tax programme to the foundations of an integrated public finance agenda. The report is addressed to the Governments of Finland and Norway, whose sustained political and financial support made this work possible, as well as to all partners, country teams and stakeholders who contributed to its delivery.

The report contains both a record of what was accomplished in the final year and a synthesis of the collective results achieved over four years of implementation. Across the full implementation period, the Initiative demonstrated that well-designed, demand-driven technical support can produce measurable fiscal change at scale. Working with 25 countries across five regions, it helped governments raise US\$2.72 billion in additional revenue and \$7.67 billion in additional assessments through the Tax Inspectors Without Borders (TIWB) programme; align tax and fiscal policies with the Sustainable Development Goals (SDGs) through diagnostics piloted in every focus country; train over 7,000 tax administrators, finance officials and policymakers; leveraged tax policy and administration to advance gender equality and build the digital and institutional infrastructure needed to sustain those gains beyond the life of the programme.

Across all regions, these efforts produced concrete legislative, administrative and institutional outcomes—from new transfer pricing legislation in Comoros to health tax reforms in Armenia, Zimbabwe and repealed regressive tax provisions in Eswatini, to the establishment of digital forensic laboratories

for tax enforcement in Armenia and Honduras and established a Gender Observatory on Taxation in Lebanon. In 2025, the Initiative entered its most consequential year. Long-term technical engagement translated into landmark policy outcomes. The Nigeria Tax Act 2025 introduced more progressive thresholds, gender-responsive provisions and mandatory tax expenditure transparency. Angola's Budget Law earmarked revenues from a new tobacco and spirits excise for essential medicines and local sanitation. Gabon suspended a portfolio of tax exemptions worth 3.2 percent of GDP following UNDP-supported analysis. Internationally, the Initiative contributed to the Fourth International Conference on Financing for Development (FFD4) in Sevilla, where TIWB 2.0 was launched and the Public Finance for SDGs Collaborative was established under the Sevilla Platform for Action complemented by the launch and endorsement of the Collective Commitment on Public Finance and Gender Equality. By the end of 2025, the foundations for a broader, more integrated public finance approach were in place, and the transition from Tax for SDGs to the Public Finance for SDGs Initiative was complete.

Strengthening tax administrations

Building the capacity of national tax administrations to address tax avoidance, tax evasion and illicit financial flows has been a core priority throughout the period. The TIWB programme has been central to this effort, delivering demand-driven technical support while strengthening institutional systems. Complemented by the Equanomics pillar of institutional strengthening through the Gender Equality Seal for public institutions to strengthen the gender capacities of tax administrations across focus countries including Uzbekistan, Mongolia, Rwanda, Ghana, and Nigeria.

To date, TIWB has supported 70 jurisdictions through 165 programmes worldwide, contributing \$2.72 billion in additional

revenue, \$7.67 billion in tax assessments and \$2.53 billion in carry-forward losses offset.

Beyond TIWB, Tax for SDGs also supported the digital transformation of tax administrations as a key driver of compliance, transparency and resilience. This work focused on strengthening core systems, including developing digital strategies, establishing digital forensic laboratories and improving risk management and tax transparency frameworks.

Progress accelerated over the final two years of the period. In 2024, key milestones included the launch of Armenia's first Digital Forensic Lab, the development of an e-tariff platform in Namibia, the continued digitalization of income tax forms in Lebanon and strengthened compliance and audit risk frameworks in Togo and Seychelles. Focus countries also strengthened the generation and utilization of gender disaggregated tax data to inform compliance, facilitation, and enforcement mandates. In 2025, these efforts deepened and scaled, with support for the Maldives on enterprise risk management and business continuity, the automation of SDG Taxation Framework tools in Uzbekistan, the launch of the Onyofi tool in Namibia to strengthen taxpayer feedback and trust and the institutionalization of the Digital Forensic Lab in Honduras.

Aligning tax policies with the SDGs

Aligning tax and fiscal policies with the SDGs has been another core pillar of the Tax for SDGs Initiative. This work has been anchored in the SDG Taxation Framework (STF) Diagnostics, a tool launched in 2023 that helps governments assess how tax systems support national priorities and identify targeted, evidence-based reforms.

STF Diagnostics were conducted across multiple countries, supporting governments in translating analysis into concrete policy changes. The process strengthened institutional capacity, encouraged

collaboration across ministries and informed reforms in areas such as progressive taxation, tax expenditures, gender-responsive tax and fiscal policy and improvements in tax administration efficiency and transparency.

In 2025, this support contributed to tangible policy outcomes. In Nigeria, UNDP provided technical input to the 2025 tax reform process, supporting parliamentary engagement and consultations that informed the Nigeria Tax Act 2025, which introduced more progressive and gender-responsive measures while strengthening fiscal transparency. In Gabon, UNDP-supported analysis of tax expenditures informed government decisions to suspend certain exemptions and review preferential regimes. In Egypt, assessments helped identify priority reforms and laid the foundation for more coherent, SDG-aligned fiscal strategies.

Advancing global dialogue on tax and public finance

Between 2023 and 2025, the Global Dialogue Series on Tax and Public Finance for SDGs provided a platform to elevate developing country perspectives in global tax and public finance discussions. Convened by UNDP in partnership with Columbia University and supported by Finland and Norway, the dialogues brought together policymakers, tax administrators, academics and international partners to connect country experience with global policy debates. A dedicated Global Dialogue on Public Finance, taxation and gender equality was also convened in 2024 to provide a space to deep dive on the gender dimensions. It highlighted that aligning fiscal policies with gender equality goals is essential for sustainable development, yet current national objectives often fall short, requiring comprehensive reforms and better integration of gender considerations in public finance. The event concluded with concrete commitments from governments and UNDP to expand technical support, develop tools, and build institutional capacity to advance gender-responsive fiscal reforms worldwide.

In 2025, the series evolved into the Dialogue on Public Finance and the SDGs, reflecting a broader shift from taxation to a more integrated public finance approach. This transition responded to growing demand for greater policy coherence across revenue, expenditure and debt, while strengthening links between national reforms and global processes such as Financing for Development and climate negotiations. The dialogues helped amplify country voices, support peer learning and align national priorities with international agendas.

From Tax for SDGs to Public Finance for SDGs

In 2025, UNDP completed an independent evaluation of the Tax for SDGs Initiative. The evaluation confirmed its relevance, demand-driven design and catalytic impact, while also highlighting the need for longer-term engagement and broader partnerships to sustain results.

These findings informed the transition to the Public Finance for SDGs Initiative, which expands the focus beyond taxation and aligns more closely with the evolving Financing for Development agenda. The new phase adopts a phased fiscal policy coherence approach, reinforcing revenue, expenditure and debt decisions to ensure they work together rather than in isolation, aligned towards shared development outcomes and national priorities, while embedding a gender equality and social inclusion thematic focus that addresses structural gaps reinforcing gender inequality. The Public Finance for SDGs Initiative is also grounded in a whole-of-government and whole-of-society approach, helping reduce fragmentation and strengthen coordination

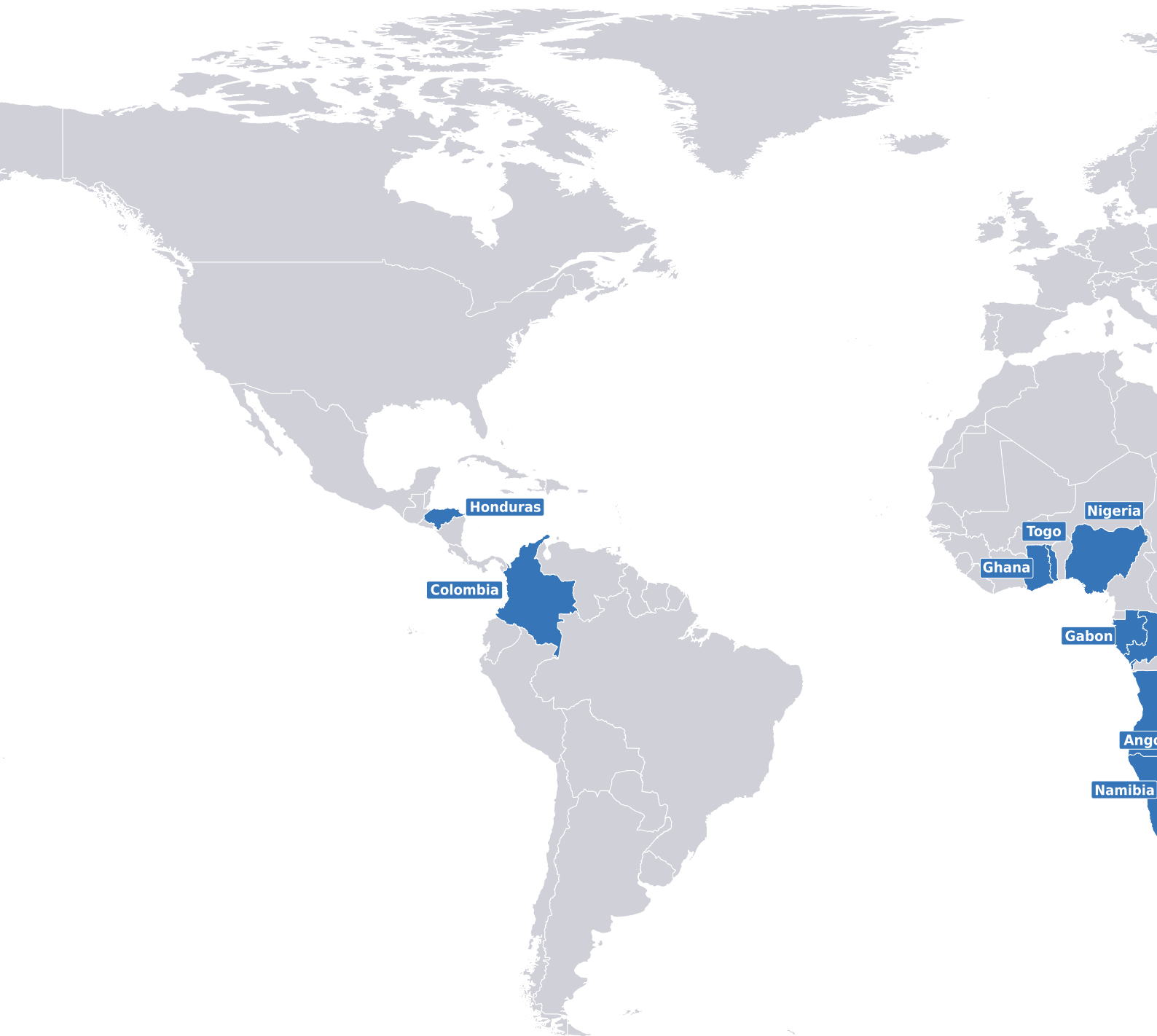
across institutions and stakeholders.

Throughout 2025, the transition focused on co-design, formalizing partnerships and ensuring continuity. This laid the foundation for a more strategic, scalable and sustainable platform to support country-led public finance reforms.

Positioning Tax for SDGs within the financing for development agenda

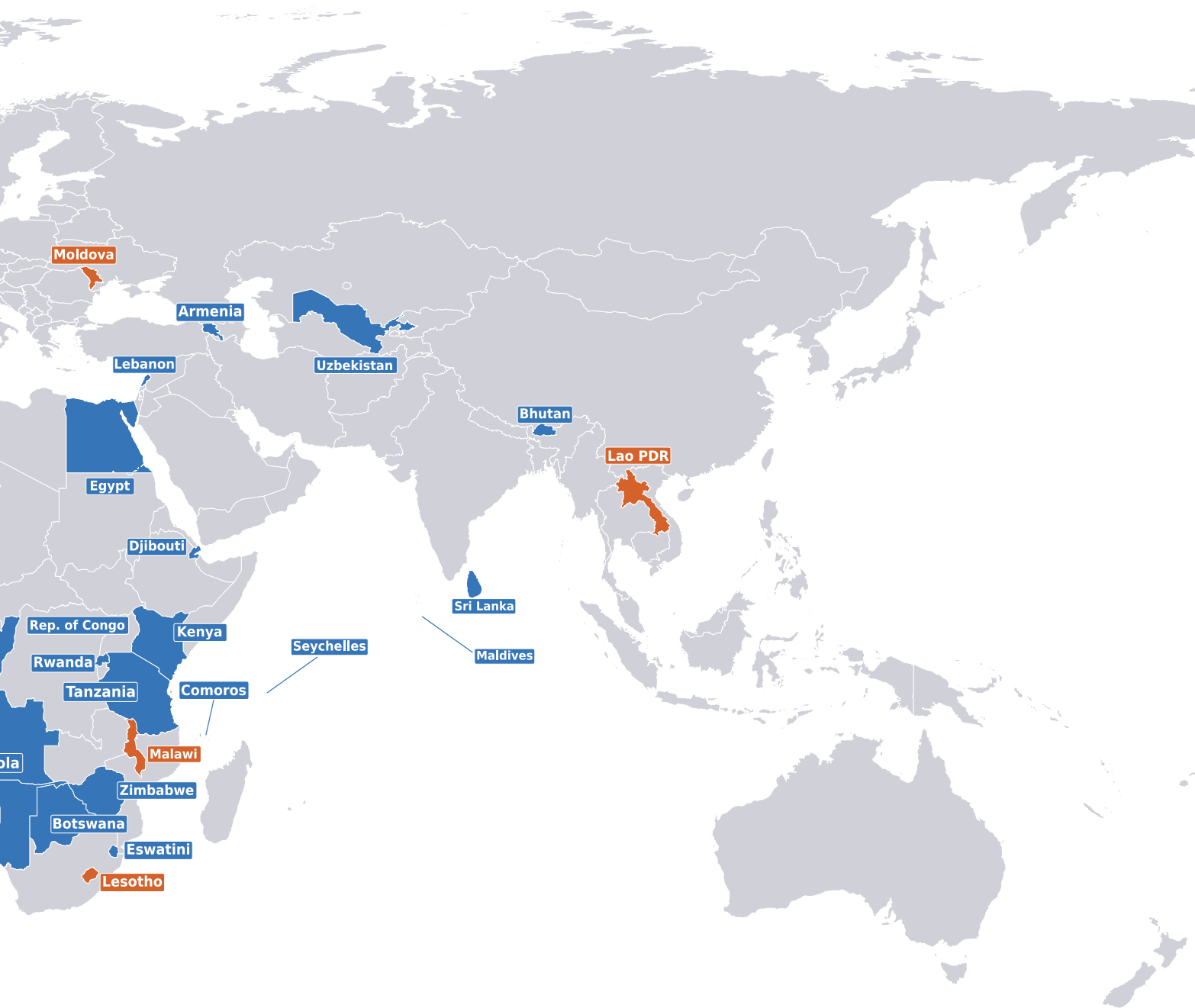
UNDP's engagement through the Tax for SDGs Initiative has been closely aligned with the Financing for Development (FfD) process. The Initiative was launched on the margins of the ECOSOC Financing for Development Forum in 2022, positioning taxation as a central lever for financing the SDGs. In the following years, the Initiative continued to engage through the ECOSOC FfD Forum, organizing side events in 2023 and 2024 to showcase country experiences and promote dialogue on the role of taxation in reducing inequalities and accelerating progress on SDGs. This sustained engagement culminated in UNDP's prominent role at the Fourth International Conference on Financing for Development (FFD4), held in Sevilla from 30 June to 3 July 2025. At FFD4, the adoption of the Sevilla Commitment reaffirmed the centrality of domestic public finance systems to closing the SDG financing gap. Under the Sevilla Platform for Action, UNDP launched the Public Finance for SDGs Collaborative, which has since moved into active coordination, promoting a more coherent and outcome-oriented approach to public finance through global platforms and strengthened partnerships across the fiscal ecosystem. It also reinforced the shift from a taxation-focused approach to a more integrated public finance agenda aligned with the FfD framework.

Countries supported by Tax for SDGs



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■ Focus countries (25)

■ Non-focus countries (4)

Country highlights by region

1. Africa

Between 2022 and 2025, UNDP's engagement in Africa under the Tax for SDGs Initiative unfolded against a tightening fiscal environment marked by rising debt-servicing costs, constrained access to concessional financing and growing pressure on social and development spending. While governments across the region have intensified efforts to strengthen domestic revenue mobilization and pursue fiscal consolidation, structural constraints continue to limit revenue performance, with tax-to-GDP ratios remaining low and only gradually improving. At the same time, heightened exposure to inflation, commodity price volatility and declining aid flows has increased scrutiny of tax expenditures, incentives and the overall efficiency of tax systems. Throughout this chapter, references to the portfolio review refer to an analysis conducted at the country, regional and global levels.

Within this context, the Tax for SDGs portfolio in Africa has progressively shifted from stand-alone technical assistance towards a more coherent, SDG-aligned fiscal agenda, using tax reform as an entry point to address broader development outcomes. Countries are increasingly linking tax policy and administration to sectoral priorities, connecting revenue reforms with health, climate, gender equality and institutional accountability. This shift is evident in the use of health-related taxation in Angola and Zimbabwe to mobilize resources while supporting public health objectives. It is also reflected in Ghana and Nigeria, where analytical work, data systems and legislative reforms have strengthened evidence-based tax policymaking. At the same time, there is a growing emphasis on digitalization: the United Republic of Tanzania is piloting local revenue systems, Rwanda is investing in big data and e-invoicing architectures and Namibia is advancing electronic tariff platforms

and taxpayer feedback tools to strengthen transparency and trust.

Parallel efforts have addressed long-standing inefficiencies in tax incentives and expenditures, a key concern in fiscally constrained environments. Countries such as Gabon, Togo, Angola and Botswana have advanced diagnostic work, reporting frameworks and reform proposals to rationalize incentives, while Comoros and Eswatini have strengthened institutional capacity in transfer pricing, tax crime and SDG alignment. At the same time, engagement in countries such as the Republic of the Congo and Lesotho has highlighted the limits of isolated tax reforms and reinforced the need to better connect revenue policy with expenditure management, debt dynamics and integrated financing strategies. These initiatives point to a gradual shift towards a broader public finance perspective.

Across this evolving landscape, regional specialists have been central to delivery and impact. Their role has extended beyond coordination to actively bridging country-specific technical needs with global policy processes, anchoring country engagements in shared frameworks such as the STF Diagnostics and translating global norms into context-specific reforms. By ensuring coherence, quality assurance and cross-country learning, they have helped consolidate a more networked regional approach. This alignment has enabled peer exchange on digital transformation, gender-responsive taxation and compliance strategies, while positioning Africa's experience as a substantive contribution to UNDP's global transition towards Public Finance for SDGs. The following sections examine how specific countries in the Tax for SDGs Africa portfolio have engaged with the Initiative.



1. Africa

2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

Photo credit: Free Photo Library.

1.1 Angola



Angola has focused its engagement under the Tax for SDGs Initiative on strengthening domestic resource mobilization, aligning tax policy with the SDGs and advancing institutional reforms through analysis and capacity development.

The process began in 2022, when government representatives expressed interest in implementing the Initiative. Work began on a Country Engagement Plan (CEP) to structure collaboration on tax policy and administration, alongside preparations to recruit a National Coordinator.

Throughout 2023, consultations continued to refine the CEP and ensure it aligned with national priorities, paving the way for implementation.

A major step forward came in 2024, when Angola formally joined the Tax for SDGs Initiative as its 25th participating country. The CEP was signed in March, and a National Coordinator was recruited in September. Capacity development activities marked important progress, including a workshop on cross-border taxation and SDG alignment that strengthened the skills of 55 officials from the Angola Tax Administration. The Tax for SDGs Fundamental Course was also delivered, providing a solid grounding in taxation's role in sustainable development. Analytical work using the STF Diagnostics focused on health, gender equality and partnerships for the SDGs. The resulting recommendations are being aligned with Angola's 2025–2029 tax reform

strategy, including proposed amendments to strengthen transfer pricing regulations.

In 2025, support expanded into health taxation and international tax policy. A workshop held in April, in partnership with the Ministry of Health and the World Health Organization, positioned tobacco taxation as a dual instrument for improving health outcomes and mobilizing domestic revenue. In May, a second workshop addressed global minimum tax rules and their legal implications, strengthening the Government's readiness to respond to evolving international tax standards. By September, analytical work on tax expenditures culminated in Angola's first tax expenditure report, enhancing transparency on fiscal costs, policy effectiveness and alignment with SDG commitments.

These efforts have translated into concrete policy outcomes. Angola's 2025 Budget Law (No. 14/25) introduced a significant increase in excise taxes on tobacco (to 50 percent) and spirits (to 25 percent), while earmarking 60 percent of revenues for the Ministry of Health to procure essential medicines, alongside allocations for basic sanitation at the local level. This reform reflects a coherent fiscal approach in which a single policy instrument advances revenue mobilization, health financing and local service delivery.

At the same time, continued technical support on global minimum tax rules, including Qualified Domestic Minimum Top-Up Tax provisions, has positioned Angola to safeguard its taxing rights in a changing international tax environment. In addition, legal amendments were submitted to the Ministry of Finance to inform ongoing policy reform. Together, these results demonstrate how targeted policy dialogue and technical support can translate into integrated fiscal reforms with measurable development impact. The 2025 portfolio review mapped the full breadth of UNDP's public finance engagement

in Angola, revealing a set of interconnected levers that the transition to Public Finance for SDGs is designed to harness more coherently. Alongside the tax work, UNDP has been supporting the development of a Nationally Determined Contribution (NDC) Investment Plan—Angola’s first formal acknowledgement of carbon market action. It has also facilitated partnerships with two commercial banks to prepare thematic bond issuances under the Platform for Investment Support and Technical Assistance (PISTA) initiative, with one bond expected by the end of 2026. Furthermore, the Biodiversity Finance Initiative (BIOFIN) is advancing a national biodiversity financing plan. In 2024, UNDP organized Angola’s first national

dialogue on climate finance, resulting in a political declaration on sustainable finance instruments. The Pro PALOP-TL regional programme has strengthened gender-responsive budgeting in the Ministry of Finance and supported a legal reform to establish a Parliamentary Budget Office. Angola is also under consideration for the Equanomics Initiative, given the STF Diagnostics gender assessment and ongoing inclusion work. Together, these interconnected levers—tax, climate finance, sovereign financing, biodiversity and gender-responsive budgeting—position Angola to adopt a genuinely integrated public finance approach in the next phase.

Angola—Key results

(2022–2025)



Achievements

2025 Budget Law adopted: 50 percent tobacco excise, 25 percent spirits excise, 60 percent of revenues earmarked for health; first tax expenditure report produced; STF Diagnostics conducted (health, gender, partnerships)

“The collaboration with UNDP has contributed to strengthening the analytical foundations for fiscal policy, particularly through enhanced transparency on tax expenditures and improved alignment between incentives and development priorities. This support has helped advance more evidence-informed decision-making within the fiscal framework.”



Luís Gomes Sambo, Administrator,
Administração Geral Tributária, (AGT), Angola

Next phase

The transition to Public Finance for SDGs builds on Angola’s health tax reforms and tax expenditure transparency, extending into climate finance, biodiversity financing and sovereign thematic bonds.

TIWB Status

● Active

1. Africa

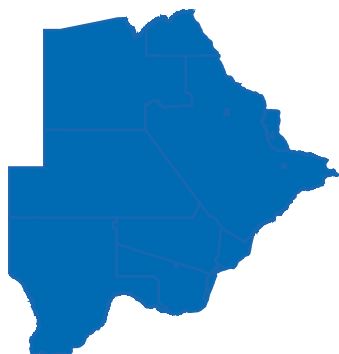
2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

1.2 Botswana



From initial planning to full implementation, Tax for SDGs support in Botswana has progressively built the analytical and institutional foundations for more transparent, data-driven tax reforms. The process began in 2022 with the preparation of a CEP, followed by consultations in 2023 to refine priorities and ensure readiness for implementation.

A turning point was reached in 2024, when the CEP was formally signed and a National Coordinator appointed, marking the start of operational activities. Capacity development became a central pillar, with more than 70 officials from the Botswana Unified Revenue Service trained on digitalization and sectoral analysis. The application of the STF Diagnostics provided insights into how the tax system performs across a wide range of development areas, including education, gender equality, energy transition and governance. Botswana also hosted a national dialogue during the African Tax Research Network Conference, strengthening the link between tax policy and development objectives.

In 2025, the Initiative concentrated on two priority areas: tax expenditures and e-invoicing. Work on the country's first tax expenditure report provided a comprehensive estimate of revenue foregone, quantified the fiscal cost of existing incentives and generated evidence

that is now being used by the Ministry of Finance to rationalize the incentive framework and strengthen transparency in reporting—a step towards more accountable and evidence-based fiscal policy. At the same time, a readiness assessment for a mandatory e-billing system identified legal and technical gaps and produced a phased implementation road map. The adoption of this would significantly improve value-added tax (VAT) compliance and enable real-time monitoring of the tax base, reducing leakages and strengthening domestic revenue mobilization.

The 2025 portfolio review identified the full range of UNDP public finance work in Botswana and confirmed that there is strong momentum for the transition to an integrated approach. The Government has launched its Development Finance Assessment (DFA) and Financing Strategy, embedding gender-sensitive financing in this, and adopted zero-based budgeting as a permanent feature of national budget formulation. A new TIWB transfer pricing programme launched in late 2025 targets compliance among international firms in the diamond sector. BIOFIN is supporting the digitalization of revenue collection from protected area fees, which currently generates \$7.8 million annually. UNDP is also working with the Ministry of Finance and the Corruption Prevention Unit to embed anti-corruption measures across the full public finance management cycle. These complementary pillars—tax administration, budget reform, revenue from natural resources and public finance integrity—provide a strong foundation for the Public Finance for SDGs phase to deepen coherence and build on these results.

Botswana—Key results

(2022–2025)



Achievements

First tax expenditure report produced; fiscal cost of incentives quantified and evidence used by the Ministry of Finance to rationalize the incentive framework; STF Diagnostics conducted (education, gender equality, clean energy, decent work, institutions, partnerships); over 70 officials from the Botswana Unified Revenue Service trained on digitalization and sectoral analysis; readiness assessment completed for mandatory e-invoicing, with a phased implementation road map to strengthen VAT compliance.

“The development of Botswana’s first Tax Expenditure Report marks an important step toward greater fiscal transparency, evidence-based policymaking, and stronger management of tax incentives. We appreciate UNDP for its valuable support in establishing this foundation, not only through the development of the inaugural report, but also by strengthening local capacity and supporting the adaptation of tools and methodologies. Most importantly, this collaboration has helped build the institutional capability to undertake future tax expenditure assessments and reporting independently, ensuring a sustainable and country-owned approach going forward.”



Segametse Radibe-Michael,
Commissioner, Botswana Revenue Service

Next phase

The transition to Public Finance for SDGs builds on Botswana’s tax expenditure reform, e-invoicing readiness, and active TIWB engagement in the diamond sector, linking tax administration, budget reform, natural resource revenues, and public finance integrity.

TIWB Status

● Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

1.3 Comoros



In Comoros, work under the Tax for SDGs Initiative has gradually evolved from targeted technical assistance into broader reforms aligned with the SDGs, with a focus on strengthening domestic resource mobilization and reinforcing the social contract.

After the Ministry of Finance committed to undertake SDG-aligned tax reforms by signing a CEP, support deepened significantly in 2024 across both technical and policy areas. UNDP supported Comoros in setting up a Transfer Pricing Unit, with dedicated efforts to build the unit's capacity to identify base erosion and profit-shifting risks and to determine which legislative amendments were needed to align with global best practices. More than 30 staff members have benefited from targeted capacity development, following the review of provisions in the General Tax Code that led to the adoption of a new transfer pricing framework, which was signed into law in September 2024. At the same time, SDG alignment was strengthened through STF Diagnostics conducted in December 2024, focusing on SDG 5 (Gender Equality) and SDG 17 (Partnerships for the Goals), alongside preparations for a future private–public dialogue on taxation. Ministry of Finance officials were also trained and strengthened their capacity to apply gender responsive budgeting, positioning them to embed gender considerations in routine fiscal decision-making.

By 2025, while Comoros continued to build capacity within the tax administration for

transfer pricing, the emphasis shifted towards strengthening dialogue, governance and ownership of reforms across the islands and their institutions. Missions to Anjouan and Mohéli in March focused on dialogues on taxation, tax justice, tax compliance and the social contract for SDG financing. In September, dialogues at the national and island levels highlighted the impact of corruption and weak enforcement on revenue mobilization and public spending, with calls for greater digitalization, transparency and institutional coordination. In November, a national assessment on decentralization brought together stakeholders under the MIKOWANI 2030 reform framework, focusing on restoring fiscal decentralization, modernizing local taxation and strengthening accountability.

As part of the 2025 portfolio review process, the Comoros portfolio emerged as an example of how the Tax for SDGs Initiative has catalysed a broader set of interventions that are now available to inform the transition. An Integrated National Financing Framework (INFF) process is under way, —supported by the Ministry of Finance, the European Union, the African Development Bank (AfDB) and the International Monetary Fund (IMF)—alongside a three-year budget adopted by the National Assembly. With regard to debt, UNDP support helped the Government secure \$1.5 million from the AfDB, allocated to the Emerging Comoros Plan through 2026. Insurance and risk finance engagement is building government capacity in disaster risk finance and supporting the operationalization of the National Emergency and Resilience Fund (FNUR). Transfer pricing legislation, multi-year budgeting, debt management and climate risk finance represent four building blocks for a more integrated fiscal approach, which the Public Finance for SDGs Initiative is designed to connect.

Comoros—Key results

(2022–2025)



Achievements

New transfer pricing framework adopted into law (September 2024); Transfer Pricing Unit established and staff trained; STF Diagnostics conducted (gender equality, partnerships); national and island-level tax dialogues held on taxation, compliance and fiscal governance.

“The adoption of the Amending Finance Law establishing a transfer pricing framework marks a major milestone in strengthening Comoros’s tax system. By introducing the arm’s-length principle and clearer documentation requirements for intragroup transactions, this reform strengthens transparency, aligns our tax framework with international standards and enhances our ability to protect the national tax base from profit-shifting and abusive practices.”



Mohamed Kari Ahamada, Director of Tax Legislation and Litigation, General Directorate of Taxes, Comoros

Next phase

The transition to Public Finance for SDGs builds on transfer pricing reform and strengthened tax governance, extending into decentralized public finance, debt management and climate and disaster risk finance.

TIWB Status

● Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

1.4 Eswatini



Efforts in Eswatini have focused on strengthening the capacity of the Eswatini Revenue Service (ERS) to address tax crime and illicit financial flows, while also advancing SDG-aligned reforms and modernizing revenue administration systems.

The programme began in 2022 with the launch of work on tax and crime, alongside the development of the CEP. Preparations were also made to recruit a National Coordinator, who took up responsibilities in 2023. That year, collaboration expanded through a three-day multi-agency workshop, which enabled a comprehensive self-assessment of transboundary tax crimes and helped identify priority areas for improving audits, investigations and domestic resource mobilization. Peer learning and practical exercises strengthened coordination across institutions, while initial technical discussions also laid the groundwork for applying the STF Diagnostics, including early exploration of SDG 9 (Industry, Innovation and Infrastructure) and digital economy taxation.

In 2024, capacity development efforts broadened across the ERS, government ministries and parliament. More than 72 participants enhanced their skills in areas such as cross-border tax crime investigations, risk management, data analysis, taxpayer services and oversight of tax expenditures and their alignment with the SDGs. STF Diagnostics provided analytical support to align tax policy with priorities such as gender equality, industry

and innovation, strong institutions and global partnerships, contributing to reforms such as the repeal of the graded tax to make it gender responsive, the introduction of a digital services tax and the roll-out of an electronic invoicing system. These efforts also supported the ERS's digitalization agenda as it moves towards Tax Administration 3.0.

In 2025, the focus shifted to translating reform commitments into concrete fiscal outcomes. Following an STF Diagnostics self-assessment in May, a national support plan was developed, setting out specific next steps on digital services taxation, e-invoicing expansion and audit and investigative casework, and moving from diagnostics to a time-bound implementation agenda. Coordination between economic planning and revenue administration was strengthened, including through the use of quarterly returns data to improve employment statistics and inform labour-market policy. A significant policy outcome was the introduction of new levies on alcohol and tobacco products, which align with the STF Diagnostics recommendations on health-related taxation and are designed to discourage consumption, reduce the burden of noncommunicable diseases and generate ring-fenced revenues for health spending. Work also advanced on VAT exemptions for selected reusable products, supporting the alignment of the tax system with environmental priorities.

The 2025 portfolio review confirmed that Eswatini's engagement extends well beyond tax administration and that a strong base exists for the next phase. The INFF process, co-chaired by the ministries of finance and planning, has produced a DFA and a Financing Strategy, and work is under way on potential green bond issuance and a green taxonomy led by the Central Bank. Eswatini was also selected as a pilot for support to the budget-planning process, including direct contributions to the Fiscal Strategy Paper. BIOFIN is strengthening

financial management for biodiversity conservation, and debt support is focused on preparing a thematic bond issuance. The TIWB criminal investigation exercise is expected to

yield significant amounts of revenue. As the Initiative transitions, these parallel streams, identified and mapped through the portfolio review, provide the scaffolding for a genuinely

Eswatini—Key results

(2022–2025)



Achievements

STF Diagnostics conducted (gender equality, industry and innovation, institutions, partnerships); capacity development delivered to ERS, government ministries and parliament on tax crime, risk management and tax expenditure oversight; digital services tax introduced; electronic invoicing system rolled out; new excise levies on alcohol and tobacco introduced with revenues earmarked for health.

“With support from UNDP, TaxEase was developed with the taxpayer in mind. We aimed to create a user-friendly and intuitive platform that simplifies tax filing and empowers individuals and businesses to comply with tax regulations efficiently.”



Cebolenkhosi Mahlalela, Manager,
Taxpayer Education and Information, ERS

Next phase

The transition to Public Finance for SDGs builds on health-related excise reforms, digital tax administration, and ongoing TIWB engagement, linking taxation with budget planning, climate-related financing, and debt instruments.

TIWB Status

● Active

1. Africa

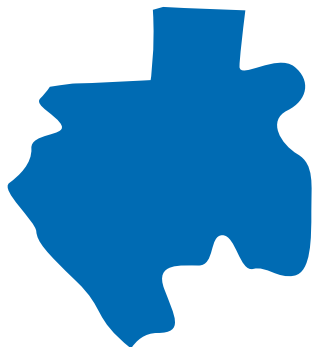
2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

1.5 Gabon



Environmental taxation and the governance of fiscal incentives have been at the core of Tax for SDGs support in Gabon, alongside efforts to modernize tax administration. Early activities in 2022 were linked to the INFF and focused on green taxation, while preparatory steps towards a CEP were also undertaken. Momentum increased in 2023, allowing Tax for SDGs to transition towards more structured implementation.

In 2024, the Initiative translated these priorities into concrete policy proposals and analytical work. Five green tax measures were developed for consideration in parliament, targeting pollution, vehicle emissions and plastic waste, with the objective of embedding environmental considerations into national fiscal policy. Parallel work examined the cost-effectiveness of tax expenditures and explored new areas such as e-commerce taxation. Administrative modernization was supported by a digital payment platform that improved compliance and efficiency.

In 2025, the focus shifted towards restoring discipline in the tax incentive system—a direct response to findings from the tax expenditure analysis showing that the cost of fiscal exemptions had grown significantly without corresponding development returns. Through a national workshop and subsequent technical

work, UNDP supported the Government's decision to suspend certain exemptions and launch a comprehensive audit of preferential regimes, marking a tangible policy shift towards greater transparency and fiscal accountability. The tax expenditure analytical findings were formally presented to the Ministry of Finance and contributed directly to this reform decision. Additional efforts supported clearer communication of tax rules through the development of a national tax handbook addressing persistent inconsistencies in interpretation and implementation that had undermined taxpayer certainty and compliance.

Beyond tax-specific reforms, the Gabon portfolio identifies important entry points for the next phase of engagement, as identified through the 2025 portfolio review, conducted at the country, regional and global levels. The INFF Financing Strategy was developed and endorsed by the Government, with the Ministry of Economy and Investment leading the process, although the oversight committee established under the previous government has yet to be reactivated by the new administration. The broader transition in Gabon underscores the importance of the fiscal policy coherence approach: the fiscal reform momentum around tax expenditure rationalization, green taxation and transparency needs to be anchored within a wider public finance framework that connects revenue, expenditure and debt decisions to national development priorities. Re-establishing the institutional structures for cross-government coordination will be a key priority as UNDP's engagement evolves in the next phase.

Gabon—Key results

(2022–2025)



Achievements

Cost-effectiveness review of tax expenditures conducted; 218 tax expenditure measures identified, representing approximately 3.2 percent of GDP; government decision taken in 2025 to suspend existing exemptions and launch a comprehensive audit of preferential tax and customs regimes; five green tax proposals developed for parliament (pollution levies, high-emission vehicles, eco-tax on plastic waste); support to raise awareness and promote the use of the Digitax electronic payment platform among taxpayers.

“The integrated BIOFIN–Climate Promise–Tax for SDGs approach has transformed our vision of development financing. For the first time, we are precisely quantifying biodiversity needs (FCFA36.3 billion). Thanks to the Tax for SDGs project, the study conducted on tax expenditures was a wake-up call: some exemptions cost billions without any measurable development impact. The Government’s decision to suspend tax exemptions in 2025 and launch an audit marks a decisive turning point for public finances.”



Paul Abessolo, Director of Legislation and Tax Litigation (DGI)

Next phase

The transition to Public Finance for SDGs builds on tax expenditure rationalization and green taxation reforms, anchoring revenue reforms within a broader framework linking fiscal transparency, expenditure priorities and sustainable financing.

TIWB Status

● Not applicable

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

1.6 Ghana



Ghana's engagement under the Tax for SDGs Initiative has centred on strengthening evidence-based tax policy, advancing SDG-aligned fiscal reforms and supporting more inclusive domestic resource mobilization. Work started in 2022 with the development and initial roll-out of the CEP, providing a structured basis for collaboration with national counterparts on tax reforms.

A significant scale-up followed in 2023, with activities expanding across institutions and levels of government. Capacity development reached 645 revenue officers across 84 local assemblies, improving local revenue strategies and promoting innovative financing approaches. Knowledge-exchange initiatives contributed to better compliance and service delivery. During the same period, the Ministry of Finance committed to applying the STF Diagnostics and to initiating preparatory technical work. Data-collection efforts carried out with the Ghana Statistical Service supported more informed tax policy decisions and assessments of local revenue potential. Analytical work on health-related taxation also contributed to the adoption of a new Excise Tax Law in March 2023.

In 2024, attention shifted towards deepening SDG alignment and strengthening institutional capacity. More than 400 front-line tax administrators completed the Tax for SDGs foundational course, reinforcing core skills across the system. Gender-related work progressed through both capacity development and analytical research on gender-responsive

taxation. An STF Diagnostics assessment conducted in April 2024 reviewed alignment with priorities such as zero hunger, health, education, industry and innovation and global partnerships, while also informing an action plan to improve policy coherence. Additional analysis explored how tax policy could support the clean energy transition. Ghana Revenue Authority advanced its institutional commitment to gender equality through implementation of the Gender Equality seal and evidence-based policy recommendations from commissioned research on the tax system's gender responsiveness.

In 2025, capacity development continued with targeted training for front-line staff to reinforce auditing skills and improve compliance rates. In June, Ghana hosted a FfD Dialogue that brought together government, the private sector, civil society and development partners—demonstrating the maturity of the national conversation on domestic resource mobilization and SDG financing and producing concrete recommendations for reform priorities. The year concluded with a ministerial request to commission a comprehensive study of the national tax landscape, intended to provide the strategic analytical foundation for Ghana's next generation of tax reforms, building directly on the STF Diagnostics and years of capacity development under the Initiative.

Ghana's broader public finance portfolio was mapped through the 2025 portfolio review process. The findings reflect the depth and diversity of UNDP's engagement and provide a strong platform for the transition to Public Finance for SDGs. The INFF process is advancing, with a national-level DFA nearing finalization and five districts already working on local INFFs. TIWB's earlier transfer pricing programme with the African Tax Administration Forum (ATAF) generated \$9.8 million in taxes collected and \$14.5 million in assessments.

On climate risk, UNDP has developed a subnational flood risk-transfer product for the Accra region under the Insurance Development Forum, with a National Disaster Risk Finance Strategy Framework in place to guide national risk layering, ready for launch in 2026. Ghana is also participating in a regional small and medium-sized enterprise (SME)

pipeline-building initiative and an Italian-funded investment facilitation programme. These combined assets—SDG-aligned budgeting, local revenue reform, TIWB, disaster risk finance and a diaspora crowdfunding platform in development—create the conditions for a comprehensive, coherent public finance programme in the next phase.

Ghana—Key results (2022–2025)



Achievements

STF Diagnostics conducted (zero hunger, health, education, industry and innovation, partnerships); over 400 front-line tax administrators trained through the Tax for SDGs course; analytical work on health-related taxation supported the adoption of a new Excise Tax Law (2023); gender-responsive taxation research and capacity development conducted; action plan developed to strengthen alignment between tax policy and SDGs.

“The Tax for SDGs project was quite beneficial for us as a Ministry and in helping to shape the direction of tax policy and tax administration in Ghana even within the short period of review. We look forward to further collaboration and deep dive into this realm of collaborative assessment which complements policymaking and administration.”

The STF Diagnostics was in simple terms beneficial in helping us acknowledge the weaknesses and strengths in our tax policy and administration landscape especially helping us better appreciate how well our tax ecosystem is positioned to helping accelerate the achievement of key SDG goals.”



Philip B Thompson, Chief Economic Officer,
Ministry of Finance

Next phase

The transition to Public Finance for SDGs builds on SDG-aligned tax reforms and health taxation, linking revenue policy with local revenue mobilization, financing strategies and climate and disaster risk finance instruments.

TIWB Status

Complete

1. Africa

2. Arab States

3. Asia and
the Pacific4. Europe and
Central Asia5. Latin America
and the Caribbean

1.7 Kenya



The Tax for SDGs Initiative in Kenya has evolved through a sequence of capacity development and analytical interventions aimed at strengthening tax policy design and administration. The first phase, in 2022, focused on shaping a CEP in dialogue with the Government, drawing on the DFA to define reform priorities. This preparatory work enabled faster implementation in 2023, when collaboration with national institutions became more structured and targeted.

A clear shift occurred in 2024, when support concentrated on the Kenya Revenue Authority's internal capabilities. Training in data analytics and the taxation of high-net-worth individuals enhanced the administration's ability to detect evasion risks and broaden the tax base. At the same time, the application of the STF Diagnostics provided a multidimensional analysis of how tax policies interact with gender equality, industrial development, inequality and international cooperation. Kenya's participation in the UNDP Equanomics Initiative further anchored gender-responsive taxation within this broader reform agenda.

Building on these foundations, 2025 marked a shift towards more sophisticated analytical tools with direct policy application. Technical training in computable general equilibrium

modelling expanded the Kenya Revenue Authority's capacity to assess not only revenue impacts but also the distributional and sectoral effects of proposed reforms. This capability enables tax policy decisions to be grounded in evidence on their effects on inequality and growth. Complementary work on artificial intelligence and machine learning led to the development of prototype predictive models for compliance risk and the creation of an internal AI Tax Clinic to institutionalize and sustain innovation within the tax administration. Together, these advances signal Kenya's transition towards a data-driven, intelligence-led revenue administration capable of supporting more equitable and efficient domestic resource mobilization.

Kenya's engagement with the Tax for SDGs Initiative sits within a rich broader portfolio of UNDP public finance work that the 2025 portfolio review brought into full view. A DFA has been finalized, a financing strategy is now being developed, and work is under way to leverage the county pension fund for green investments. A pipeline of article 6.2–eligible climate projects is being built for Internationally Transferred Mitigation Outcomes. Kenya is also implementing the Equanomics Initiative on gender-responsive fiscal policy. A second phase of TIWB is commencing, in partnership with India and building on the completed phase 1. The breadth of Kenya's portfolio—spanning tax administration, climate finance, gender and fiscal policy, carbon markets and sovereign financing—makes it one of the strongest candidates for an integrated Public Finance for SDGs programme. Multiple reform streams are already under way, providing a strong foundation for the next phase to bring

Kenya—Key results (2022–2025)



Achievements

STF Diagnostics conducted (gender equality, industry and innovation, reduced inequalities, partnerships); training delivered to Kenya Revenue Authority on data analytics and taxation of high-net-worth individuals; methodology adopted to identify high-net-worth individuals; participation in the Equanomics Initiative to integrate gender considerations into tax policy; advanced analytical tools developed to support evidence-based tax policymaking; AI and Machine Learning training delivered to the Kenya Revenue Authority, leading to captioning projects within the Revenue Authority.

“The trainings from UNDP are a valuable and transformative experience for me. It provided me with a platform to sharpen my existing analytical skills and acquire new ones, hence developing a strong analytical mindset that employs a data-driven approach to problem solving. I look forward to utilizing the knowledge and skills acquired to simplify the current processes and implement innovative solutions in my current role. My deepest gratitude to the UNDP for facilitating us to attend the training.”



Evans Kithure, Data Analyst Kenya Revenue Authority

Next phase

The transition to Public Finance for SDGs builds on data-driven tax administration, high-net-worth individual taxation and gender-responsive fiscal policy, linking revenue reforms with climate finance, sovereign financing and integrated national financing strategies.

TIWB Status

Active

1. Africa

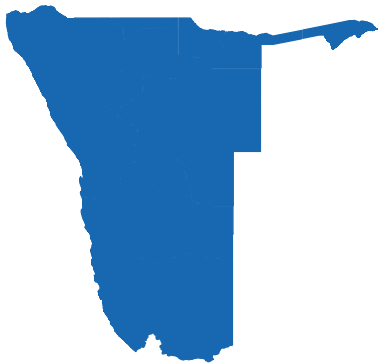
2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

1.8 Namibia



In Namibia, the Tax for SDGs Initiative has supported efforts to strengthen tax policy and administration, with a strong focus on digitalization, transparency and evidence-based fiscal decision-making aligned with national development priorities.

Work began in 2022 with the preparation of a CEP and the recruitment process for a National Coordinator. During the Dialogue on Tax and the SDGs held in December 2022, government representatives reaffirmed their commitment to advancing the Initiative. Engagement intensified in 2023, with a focus on advancing implementation of the CEP and preparing for expanded technical and analytical support.

Significant progress was achieved in 2024 following the appointment of a National Coordinator in May. More than 140 officials from the Namibia Revenue Authority (NamRA), the Ministry of Mines and the Ministry of Finance strengthened their capacity across a range of areas, including digitalization, extractive industry taxation, cross-border tax recovery and specialized audits. The STF Diagnostics was applied to assess national tax policies, generating analyses of clean energy taxation, equity and distributional impacts, institutional capacity and partnerships. These findings are being translated into actionable plans to better align fiscal policy with sustainable development objectives. At the same time, improvements in data governance and the trade verification system enhanced trade transparency and efforts to curb illicit financial

flows. The roll-out of electronic advance ruling and electronic tariff systems further improved compliance and reduced trade costs.

In 2025, efforts focused on consolidating digital and analytical reforms. Technical support addressed challenges related to data platforms, dashboards and analytics pipelines, strengthening the capacity for data-driven decision-making across the revenue system. A landmark achievement was the development of Onyofi, a digital taxpayer feedback and accountability tool created in partnership with UNDP, GIZ and NamRA and launched in November 2025. The tool enables real-time, continuous taxpayer feedback on service quality and administrative conduct, strengthening public trust, promoting transparency and creating an accountability mechanism that connects citizens directly to their revenue authority. Additional initiatives advanced trade verification reforms, while the establishment of a gender platform within the Ministry of Finance and NamRA embedded gender-responsive principles within the institutional architecture of fiscal governance.

Through the 2025 portfolio review, Namibia's transition to the Public Finance for SDGs phase was supported by engagements across several interconnected areas. The INFF process, co-chaired by the ministries of finance and planning, is advancing: a DFA has been launched, the financing strategy is being finalized and a financing dashboard is under development. A TIWB transfer pricing programme with a German partner administration is ongoing and is expected to generate revenue gains through enhanced compliance. BIOFIN is supporting sustainable community-based natural resource management, including eco-tourism financing. The Onyofi taxpayer feedback tool, launched in November 2025, represents a significant step towards strengthening the social contract

around taxation. Together, these instruments—SDG-aligned diagnostics, international tax cooperation, INFF, biodiversity finance and

a citizen feedback mechanism—provide a coherent foundation for the next phase.

Namibia—Key results

(2022–2025)



Achievements

Digitally enabled tax administration strengthened; electronic advance ruling and electronic tariff systems rolled out; compliance improved and trade costs reduced in cross-border transactions; data governance and trade verification systems strengthened; Onyofi digital taxpayer feedback tool launched to enhance accountability and trust; STF Diagnostics conducted (clean energy, inequalities, institutions, partnerships); over 140 officials trained in digitalization, extractives taxation, cross-border recovery and specialized audits.

“By simplifying processes, strengthening transparency on service delivery and making information accessible, Onyofi will build trust between NamRA, taxpayers and traders; trust that becomes a catalyst for voluntary compliance and better public service delivery.”



Sam Shivute, Commissioner General, NamRA.

Next phase

The transition to Public Finance for SDGs builds on digital tax administration reforms and active TIWB engagement, linking revenue mobilization with financing strategies, biodiversity finance and citizen accountability mechanisms.

TIWB Status

Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

1.9 Nigeria



In Nigeria, the Tax for SDGs Initiative has supported efforts to align tax policy and public finance reforms with the SDGs, with a strong emphasis on evidence-based decision-making and more inclusive, gender-responsive fiscal systems.

The groundwork was laid in 2022 through the development of a CEP, which established a structured framework for collaboration. A National Coordinator was subsequently recruited to support implementation from 2023 onward.

Engagement broadened in 2023 across several fronts, including tax policy, digital transformation and SDG alignment. Support to the Nigeria Revenue Service (NRS), formerly the Federal Inland Revenue Service (FIRS), included developing a digital transformation road map and providing technical inputs to the 2024 Finance Bill, helping align reforms with international tax standards. A pilot application of the STF Diagnostics informed analysis of tax gaps and policy options. Research also identified revenue opportunities linked to the African Continental Free Trade Area (AfCFTA), supporting dialogue with national stakeholders.

At the same time, Equanomics gender-focused work contributed to the adoption of the UNDP Gender Equality Seal for Public Institutions, while awareness activities strengthened understanding of taxation's role in advancing priorities such as gender equality, reduced inequalities, strong institutions and global partnerships. By year-end, three tax

administrations had completed a guided self-assessment under the Seal.

In 2024, more than 403 officials from FIRS, the Ministry of Finance and subnational entities enhanced their capacity in tax policy, gender-responsive taxation and data analysis. Additional funding supported SDG-aligned fiscal legislation under parliamentary review. Progress on gender-responsive reforms included improved communication, the collection of gender-disaggregated data and the integration of gender considerations into the Import Duty Exemption Certification system. Analytical work also covered tax forecasting, incidence analysis and the implications of AfCFTA market access.

By 2025, the focus shifted to consolidating these advances. Efforts centred on embedding gender-responsive budgeting and procurement practices, strengthening revenue forecasting and incidence analysis and expanding regional peer learning on data analytics. Together, these actions support Nigeria's transition towards a more transparent, inclusive and SDG-aligned public finance system.

This progress is now extending into enforcement and monitoring functions. Guided by the STF Diagnostics, support has advanced ongoing work to establish a Digital Forensics Lab, strengthening authorities' capacity to investigate tax evasion, financial crimes and illicit financial flows. In parallel, the provision of an advanced digital monitoring and evaluation dashboard for the Nigeria Revenue Service (as the FIRS is now known), funded through the Country Office, is enhancing performance tracking, data integration and evidence-based decision-making across the tax system.

Nigeria's portfolio is one of the most advanced in terms of the breadth of UNDP public finance engagement. This was confirmed by the 2025 portfolio review, which revealed alignment with

the evaluation's recommendation for a more integrated approach in the next phase. The INFF process is robust: a financing strategy and DFA are in place, with the President's Office overseeing the INFF and the Ministry of Finance providing operational leadership through a dedicated oversight committee. The removal of fossil fuel subsidies in 2023—accounting for \$9.3 billion, or over 15 percent of the national budget—is featured as a flagship INFF case study. The Medium-Term Revenue Strategy, embedded within the broader INFF framework, has contributed over \$30 million in additional revenue collection. The Equanomics

Initiative is implementing the Gender Equality Seal across three tax administrations: FIRS, Ondo IRS and Kaduna IRS. An insurance risk-transfer scheme for Lagos State flood resilience has been developed under the Insurance Development Forum, alongside a National Disaster Risk Finance Strategy. Nigeria also participates in a Japanese-funded Taxonomy of Financing project. Together, these instruments—spanning fiscal reform, gender-responsive public finance, climate, insurance and financing strategy—make Nigeria a strong candidate for a flagship integrated engagement under Public Finance for SDGs.

Nigeria—Key results (2022–2025)



Achievements

Nigeria Tax Act 2025 adopted, introducing more progressive and gender-responsive measures and mandatory publication of tax expenditures; STF Diagnostics conducted (gender equality, governance, inequalities, partnerships); over 400 officials from the FIRS and Ministry of Finance trained on tax policy, gender-responsive taxation and data analysis; monitoring and evaluation tools deployed to strengthen performance tracking; Digital Forensics Lab established to enhance compliance, enforcement and data-driven decision-making; Country Office investment leveraged (over \$350,000) to scale integrated public finance reforms.

“Participating [in the Public Finance and Gender Dialogue] has really helped us at the FIRS to understand and appreciate the nexus between gender equality and taxation. All these will ensure and make sure that we are in a better position to promote... economic empowerment and achieve a better Nigeria”



Angel Fadahunsi, Director, Human Capacity Management Nigeria Revenue Service (NRS)

Next phase

The transition to Public Finance for SDGs builds on landmark tax reform, gender-responsive fiscal policy, and digital enforcement capacity, linking revenue mobilization with integrated financing strategies, climate and risk financing, and accountable public finance governance.

TIWB Status

Active

1. Africa

2. Arab States

3. Asia and
the Pacific4. Europe and
Central Asia5. Latin America
and the Caribbean

1.10 Republic of the Congo



The Tax for SDGs Initiative in the Republic of the Congo has primarily supported a shift towards more integrated fiscal policymaking, linking taxation, expenditure, debt and development financing. While no activities were reported in 2022, engagement picked up in 2023 with preparatory work to enable more structured support.

A key milestone was reached in 2024 with the organization of a national workshop on fiscal policies for sustainable development. This event brought together a wide range of public finance actors to examine how tax and spending policies can better align with development objectives and support economic diversification. The discussions helped build a shared understanding of trade-offs and informed the design of a comprehensive Public Finance Reform Programme supported by UNDP.

In 2025, at the Government's request, this work evolved into a comprehensive analytical and strategic exercise. The Initiative supported the identification of the structural fiscal challenges underlying the Republic of the Congo's persistent fiscal vulnerabilities, including a low non-oil tax effort, heavy dependence on hydrocarbon revenues and fragmented expenditure management. This

process resulted in an integrated reform road map covering tax policy and administration, expenditure efficiency, debt management and sustainable financing instruments. By bringing these elements together into a single, government-owned framework, the road map provides a practical, sequenced blueprint for expanding fiscal space, improving governance and aligning public resource use with long-term development goals. Its delivery marks the Republic of the Congo's transition from episodic technical assistance to a coherent, multidimensional public finance reform agenda.

The Republic of the Congo's trajectory under Tax for SDGs—moving from isolated dialogue towards an integrated fiscal reform road map covering tax, expenditure, debt and sustainable financing—was confirmed and deepened by the 2025 portfolio review. The INFF process is active, with a DFA and Financing Strategy in place, a financing dashboard under development and work exploring nature swaps and a regional climate-resilient SME pipeline. A new TIWB programme was approved in 2025: the Belgian tax administration has been confirmed as the partner, and a planning meeting has been scheduled to formalize the implementation road map. The INFF is chaired by the Ministry of Planning, and an operational structure is under discussion. Combined with these parallel processes, the integrated fiscal reform road map produced in 2025 provides a strong basis for transitioning to a more structured, sustained public finance engagement in the next phase.

Republic of the Congo—Key results (2022–2025)



Achievements

National Workshop on Fiscal Policies for the SDGs convened with tax and budget authorities; integrated analysis conducted linking taxation, expenditure, debt and development financing; comprehensive Public Finance Reform Programme and fiscal reform road map developed to address structural fiscal vulnerabilities and improve policy coherence.

“It is essential to review our tax approach in order to mobilize national resources while ensuring that every tax decision supports sustainable and inclusive growth. This challenge encourages us to reassess our tax policy choices to support key sectors such as education, health, equality and the environment, while increasing our budgetary flexibility.”



Franck Corneille Mampouya-M'bama, Director
General of Planning and Development

Next phase

The transition to Public Finance for SDGs builds on the integrated fiscal reform road map, linking tax policy, expenditure efficiency, debt management and sustainable financing instruments within a coherent public finance framework.

TIWB Status



Active

1. Africa

2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

1.11 Rwanda



In Rwanda, the Tax for SDGs Initiative has been used as a platform to connect tax policy, compliance and inclusive governance, with a strong focus on gender and digital transformation. The process began in 2022 with the development of a CEP, followed by further alignment work in 2023 to ensure that planned activities reflected national priorities including the rollout of Equanomics implementation.

Concrete results emerged in 2024, when implementation accelerated across several fronts. Capacity development strengthened enforcement and compliance functions, while a nationwide voluntary disclosure campaign helped expand the tax base and improve reporting. At the same time, the STF Diagnostics supported a detailed assessment of how tax policies interact with development priorities, including gender equality, infrastructure, governance and partnerships. This analytical work was paired with targeted Equanomics initiatives to advance gender-responsive tax and fiscal policy, and institutional strengthening of Rwanda Revenue Authority through Gender Equality Seal implementation leading to establishment of such as new guidelines, communication strategies and institutional mechanisms such as the Women's Safe Space Committee and gender responsive revenue administration services in facilitation and enforcement mandates and gender balance in the workforce.

In 2025, the focus shifted towards consolidating reforms and strengthening digital public

finance systems. UNDP advanced Rwanda's digitalization agenda through investments in data infrastructure, including the development of a big data management module, upgrades to the e-invoicing data governance portal and the design of a domestic tax microservices architecture to improve system integration. Together, these efforts are enhancing how tax systems communicate, streamlining data flows and supporting a more agile and efficient public finance ecosystem.

In parallel, Rwanda continued to reinforce gender-responsive and inclusive fiscal governance via Equanomics initiative. The Rwanda Revenue Authority built on the piloted taxpayer education tools to promote voluntary compliance and expand women's participation in fiscal dialogue. These interventions are anchored in a finalized support plan to ensure that reforms remain aligned with national priorities, build on earlier analytical work and collectively contribute to a more modern, inclusive, and data-driven public finance system.

Rwanda's broader portfolio, brought into view through the 2025 portfolio review, reinforces the rationale for an integrated approach in the next phase. The INFF Financing Strategy has been endorsed, with the Ministry of Finance and Economic Development leading the process. Rwanda has introduced reforms to make public investment policies green—incorporating climate change into the investment appraisal process—and UNDP is supporting the operationalization of the country's Green Finance Taxonomy, launched in 2024. BIOFIN work is mainstreaming biodiversity into Environmental Impact Assessment processes and working to repurpose potentially harmful subsidies. The Equanomics Initiative is implementing the Gender Equality Seal at the Rwanda Revenue Authority, focusing on evidence-based reforms that advance gender and intergenerational equity. Rwanda's

combination of SDG budget-tagging, green taxonomy, TIWB, BIOFIN, gender-responsive fiscal policy and digital public finance positions

it as a model for the kind of coherent, whole-of-government engagement that Public Finance for SDGs is designed to support.

Rwanda—Key results

(2022–2025)



Achievements

STF Diagnostics conducted (gender equality, industry and innovation, institutions, partnerships); transition advanced towards a microservices-based digital tax architecture; big data infrastructure strengthened and system integration improved; real-time data flows, scalability and reliability enhanced across the tax system; voluntary disclosure campaign implemented to expand the tax base and improve compliance; capacity development advanced in tax crime investigations and SDG-aligned fiscal policy; e-invoicing systems strengthened; institutional mechanisms introduced to advance gender-responsive fiscal governance.

“Working with UNDP, we are advancing the modernization of the e-tax system by transitioning from a monolithic architecture to a microservices-based design to improve scalability, reliability and performance. Foundational elements are in place, including modern DevOps tooling and a cloud-native infrastructure on Kubernetes, while the microservices architecture is being documented with clear service decomposition, integration interfaces, security protocols and technical standards. In parallel, we have begun upgrading the big data infrastructure to strengthen data flows and support a more responsive and efficient digital tax ecosystem.”



Augustine Mwebaze, Head of Projects
Management Office at Rwanda Revenue Authority

Next phase

The transition to Public Finance for SDGs builds on digital public finance reforms and gender-responsive fiscal governance, linking tax administration with green financing instruments, budget alignment and integrated financing strategies.

TIWB Status

● Not applicable

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

1.12 Seychelles



Support from the Tax for SDGs Initiative in Seychelles has entailed a gradual transition from planning to implementation, with a strong emphasis on governance, compliance and digital transformation in a small island context. Initial work in 2022 focused on establishing the basic architecture for engagement, including steps towards a CEP and the recruitment of a National Coordinator.

By 2023, this preparatory phase had translated into a finalized CEP, which set clear priorities around compliance, governance and analytical capacity. The same year also saw Seychelles actively contribute to international tax dialogues, using these platforms to highlight the specific constraints faced by small island economies and position taxation as a tool for sustainable development.

Implementation gained traction in 2024 through large-scale capacity development and technical reforms. Training reached more than 100 officials and strengthened capabilities in data governance, security and risk management. At the policy level, analytical work informed concrete outcomes, including adjustments to renewable energy tax incentives

in the 2025 budget. In parallel, digital reforms advanced through the introduction of risk-scoring tools, a digital maturity assessment and an organizational transformation road map.

In 2025, Tax for SDGs shifted towards peer learning and practical applications. A mentorship programme with the Zambia Revenue Authority supported improvements across core functions such as taxpayer services, audits and enforcement, while a national dialogue on tax transparency reinforced commitments to accountability and modernization.

The 2025 portfolio review confirmed that Seychelles has developed a broader portfolio that the next phase can build upon beyond the tax reform agenda. The Ministry of Finance and Planning has prepared an INFF implementation action plan, and a national financing strategy is being developed in alignment with the National Development Strategy 2024–2028. BIOFIN work is advancing innovative financing for biodiversity conservation, including tax concessions for tourism operators investing in nature protection and the establishment of a Biodiversity Finance Unit to institutionalize coordination across economic and budget planning. Insurance risk finance work is also under way, building on a completed risk finance diagnostic. These elements—INFF, biodiversity finance, insurance and the advanced tax and digital reform agenda—create the conditions for Seychelles to serve as a small island model for integrated public finance coherence in the Public Finance for SDGs phase.

Seychelles—Key results

(2022–2025)



Achievements

Renewable energy tax incentives integrated into the 2025 national budget speech; STF Diagnostics conducted (clean energy, decent work, partnerships); capacity development delivered for 106 officials in data governance, data security and risk management; compliance risk-scoring framework developed; data governance strategy delivered to strengthen enforcement and transparency; digital maturity assessment completed; organizational transformation road map prepared to support sustained modernization of the tax administration.

“This partnership is central to our strategy to boost domestic resource mobilization. By refining our expertise in audit, we are contributing to national development while fostering a culture of fair tax compliance.”



Varsha Singh, Commissioner General,
Seychelles Revenue Commission (SRC)

Next phase

The transition to Public Finance for SDGs builds on SDG-aligned tax incentives and risk-based compliance systems, linking revenue administration with biodiversity finance, insurance and risk financing and integrated financing strategies.

TIWB Status

● Active

1. Africa

2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

1.13 United Republic of Tanzania



In the United Republic of Tanzania, efforts under the Tax for SDGs Initiative have concentrated on strengthening SDG-aligned tax policy, advancing the digitalization of tax administration and promoting evidence-based reforms to improve compliance, transparency and domestic resource mobilization.

A key milestone was reached in 2022 with the finalization and launch of the CEP, which set clear reform priorities. These included digitalization, tax compliance and accountability, tax expenditures and specific issues related to Islamic finance and the extractive sector. The CEP established a structured framework for collaboration with national counterparts.

Momentum increased in 2023, particularly in the areas of digital transformation and analytical work. A new software solution for local government revenue collection was developed and piloted in two jurisdictions, using point-of-sale mobile devices to enhance efficiency and transparency at the subnational level. At the same time, a review of the United Republic of Tanzania's digitalization strategy and data governance policy led to recommendations to apply the Digital Transformation Maturity Model (DTMM) to strengthen the national IT road map. Several STF Diagnostics were also conducted during the year, covering gender equality, climate action and domestic resource mobilization. These were complemented by a Tax for SDGs dialogue session with academic and revenue administration partners, helping to deepen policy discussions and inform

follow-up work, including planned initiatives on health and climate-related taxation.

In 2024, attention shifted to consolidating and institutionalizing progress. A DTMM assessment identified specific gaps in systems, data governance and implementation capacity, which were incorporated into an updated digitalization strategy for the Tanzania Revenue Authority—providing a structured road map for modernizing core tax administration infrastructure. In parallel, a second STF Diagnostics exercise carried out in December focused on climate, with particular emphasis on carbon tax systems and market integration. The findings generated concrete policy recommendations for climate-aligned fiscal reform, positioning the United Republic of Tanzania to better deploy fiscal tools in support of its NDC commitments and climate transition priorities. Taken together, the 2022–2024 period established the United Republic of Tanzania as one of the most systematically reform-oriented Tax for SDGs countries, combining digital transformation, subnational revenue innovation and climate fiscal policy into a coherent and government-owned agenda.

The United Republic of Tanzania's portfolio—one of the most advanced on the continent, as confirmed by the 2025 portfolio review—provides an exceptionally strong foundation for the transition to Public Finance for SDGs. The INFF has finalized the DFA and Financing Strategy, with subnational financing strategies under development, including for Zanzibar. UNDP has also supported the development of a sustainable financing framework for all future green, blue and sustainable sukuk issuances. A TZS53-billion green bond issued by the Water Authority of Tanga was listed on the Luxembourg exchange in 2024, alongside a \$157 million Jamii sustainability bond. Analysis conducted by the Better Than Cash Alliance found that digitizing VAT

payments alone could increase tax revenue by at least \$477 million per year. An insurance risk finance engagement has produced a national agricultural insurance scheme in development and a Disaster Risk Finance Strategy for Zanzibar. The Equanomics Initiative was rolled out in 2025, leveraging tax and fiscal policy to advance gender equality through targeted tax and budget reforms, research and institutional

strengthening. The instruments implemented by the United Republic of Tanzania—SDG-aligned budgeting, green and social bonds, digital tax reform, climate finance, disaster risk insurance and local revenue systems—make it one of the strongest candidates for a flagship integrated Public Finance for SDGs programme.

United Republic of Tanzania—Key results (2022–2025)



Achievements

STF Diagnostics conducted (gender equality, climate action, partnerships); DTMM assessment completed and integrated into the revenue authority's digitalization strategy; advanced transfer pricing regulations reviewed and submitted; second-phase STF Diagnostics conducted on climate action, focusing on carbon tax systems and market integration; real-time Power BI platform developed for tax and customs revenue monitoring.

“Strengthening domestic resource mobilization is not simply about collecting more taxes; it is about building a fair, efficient and development-oriented fiscal system that supports Tanzania’s long-term transformation agenda and the SDGs. The UNDP tax dialogue has provided an important platform to reflect on how tax policy, compliance and public trust can work together to strengthen the social contract and create the fiscal space needed for inclusive growth, climate resilience and sustainable development. Tanzania remains committed to advancing strategic tax reforms, improving cooperation among stakeholders and ensuring that our tax system contributes meaningfully to national development priorities while supporting global efforts toward tax justice and equitable growth.”



Michael Muhoja, Commissioner for Large Taxpayers, Tanzania Revenue Authority (TRA)

Next phase

The transition to Public Finance for SDGs builds on climate-aligned tax policy, digital revenue systems, and active TIWB engagement, linking taxation with green financing instruments, budget alignment, and disaster risk finance.

TIWB Status

Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

1.14 Togo



In Togo, the Tax for SDGs Initiative is closely linked to strengthening the foundations of fiscal governance, with particular attention to data systems, local taxation and the transparency of tax expenditures. The engagement started in 2022 with preparatory work on a CEP and the establishment of coordination structures, followed by an acceleration phase in 2023 that enabled more substantive interventions.

A significant step forward came in 2024 with the creation of a real-time Power BI platform for monitoring tax and customs revenues, improving the availability and use of data in decision-making. During the same year, an STF Diagnostics self-assessment, focused on resource mobilization and partnerships, provided a structured analysis of how tax policies align with sustainable development objectives. Outreach to academic stakeholders complemented this work by strengthening the conceptual link between taxation and SDGs. At the local level, efforts were initiated to assess municipal revenue potential and develop tools for property taxation.

In 2025, attention shifted towards translating analysis into concrete pathways towards reform. A national workshop in Kpalimé brought together central and local government actors

to validate the findings of the STF Diagnostics and potential revenue assessments, and to agree on next steps by developing a shared reform agenda with institutional ownership extending beyond the capital.

Work on tax expenditures advanced in parallel: Togo piloted the UNDP Tax Expenditures toolkit, which produced the country's first systematic evaluation of a customs duty reduction—specifically, the preferential regime on vehicles for goods and passenger transport. The assessment examined the measure's fiscal cost, economic rationale and alignment with development objectives. This analysis provided the Ministry of Finance with a replicable methodology for evaluating the full portfolio of tax incentives and making evidence-based decisions on their rationalization.

Togo's portfolio—reviewed as part of the 2025 exercise that mapped UNDP's public finance engagements at the country, regional and global levels—reflects a clear trajectory towards integrated fiscal governance that the Public Finance for SDGs phase can accelerate. The INFF Financing Strategy has been endorsed by the Government, with the ministries of finance and planning co-chairing the process and an SDG investor map and green bond discussions under way. A new TIWB programme has commenced with support from Morocco. The fiscal policy coherence approach is well-suited to Togo's context, where the Power BI revenue monitoring platform, the tax expenditure pilot and local taxation work all reflect a growing demand for better-connected, evidence-based fiscal decision-making across revenue, expenditure and development outcomes.

Togo—Key results (2022–2025)



Achievements

STF Diagnostics conducted (domestic resource mobilization, partnerships); real-time Power BI platform developed for monitoring tax and customs revenues; municipal revenue potential assessments conducted and tools developed for property taxation; Tax Expenditure Assessment Toolkit piloted to evaluate customs duty exemptions; national validation workshop held to agree on priority fiscal reform actions.

“A modern tax system must not only mobilize revenue, but also support sustainable development and strengthen public trust. Simplifying tax policy, improving fiscal accountability and ensuring transparent management of public expenditure are essential to aligning fiscal policy with the SDGs while creating the conditions for sustainable debt management and stronger citizen confidence. This is why this workshop is exploring the nexus between tax and SDGs.”



Koffi Délalom Ahiakpor, Director, Tax Policy Unit,
Office Togolais des Recettes (OTR)

Next phase

The transition to Public Finance for SDGs builds on revenue data systems, tax expenditure analysis and local taxation reforms, linking evidence-based revenue policy with integrated financing strategies and fiscal policy coherence.

TIWB Status

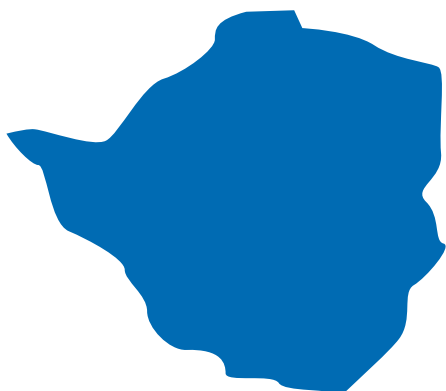
Active

1. Africa

2. Arab States

3. Asia and
the Pacific4. Europe and
Central Asia5. Latin America
and the Caribbean

1.15 Zimbabwe



Zimbabwe's engagement under the Tax for SDGs Initiative has focused on advancing SDG-aligned tax reforms, with particular emphasis on health- and gender-responsive taxation, as well as strengthening fiscal governance at both national and local levels.

Initial engagement in 2022 centred on a UNDP mission to assess capacity development needs and define a Tax for SDGs capacity development strategy in collaboration with national and regional partners. This process strengthened institutional collaboration and raised awareness of the Initiative, setting the stage for subsequent reforms.

Analytical and policy work expanded in 2023 through the application of the STF Diagnostics. The assessment identified gaps between tax policy and development outcomes, generating recommendations linked to priorities such as health, gender equality, reduced inequalities, strong institutions and domestic resource mobilization. Despite disruptions related to national elections, several measures were implemented, including the introduction of a tax on sugar-sweetened beverages and the development of a digital platform to monitor the production of excisable goods. UNDP also supported policy discussions on the taxation of the informal sector and artisanal mining, alongside continued engagement on gender equality.

Implementation accelerated in 2024, with 113 government officials—including parliamentarians and customs officers—

strengthening their skills in areas such as border procedures, tax gap analysis, trade facilitation and fiscal governance. Earlier measures, such as the sugar-sweetened beverages tax and excise monitoring systems, were incorporated into the 2024 National Budget Statement and are projected to generate \$20 million to support campaigns targeting noncommunicable diseases. Additional support focused on refining policy approaches for informal economic activities and artisanal miners.

In 2025, the emphasis moved to consolidation and further evidence-based reform. Actions included implementing legislation targeting high-net-worth individuals and conducting a baseline study of revenue streams at the city council level, identifying leakages and practical ways to improve service delivery in support of the SDGs. The year also featured large-scale policy dialogues on gender and fiscal policy, participation in regional public finance discussions and targeted training on implementation of the Gender Equality Seal for Public Institutions at ZIMRA.

Zimbabwe's engagement with Tax for SDGs is embedded within a wider public finance effort that the 2025 portfolio review brought into full view and that the transition to Public Finance for SDGs is designed to connect more coherently. On the expenditure side, UNDP is piloting support for budget planning, including direct contributions to the Fiscal Strategy Paper, building on the fiscal policy coherence work on sugar-sweetened beverage taxes, gender-responsive budgeting and climate planning. TIWB's criminal investigation programme continues, with technical support from the South African Revenue Service. In July 2025, the Equanomics Initiative launched the Gender Equality Seal at the Zimbabwe Revenue Authority (ZIMRA), alongside a policy brief on taxation and gender inequality. Zimbabwe also hosted the 12th Global Forum of Competent

Authorities, demonstrating leadership on tax transparency. Zimbabwe is not currently developing an INFF, making the fiscal policy coherence framework (which does not require

an INFF) especially relevant for structuring continued support that connects revenue, expenditure and development outcomes in the next phase.

Zimbabwe—Key results (2022–2025)



Achievements

Sugar-sweetened beverage tax introduced and incorporated into the national budget to support health financing; digital platform developed to monitor excisable goods; compliance and revenue oversight strengthened; STF Diagnostics conducted (health, gender equality, reduced inequalities, institutions, partnerships); capacity development delivered to tax officials and parliamentarians on tax governance and gender-responsive taxation; support to legislation on high-net-worth individuals advanced to enhance equity and broaden the tax base.

“When I began my career at the ZIMRA, early conversations on gender equality laid the groundwork but had yet to fully influence workplace practices. As a mid-level manager, I saw firsthand how subtle biases and structural gaps could discourage women from stepping into leadership. In 2025, I joined the UNDP-supported Equanomics Gender Committee. Through the Gender Equality Seal training, my understanding of how institutional policies shape women’s engagement was refined, equipping me with concrete strategies to foster inclusion. Since then, I have championed safer reporting mechanisms, helped establish gender-responsive workplace norms and led internal awareness initiatives: Leadership is genuinely listening, and staff now speak more openly about gender issues”



Inzwirashé Muwonwa, Manager International Affairs and Donor Coordination at ZIMRA

Next phase

The transition to Public Finance for SDGs builds on health-related taxation, gender-responsive fiscal policy and ongoing TIWB engagement, linking revenue reforms with budget planning and climate-aligned public finance.

TIWB Status

Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

Non-focus countries

Lesotho

Lesotho's engagement with the Tax for SDGs Initiative highlights how targeted support can help initiate reform processes even in countries at an early stage of participation. Activities began in 2024 following a government request for assistance on issues such as illicit financial flows, tax crime and policy alignment with sustainable development.

In response, Tax for SDGs supported both analytical and capacity development work. A tax policy self-assessment examined links between taxation and areas such as health, gender equality, climate and governance, helping identify key gaps and priorities. At the same time, training activities strengthened institutional capacity and supported the establishment of a more coherent policy dialogue. This initial phase also led to a request for further assistance to build the capacity of the newly created Tax Policy Department, reflecting strong national ownership.

In 2025, Lesotho moved towards a more integrated reform approach. Participation in an initial implementation phase marked an important step towards fiscal coherence, with a focus on aligning tax policy with broader fiscal and financing frameworks. Gender-responsive public finance emerged as a central theme, and new budgeting programmes and early initiatives were implemented to support women in the informal economy. Supported by additional funding and partnerships, these efforts helped translate early analytical work into concrete policy directions.

Malawi

Work under the Tax for SDGs Initiative in Malawi has centred on building the foundations for a more coherent and modern public finance system, combining analytical tools, digital reforms and institutional strengthening. Engagement formally began in 2024, when catalytic funding enabled collaboration with the Malawi Revenue Authority and the Ministry of Finance and Economic Affairs.

This initial phase focused on diagnostics and capacity development. The Tax for SDGs Fundamental Course and a tax policy self-assessment helped map how fiscal policy interacts with development priorities, while a DTMM assessment identified gaps in the revenue authority's systems and processes. Together, these tools provided a clearer understanding of reform needs and introduced international standards for tax administration and domestic resource mobilization.

In 2025, the emphasis shifted towards implementation and system-wide coherence. The domestic resource mobilization strategy was reviewed and expanded to better integrate public and private financing sources. At the local level, a pilot system in Mwanza District demonstrated how improved data and administration can increase revenue collection and compliance. Additional technical assistance supported internal reforms within the revenue authority, including new performance metrics and strategic planning. These efforts were consolidated into a broader support plan aimed at aligning tax policy, administration and national development objectives.

2. Arab States

Across the Arab States region, weak tax revenue mobilization continues to constrain progress towards more sustainable development, compounded by weak transparency and social contracts, limited political space for (taxpayer) engagement in fiscal reform processes, ineffective management of public expenditure and the persistence of fuel subsidies at odds with climate commitments. Beyond these shared features, the Arab States focus countries face diverse starting points:

Egypt is the most populous country in the Arab States, with 119 million inhabitants. The pandemic and global shocks to commodity prices exacerbated near-unsustainable levels of debt and exceptionally high levels of inflation in recent years, placing significant pressure on the budget. Macrofiscal instability disrupted reform agendas, as the country reversed plans to phase out energy subsidies and failed to meet tax revenue mobilization targets under its Medium-Term Revenue Strategy. State-owned enterprises (SOEs) have dominated many economic sectors, limiting the development of a competitive market economy, and were not subject to most taxes until 2024.

Lebanon has weathered a prolonged period of multifaceted crises, including the 2019 “October Revolution,” which began after the Government announced taxes on services like WhatsApp, highlighting the population’s frustration with widespread corruption. This upheaval was followed by a banking crisis and fiscal collapse that eroded most of the country’s savings, led to triple-digit inflation and caused one of the sharpest declines in global GDP in over a century. The economic crisis unfolded in parallel with the Covid-19 pandemic and one of the most powerful non-nuclear explosions ever recorded globally, as well as several subsequent, escalating armed conflicts and

massive internal displacement. The political system continues to face substantial elite capture, and the political space for fiscal reforms is highly constrained. The Ministry of Finance and tax administrations have faced the physical destruction of facilities as a result of the port explosion, as well as brain drain and a multi-year erosion of staffing and information and communications technology (ICT) systems.

Djibouti, by contrast, is a small open economy that has remained narrowly diversified and highly dependent on a few sectors—primarily port, logistics and related services. The country’s economy is underpinned by its geostrategic position, a dollar-pegged currency, and an open financial system that hosts 12 foreign banks, facilitating trade and re-exports. While growth has been robust, fiscal space has tightened due to declining revenues driven by extensive tax exemptions and external shocks, prompting gradual fiscal reform efforts to strengthen revenue mobilization. Persistent deficits, moderate debt and limited diversification continue to constrain inclusive growth, with high unemployment and inequality remaining key challenges.

In this context, the Tax for SDGs Initiative has focused on several areas, beginning with the design of bilateral (tax) treaties and the development of negotiating capacity to strengthen beneficial trade and a carbon tax and emissions pricing advisory to support fiscal alignment with climate commitments under NDCs. Other focus areas include the digitalization of tax compliance systems to reduce compliance and administrative burdens given constrained staffing and effective taxation and auditing of SOEs and the banking sector. Finally, the Initiative has supported the design of a national tax strategy (NTS) and taxpayer engagement plan, providing support to the UN

Tax Convention process through Egypt's role as chair, as well as extensive tax and sustainable development policy coherence diagnostics to inform politically sensitive legislative reform agendas.

In relation to the TIWB programmes, Egypt has become one of only two countries globally to “graduate” from being a recipient country to becoming a partner country supporting TIWB initiatives. While Egypt is currently in its fourth TIWB programme on transfer pricing, a programme in Seychelles has just been launched, with Egypt as the partner. Djibouti has requested both tax auditing and digital transformation TIWB programmes, and Morocco and Belgium have expressed willingness to support these. A Tax Crime TIWB programme was delivered in Tunisia, which supported good practices in investigations, including the creation of a Tax Crimes Investigation (forensic methods) manual that can be adapted for use in other contexts. A TIWB tax audit programme was also delivered in Yemen. Finally, a Digital Transformation TIWB Programme in Lebanon was supported by Norway, and Lebanon has more recently also expressed interest in a tax auditing TIWB programme.

The Regional Programme Specialist played a key role in this work, helping to identify, guide and translate technical support into context-specific recommendations for reforms, strengthening the foundations for more sustainable and inclusive public finance systems across the region. The Regional Programme Specialist has been instrumental in articulating reform agendas to senior leadership of ministries of finance in focus countries and across the region based on Tax for SDGs technical capacity development and recommendations. Other key undertakings include drafting Egypt's NTS and ensuring linkages and coherence between Tax for SDGs and other related UNDP support areas, such as climate finance and INFF processes in Iraq, Somalia, Tunisia, Jordan, Djibouti and other contexts. The Regional Programme Specialist also supported country teams by providing guidance to National Tax Coordinators, advising Country Office economists, facilitating and contributing to roundtables, diagnostics and dialogue efforts on tax reforms and sustainable development, and providing substantial input to regional and country-level fiscal analysis and knowledge products produced by UNDP.



1. Africa

2. Arab States

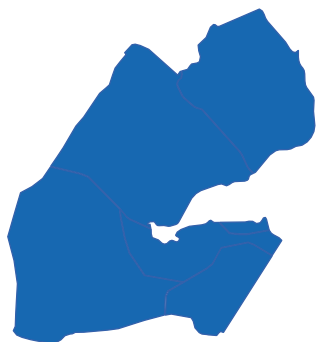
3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

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2.1 Djibouti



Efforts in Djibouti have concentrated on building administrative and institutional capacity and conducting diagnostics to align fiscal measures with national sustainable development priorities. Work began in 2022 through extensive consultations with the Ministry of Economy and Finance and the Ministry of Budget (which supervises the tax administration), leading to the development of a formal CEP.

In 2023, the focus shifted towards SDG-aligned tax reforms addressing poverty reduction, inequality, employment, health, education and climate action. During an initial mission in February 2023, work began on analysing the governance of tax expenditures, which complemented later IMF support for tax expenditure reforms. During this mission, the Tax for SDGs Initiative supported engagement with the Ministry of Foreign Affairs regarding bilateral foreign military agreements. Djibouti hosts 12 foreign militaries and grants tax exemptions to 6 foreign-controlled military bases, receiving a lump-sum fee in lieu of taxes. These agreements are renegotiated every decade but are not indexed to inflation, resulting in substantial revenue losses for Djibouti over time. At the request of the Ministry of Finance and Economy, UNDP engaged with the Ministry of Foreign Affairs to highlight the critical nature of the revenue dimension of these agreements. As a result, the annual fee under the agreement being negotiated with France was increased by more than 130 percent, from €30 million to €85 million. This change generated substantial revenue gains and set a precedent for the

future renegotiation of the remaining 11 foreign military agreements. Following the finalization of the CEP, a post-signing mission in November 2023 supported the application of the STF Diagnostics, with particular attention to climate. This work responded to a government request to develop a zero-draft carbon tax bill and to understand best practices for establishing a price on carbon emissions. Policy design options, draft legislation and an advisory note on public consultations were provided to the Government to guide future work on developing a carbon tax.

In 2024, support expanded to include international taxation and policy coherence. This focus involved developing a country-specific double taxation agreement model, strengthening institutional capacity for treaty design and negotiations and providing technical inputs to enhance domestic resource mobilization. Eight countries have requested the negotiation of a double taxation treaty (DTT), and negotiations with France have already begun. The model tax treaty was developed in light of Djibouti's development priorities, and training was provided to both the Ministry of Foreign Affairs and tax administration officials, thereby reinforcing collaboration and coordination between these institutions on such matters. In parallel, STF Diagnostics missions generated recommendations across several SDGs, including poverty reduction, health, education and inequality. The resulting STF Diagnostics informed future reforms in direct taxation and in relation to SMEs and the informal sector. Additional assistance contributed to the renegotiation of a bilateral fiscal agreement, resulting in a significant increase in public revenues.

By 2025, the emphasis had moved to consolidating and applying new capabilities within the tax administration. Targeted training programmes deepened tax audit skills across key sectors. For example, specialized sessions on the banking and insurance sectors

produced measurable improvements in staff capacity to identify audit risk, structure cases and apply sector-specific methodologies. These initiatives strengthened Djibouti's ability to mobilize revenue from its most complex and significant taxpayers.

Taken together, these efforts have supported the emergence of a more coherent, resilient and SDG-aligned tax policy framework in one of the most resource-constrained administrations in the region, thereby creating a solid basis for continued reform beyond the Initiative.

The 2025 portfolio review revealed that Djibouti's portfolio has grown considerably and contains important levers for a more integrated transition. The INFF Financing Strategy is in its final stages, led by the Ministry of Finance. BIOFIN is conducting all four stages of the biodiversity finance methodology in the country, with a Country Coordinator recently recruited. On climate, Djibouti is advancing NDC 2.0 costing, a long-term strategy and climate budget-tagging for adaptation. Governance engagement includes work on the

Supreme Audit Institution's strategic plan and a local governance accountability programme (ALGICAM) that integrates gender- and climate-responsive budgeting and digital monitoring tools. A new TIWB tax audit programme in the banking sector was requested in September 2025. UNDP has supported the joint development of the new national development plan (NDP) and the Integrated National Financing Strategy (under the INFF process), which outline an extensive agenda for tax and fiscal reforms and alignment with the NDP. Moreover, UNDP has committed to supporting a joint development partner action plan for public finance, which includes improving governance and institutional coordination in fiscal reforms, promoting property tax reforms, strengthening a taxpayer culture and transparency, and improving coherence with international good practices in public audit functions. Together, these engagements—spanning revenue, climate, biodiversity, local governance and institutional oversight—provide the foundation for Djibouti to transition to a genuinely coherent Public Finance for SDGs programme.

Djibouti—Key results (2022–2025)



Achievements

DTT model developed and capacity development delivered on treaty design and negotiation; increased revenues mobilized through renegotiation of foreign military base fee-in-lieu of taxes; substantial capacity development delivered on tax auditing, including the banking sector; carbon tax legislation drafted to support climate-aligned fiscal policy; STF Diagnostics conducted (poverty, health, education, inequalities, climate, partnerships).

"My eyes were opened... with a limited budget, the project targeted key aspects of Djibouti's tax system."



Simon Mibrathu, Secretary General of the Ministry of Budget

Next phase

The transition to Public Finance for SDGs builds on strengthened international taxation, climate-aligned fiscal legislation and audit capacity, linking revenue mobilization with fiscal policy coherence and integrated financing reforms.

TIWB Status

● Requested

2.2 Egypt



In Egypt, the Tax for SDGs Initiative has focused on strengthening tax policy, supporting key reform processes and improving alignment between taxation and sustainable development priorities at both the national and international levels. Engagement began in 2022 with consultations with the Ministry of Finance, which helped establish the basis for structured collaboration and longer-term policy support.

A core component of this work has been sustained technical support to tax policy formulation and strategic planning. In January 2024, an STF Diagnostics workshop on climate offered a structured assessment of how tax policy could support climate objectives and capacity development on design options for establishing a carbon price through carbon taxes or emissions trading scheme policy instruments. Building on these results, Tax for SDGs supported the preparation of a zero draft for carbon tax legislation, delivered in early 2024 alongside policy options, recommendations for public consultations and technical inputs aligned with the EU's forthcoming Carbon Border Adjustment Mechanism. UNDP also facilitated engagement with the World Bank to assess the macroeconomic and welfare impacts of carbon pricing through the Climate Policy Assessment Tool (CPAT) framework. The Tax for SDGs Initiative also supported extensive capacity development for tax officials on auditing SOEs, which became subject to VAT, corporate income tax (CIT), and other taxes

in 2024 (Prime Ministerial Decree No. 242 of 2024). An estimated \$1.3 billion (EGP67.37 billion) in tax revenues was raised from SOEs in the 2024/2025 fiscal year after this reform took effect.

By 2025, support had deepened, with a stronger focus on operationalizing Egypt's tax reform agenda. During 2025 and 2026, Tax for SDGs has worked closely with the Ministry of Finance to review and refine the draft NTS, providing analytical inputs, extensive drafting of the strategy itself and policy advice to better connect medium-term tax reforms with broader development goals. It also included advisory work on effective approaches to accountability, transparency and meaningful taxpayer engagement (e.g. proposing a taxpayer charter of rights, etc.). Tax for SDGs and the Ministry of Finance jointly defined a set of Strategic Goals that now underpin the draft NTS, using a goals-based approach to ensure that tax policy and administration reforms contribute to clearly defined development objectives. Technical assistance continued through targeted advisory support to senior leadership, the development of proposed key performance indicators (KPIs) for each Strategic Goal and detailed drafting of successive NTS drafts, including inputs on environmental and green taxation and public consultations.

At the international level, UNDP also supported Egypt's participation in global tax cooperation processes, as the chair of the Ad Hoc committee supporting the terms for a UN Framework for International Taxation, strengthening its role in discussions on fair and effective tax systems.

Overall, engagement under the Tax for SDGs Initiative has contributed to a more coherent, forward-looking and SDG-aligned NTS, laying strong foundations for sustained reform and improved domestic resource mobilization beyond the Initiative's conclusion. This NTS

aligns with Egypt's Climate Strategy 2050, the Medium-Term Revenue Strategy, and the Integrated National Financing Strategy, launched in 2024.

Egypt's broader portfolio—mapped through the 2025 portfolio review—confirms the strong rationale for an integrated approach in the next phase. The Development Financing Strategy was officially launched by the Prime Minister and Minister of Planning in March 2025, linked to the Nexus of Water, Food and Energy country platform for climate investment. BIOFIN work has advanced through all four stages of the biodiversity finance methodology, and six prioritized finance solutions are now being implemented. A fourth TIWB programme on tax audits and transfer pricing is active, and Egypt is one of only two countries globally to have evolved from being a recipient of TIWB support to serving as a partner administration in TIWB programmes in other countries. Specifically,

an Egypt-supported TIWB programme was launched in Seychelles in April 2026.

The governance portfolio supports the Ministry of Finance in mainstreaming fiscal sustainability and resilience, including citizen engagement and regional integration. Insurance risk finance work includes plans for a national agricultural insurance scheme and early work on coral resilience in the Red Sea. In parallel, UNDP is already working to support the Ministry of Finance on fiscal incentives to improve female labour-force participation (e.g. through improved availability, quality and affordability of early childhood care facilities). This convergence of a formally endorsed financing strategy, active BIOFIN implementation, TIWB, climate finance and fiscal resilience governance makes Egypt one of the most ready countries in the Arab region for a structured Public Finance for SDGs engagement.

Egypt—Key results (2022-2025)



Achievements

NTS developed in close collaboration with the Ministry of Finance, aligned with Egypt's sustainable development and climate objectives, INFFs and MTRS; STF Diagnostics conducted (climate action); zero draft for carbon tax legislation developed and policy options prepared; capacity development delivered on auditing of state-owned enterprises; advisory support provided for Egypt's chairing of the committee developing the Terms of Reference for the UN Framework Convention on International Tax Cooperation.

"As part of the continued cooperation between the Egyptian Tax Authority and UNDP, two capacity development trainings [were organized] on the imposition of taxes on state-owned entities. These training programmes have contributed to building and enhancing the capacities of Egyptian Tax Authority personnel in the effective implementation of tax legislations and regulations with respect to state-owned entities. The Egyptian Tax Authority aims for further cooperation [with UNDP] in light of the Egyptian Tax Authority's strategy of comprehensive tax reform."



H.E. Dr. Rasha Abdelaal, Head of the Egyptian Tax Authority

Next phase

The transition to Public Finance for SDGs builds on climate-aligned tax legislation and audit capacity, linking revenue policy with climate finance, expenditure alignment and broader fiscal policy coherence.

TIWB Status

Active

2.3 Lebanon



In Lebanon, the Tax for SDGs Initiative has focused on strengthening tax system resilience, advancing digitalization and promoting SDG-aligned reforms in a context marked by prolonged economic and institutional challenges. Engagement commenced in 2022 with the re-establishment of collaboration with the Ministry of Finance, alongside early discussions on modernizing the tax administration, with particular attention to digital infrastructure, compliance and longer-term reform priorities.

Support expanded significantly in 2023 in response to government demand for policy and institutional advice. UNDP provided technical inputs to ad hoc tax committees led by the Deputy Prime Minister, focusing on measures to address poverty, inequality and health. These measures included policy recommendations for the potential design of wealth tax instruments and excise taxes on luxury goods. At the same time, efforts to stabilize and modernize tax administration intensified. A DTMM assessment conducted in September 2023 informed broader ICT and a digital transformation reform road map to be developed by the IMF, which will be supported by the World Bank, while the digitalization of tax forms and targeted support to core ICT systems helped restore and maintain essential operations despite severe capacity constraints. Complementary initiatives, including youth volunteer engagement on digitization efforts and the country's first targeted fiscal census, contributed to improved compliance and restored operational capacity.

In 2024, strong government ownership became evident with Cabinet approval of the CEP and the declaration of 2024 as the Year of Tax Compliance. UNDP supported large-scale compliance measures, including nationwide business surveys, greater digital data collection and the digitization of income tax forms, which significantly reduced administrative burdens. In parallel, extensive STF Diagnostics workshops involving many line ministries and the municipality of Tripoli generated policy recommendations across several areas, including equity, health, gender and subnational fiscal governance. These findings informed the establishment of a Gender Observatory within the Ministry of Finance.

Work in 2025 focused on consolidating administration and transparency reforms. Additional tax forms were digitized, expanding online filing for personal income tax, while capacity development efforts supported the operationalization of the Gender Observatory through finalized indicators and data-collection tools. A round table co-hosted by a parliamentary committee chair included dialogues on the findings from the STF Diagnostics to identify achievable reform priorities.

As a result, engagement under Tax for SDGs has strengthened institutional resilience, identified inclusive tax reform priorities and laid the groundwork for a more transparent, equitable and SDG-aligned tax system beyond its conclusion.

Lebanon's Public Finance for SDGs trajectory must be read in light of the country's exceptional context: economic crisis, institutional fragility and an ongoing reconstruction agenda. It should also be interpreted in light of the emerging, but still nascent, set of complementary engagements identified in the 2025 portfolio review. Initial INFF discussions are under way. UNDP has

provided stop-gap measures to maintain core tax functions and IT systems. Climate finance work under the Lebanon Green Investment Facility is advancing NDC costing. Lebanon's case illustrates the importance of flexible, crisis-sensitive programming: the fiscal policy

coherence approach, which can be sequenced according to country readiness, provides a framework that accommodates Lebanon's current constraints while keeping the longer-term goal of a coherent fiscal system in sight.



1. Africa

2. Arab States

3. Asia and
the Pacific4. Europe and
Central Asia5. Latin America
and the Caribbean

3. Asia and the Pacific

The Asia-Pacific region presents one of the most fiscally diverse and reform-intensive landscapes in the global Tax for SDGs portfolio. Spanning least developed countries navigating subnational fiscal architecture, Small Island Developing States (SIDS) confronting existential climate risk with severely constrained fiscal space and post-crisis economies rebuilding the social contract around taxation, the region demands engagement that is technically rigorous, politically attuned and institutionally sensitive.

Across this heterogeneity, several common trends have emerged. Domestic revenue mobilization remains chronically below potential, with structural weaknesses in assessment quality, taxpayer compliance and data-driven administration compounding fiscal pressures created by external shocks. At the same time, governments are shifting from narrow revenue-raising objectives towards a more integrated view of fiscal policy as a tool for gender equality, climate action and sustainable development.

The Initiative's regional engagement has been anchored in this broader ambition, working to embed tax and fiscal reforms within INFFs and to link country-level progress to sectoral financing strategies in areas such as climate, the blue economy, debt sustainability and digital transformation.

New partnerships have been critical to deepening and expanding this work across the region. Collaboration with the Australian Taxation Office and HM Revenue and Customs has strengthened the quality and reach of technical assistance, particularly in Pacific and

South Asian contexts where peer learning from comparable administrations carries strong institutional credibility. These partnerships have also reinforced the Initiative's positioning as a regional convener bridging tax administration reform with the broader economic governance agenda through close coordination across UNDP's Governance and SDG Finance teams.

In Sri Lanka, Tax for SDGs has acted as a catalyst for a wider governance reform agenda, where diagnostic work on institutional integrity and digital public infrastructure created the conditions for deeper collaboration with the Asian Development Bank on anti-corruption and revenue governance reforms, demonstrating how tax engagement, when connected to the right coalitions, can unlock systemic change beyond the fiscal domain.

The success of the TIWB model across the region has continued to generate new programming demand around transfer pricing, international tax and revenue administration. This work has catalysed a new TIWB engagement in Papua New Guinea focused on tax crimes, extending the Initiative's reach into a new country archetype: Pacific Island economies.

Taken together, these developments reflect a maturing regional portfolio in which Tax for SDGs has served not only as a delivery vehicle for technical assistance, but as an anchor for partnership, institutional trust and cross-country synergies. The Initiative's presence in Asia and the Pacific is supporting a coherent transition towards the Public Finance for SDGs agenda, helping translate global frameworks into country-relevant technical assistance.

1. Africa

2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

3.1 Bhutan



Throughout the Tax for SDGs Initiative, Bhutan has progressively strengthened its tax system through a mix of policy reform, institutional capacity development and alignment with sustainable development priorities. Early engagement focused on laying the groundwork for sustained collaboration, including the development of an actionable plan that structured support around national priorities and reform needs.

A key focus was integrating the SDGs into tax policy and administration. The STF Diagnostics provided a structured tool for assessing alignment with the SDGs, particularly on gender equality, climate and global partnership. A dedicated STF Diagnostics assessment on gender resulted in a comprehensive technical report identifying concrete policy measures to advance gender-responsive taxation, supported by targeted gender dialogues that deepened stakeholder understanding and uptake.

Efforts also strengthened international taxation through partnerships with the Indian and Polish tax administrations, enhancing capacity in transfer pricing and cross-border taxation, alongside the development of a Bhutan-specific tax treaty model.

Other priorities included subnational taxation and the digitalization of the tax administration. Technical assistance to operationalize the Property Tax Act of 2022 led to tangible revenue gains and greater administrative efficiency, including through the roll-out of digital tools and improvements to land and

data systems. Bhutan mobilized over Nu. 665 million (\$8 million) through an improved Property Tax System, demonstrating the potential of smarter tax administration to unlock domestic resources. These reforms strengthened property taxation as a stable source of domestic revenue, while improving the efficiency and effectiveness of tax collection.

Capacity development initiatives reinforced institutional foundations, including targeted engagements with MPs, many of whom were occupying this office for the first time. This work catalysed more informed legislative discussions on taxation and SDGs. Inclusive fiscal discourse was furthered through broader stakeholder engagement, including Bhutan's first National Tax Dialogue. Taken together, these efforts have positioned Bhutan to sustain inclusive, resilient and SDG-aligned tax reforms beyond the Initiative's duration.

The 2025 portfolio review confirmed that Bhutan's transition to the Public Finance for SDGs phase is supported by a portfolio that spans multiple dimensions of public finance beyond the tax reform agenda. A DFA has been conducted, and the Ministry of Finance is chairing INFF work, although developing a financing strategy remains an opportunity for the next phase. BIOFIN is advancing sustainable tourism financing practices and a Biodiversity and Climate Expenditure Review. UNDP's Building Opportunities for Leadership in Development (BOLD) initiative is supporting policy analysis on tourism and other sectors to build fiscal resilience. Climate finance support includes advisory on the viability of clean energy investments. The Digital Team is supporting the early stages of Bhutan's Digital Stewardship Journey, including digital financial services and digital economy interventions. Bhutan is also implementing the Gender Budgeting Tool. This combination of tax reform results, an active INFF process, sectoral fiscal work and digital public finance engagement

Bhutan—Key results

(2022–2025)



Achievements

STF Diagnostics conducted across governance, climate action and gender equality dimensions; gender impact analysis of the existing tax code initiated, identifying explicit and implicit biases and establishing entry points for gender-responsive tax policy; digital tools introduced to strengthen tax administration and property taxation, mobilizing additional revenue; capacity development delivered to tax administrators on digital economy taxation and tax policy reform; National Tax Dialogue convened with a focus on youth engagement; parliamentarians trained on taxation and sustainable development linkages.

“UNDP’s Tax for SDGs Initiative has been a key partner in advancing Bhutan’s tax reform agenda. Through targeted technical support and capacity development, it has strengthened our legal framework and enhanced institutional capability within the Department of Revenue and Customs. This collaboration has laid a solid foundation for a more efficient, fair and sustainable revenue system.”



Sonam Jamtsho, Director General of the Department of Revenue and Customs

Next phase

The transition to Public Finance for SDGs builds on digital tax reforms and climate-aligned fiscal policy by linking revenue mobilization with sustainable financing and inclusive public finance governance.

TIWB Status

● Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

3.2 Maldives



Engagement in the Maldives under the Tax for SDGs Initiative has centred on strengthening tax policy, promoting evidence-based reform and supporting a more resilient and equitable tax administration aligned with sustainable development priorities. Initial work focused on developing and launching a CEP, providing a structured framework to guide support in line with national reform priorities and long-term institutional development.

Analytical support played a central role in informing tax policy decisions. Despite a challenging election period, studies were launched to review the tax and foreign direct investment framework and to assess the incidence and progressivity of income tax reforms. This work established the basis for a comprehensive Tax Incidence Analysis, with methodologies and technical tools refined in close collaboration with government counterparts to support equity-focused policymaking.

Further analysis built on this foundation by comparing the Maldivian tax system with those of other SIDS and South Asian countries, paying particular attention to how tax incentives influence investment decisions. These assessments informed policy discussions on balancing competitiveness, sustainability and fairness, while strengthening international cooperation and domestic resource mobilization in line with the SDGs.

As Tax for SDGs' work progressed, support increasingly shifted towards strengthening the Maldives Inland Revenue Authority's

institutional resilience and modernization agenda. In 2025, technical assistance focused on enhancing digital and organizational capacity through the development of an Enterprise Risk Management Framework and a Business Continuity Planning Manual. These tools improved internal governance, strengthened preparedness for operational disruptions and enabled more systematic risk identification and mitigation, alongside ongoing capacity development and knowledge transfer.

Overall, engagement in the Maldives has combined rigorous tax analysis, institutional strengthening and digital resilience to lay the groundwork for a modern, inclusive and SDG-aligned tax system beyond the Initiative's conclusion.

The 2025 portfolio review of UNDP's public finance engagements at the country, regional, and global levels identified a set of complementary instruments in the Maldives that the Public Finance for SDGs Initiative can build upon. The Ministry of Finance now chairs the INFF process, a financing strategy has been launched, and an update to this is under consideration. Budget support initiatives are reimagining public finance to build the resilience of the blue economy through coral reef insurance, blended finance and climate-responsive budgeting. Climate finance work includes the development of a climate expenditure typology and a climate budget-tagging system. In the area of insurance risk finance, a risk finance diagnostic has been completed.

Additional public finance and sustainable finance reforms are also supporting this broader transition. UNDP supported the development of the Maldives' first Actuarial and Solvency Regulations, to be implemented under the Insurance Act adopted in 2025, and is also supporting negotiations for the country's first Natural Catastrophe Insurance Policy. Under the INFF, a multi-ministerial project preparation facility for SDG financing

was established to strengthen investment readiness and coordination across government. UNDP also supported the development of the Maldives' first corporate sustainability reporting framework, jointly endorsed by five financial regulators, helping to strengthen transparency and sustainable finance governance.

Given the Maldives' extreme exposure to climate risk, limited fiscal space and dependence on the blue economy, stronger

fiscal policy coherence is particularly critical. The next phase has the opportunity to connect the tax reform agenda with blue economy financing, climate budget-tagging, debt sustainability and disaster risk finance into an integrated public finance strategy tailored to the Maldives' SIDS context.

Maldives—Key results

(2022–2025)



Achievements

Analytical work conducted on tax incidence and foreign direct investment taxation; comparative analysis of the Maldives' tax regime with SIDS and South Asia completed; assessment of tax incentives and their impact on investment and equity undertaken; Enterprise Risk Management Framework developed to strengthen institutional risk identification, mitigation and operational preparedness within the Maldives Inland Revenue Authority; Business Continuity Planning Manual developed to safeguard administrative resilience against operational disruptions; data governance capacity strengthened through targeted knowledge transfer, supporting systematic and accountable management of taxpayer data.

“The support provided by UNDP under the Tax for SDGs Initiative has been instrumental in strengthening MIRA's core institutional capabilities, particularly in the areas of data governance and enterprise risk management. The engagement fostered close, hands-on collaboration, assisting MIRA's teams to co-develop frameworks that strengthen operational resilience and ensure continued alignment with international best practice.”



Hassan Zareer, Commissioner General of Taxation and head of the Maldives Inland Revenue Authority (MIRA)

Next phase

The transition to Public Finance for SDGs builds on analytical work on tax incidence and investment incentives, linking revenue policy with sustainable investment, equity considerations and integrated financing strategies suited to the Maldives' SIDS context.

TIWB Status

● Completed

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

3.3 Sri Lanka



In Sri Lanka's challenging socio-economic context marked by the ongoing economic crisis, Tax for SDGs focused on supporting IMF-led reforms while strengthening fiscal governance and rebuilding trust between taxpayers and the state. Early engagement centred on aligning tax policy and administration with national recovery priorities and sustainable development objectives.

In 2023, support expanded to advance tax policy dialogue, strengthen analytical foundations and deepen stakeholder engagement. Institutional capabilities were strengthened through capacity development initiatives on digital economy taxation, SDG-aligned fiscal policy, and treaty negotiations, including the development of a Sri Lanka-specific treaty approach. At the same time, the application of the STF Diagnostics identified priority reform areas, including VAT and income tax analysis, improved data use and the integration of gender considerations into tax policy. Outreach efforts, including public awareness initiatives and participation in global tax dialogues, helped enhance transparency and reinforce the social contract around taxation.

By 2024, Sri Lanka had made notable progress in aligning tax policies with the SDGs, particularly in gender equality, climate action, the energy transition and governance. STF Diagnostics informed policy recommendations across multiple areas, while parallel reforms advanced tax transparency, including progress towards establishing a beneficial ownership registry. A key milestone in rebuilding trust

was the launch of the country's first taxpayer perception survey, conducted in partnership with the private sector. Likewise, a National Tax Dialogue brought together government, business and civil society to address tax morale, transparency and accountability. UNDP also played a catalytic role in strengthening economic governance, enabling additional funding for anti-corruption and tax crime interventions, including support for digital forensic capabilities. Outreach efforts, such as the What the Tax podcast series, helped shift the narrative towards fiscal citizenship and voluntary compliance.

In 2025, the focus shifted further towards institutional integrity, digital transformation and financial literacy. Diagnostic work on digital public infrastructure assessed core tax systems and identified priority reform areas, while corruption risk assessments strengthened safeguards within revenue institutions. Complementary financial and tax literacy initiatives and nationwide advocacy campaigns supported broader public understandings of taxation, reinforcing the foundations for a fair, transparent and resilient tax system. Together, these efforts have readied Sri Lanka to advance more transparent, inclusive and SDG-aligned tax reforms while reinforcing its economic recovery.

The 2025 portfolio review confirmed the depth of UNDP engagement in Sri Lanka and the strategic importance of the transition to Public Finance for SDGs. An energy sector financing strategy has been developed, and the Government has approved the Sri Lanka Climate Finance Strategy 2025–2030, which identifies financing instruments such as disaster risk insurance, carbon markets, green revolving funds and green bonds. UNDP is also supporting the establishment of a Green Revolving Fund, alongside the implementation of SDG budget-tagging and blue economy financing strategies.

In the context of post-crisis recovery, Sri Lanka's transition to Public Finance for SDGs is more than a programmatic progression—it is a strategic necessity. Rebuilding fiscal resilience after a sovereign debt crisis requires more than restoring revenues; it also demands coherence across the full public finance system, from expenditure alignment and climate finance

mobilization to digital infrastructure and parliamentary accountability. The fiscal policy coherence approach is designed to deliver this outcome, offering Sri Lanka a structured pathway from crisis stabilization towards an institutionally grounded, climate-aligned and SDG-financed recovery.

Sri Lanka—Key results

(2022–2025)



Achievements

STF Diagnostics conducted (gender equality, clean energy, climate action, institutions, partnerships); National Tax Dialogue convened, bringing together government, private sector and civil society; first national taxpayer perception survey conducted and launched; analytical work advanced on climate-aligned tax policy and energy transition; progress achieved on beneficial ownership transparency to strengthen tax compliance.

“Sri Lanka’s economic crisis offers a historic opportunity to optimise the use of resources for SDG attainment. This entails concerted efforts to strengthen the linkages among planning, budgeting, monitoring and oversight and citizens’ engagement. Therefore, the National Tax Dialogue is timely in fostering a whole-of-society understanding and commitment to improving tax morale for effective SDG attainment. The Dialogue assumes global significance, especially as the UN Secretary-General in February 2023 called for an ‘SDG Push’, a surge in investment of \$500 billion annually in affordable long-term finance for developing countries.”



— Azusa Kubota, Sri Lanka Resident Representative

Next phase

The transition to Public Finance for SDGs builds on tax dialogue, transparency reforms and climate-aligned taxation, linking revenue policy with fiscal resilience, budget credibility, energy transition financing and a strengthened social contract. This work anchors Sri Lanka's post-crisis recovery in an integrated and sustainable public finance architecture.

TIWB Status

Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

Non-focus countries

Mongolia

Mongolia's participation in the 2023 Dialogue on Tax and SDGs held at Columbia University catalysed its voluntary efforts to conduct an STF Diagnostics assessment, focusing on SDG 17 (Partnerships for the Goals), SDG 13 (Climate Action) and SDG 16 (Good Governance and Anti-Corruption). The STF Diagnostics mission facilitated cross-sectoral dialogue on aligning tax policy with the SDGs. Building on this foundation, Tax for SDGs delivered capacity development on the tax aspects of carbon pricing and climate instruments, a model carbon tax law, a policy options paper to guide fiscal reform and technical assistance to adapt a potential carbon tax to the existing tax system. Mongolia's experience underscores the Initiative's impact, with countries proactively adopting SDG-aligned tax measures.

A TIWB engagement further reinforced institutional capacity in revenue administration, strengthening Mongolia's domestic resource mobilization foundations alongside the broader fiscal reform agenda. Mongolia's case underscores the Initiative's impact, with countries proactively adopting SDG-aligned tax measures.

Looking ahead, the transition to Public Finance for SDGs offers Mongolia the opportunity to connect these gains to a more integrated financing architecture that links tax reforms and climate fiscal instruments to energy transition financing, SDG-aligned budgeting and an INFF process that can anchor its resource-dependent economy in a more resilient, sustainable fiscal trajectory.

Lao People's Democratic Republic

In Lao PDR, the Tax for SDGs Initiative supported the UNDP Bangkok Regional Hub and Country Office in engaging a multi-agency working group on tobacco taxation following the launch of an investment case on tobacco control. Tax exemption evaluations provided the evidence base to promote non-renewal of the Investment Licence Agreement (ILA) between the Government and a tobacco multinational. This agreement had frozen tobacco tax rates for 24 years, resulting in significant revenue losses and legal challenges from other producers seeking equivalent treatment. The Government's decision not to renew the ILA eliminated long-standing tobacco tax incentives and marked one of the Initiative's most significant tax policy shifts outside its 25 focus countries.

4. Europe and Central Asia

In the Europe and Central Asia region, the Tax for SDGs Initiative has followed a deliberately selective strategy, focusing on a limited number of countries where sustained technical engagement could translate into concrete policy, legislative and institutional outcomes. Rather than pursuing broad regional coverage, the Initiative has prioritized depth and sequencing, linking hands-on technical assistance, diagnostics and policy advisory support to clearly defined reform pathways.

Regional engagement has centred on Armenia and Uzbekistan as focus countries, complemented by TIWB programmes and targeted technical assistance supporting tax administrations across the wider region. Within this context, the Initiative has addressed key challenges for domestic resource mobilization, including reliance on extractive revenues, exposure to external shocks, gaps in tax enforcement and the fiscal costs of poorly targeted tax incentives.

A central entry point has been international tax cooperation and enforcement. The Initiative has strengthened audit capacity, transfer pricing enforcement and criminal tax investigation capabilities through TIWB programmes implemented in partnership with the OECD and experienced administrations—notably Italy, the United Kingdom, Sweden and Norway. In Armenia, this engagement culminated in the establishment of a digital forensic laboratory (DFL), marking a shift from case-based assistance to more institutionalized enforcement capacity. In parallel, TIWB engagements in Uzbekistan and other countries created space for broader policy dialogue and follow-on reforms under the Tax for SDGs framework.

Building on this foundation, the Initiative has supported the alignment of tax policy with sustainable development objectives through the application of the STF Diagnostics. In Europe and Central Asia, this work has focused on health taxation, gender equality, climate action, governance and the oversight of tax expenditures. Partnerships with global and sectoral actors—most notably the World Health Organization in the area of health-related taxation—have enabled governments to use taxation not only as a revenue tool, but also as a policy instrument to advance SDG outcomes. The underlying analytical work has informed concrete policy reforms, including excise tax measures and reviews of tax incentives.

Throughout this engagement, the Regional Specialist has played a key bridging role, linking country-level technical needs with global tax and public finance processes and partnerships. This function has ensured coherence across TIWB programmes, STF Diagnostics and policy advisory work, while adapting global standards and tools to country-specific contexts and reform priorities. By supporting effective sequencing, from enforcement and diagnostics to legislative and policy change, the Regional Specialist has helped countries move beyond isolated technical interventions towards more integrated fiscal reform pathways.

Collectively, these experiences position the region for the transition from the Tax for SDGs Initiative to a broader Public Finance for SDGs approach. They demonstrate how focused partnerships, sustained technical engagement and strong regional coordination can deliver measurable policy outcomes while laying the groundwork for a more coherent alignment of revenue, expenditure and financing decisions in the next phase.

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

This transition is further reinforced by the recent selection of Armenia and Uzbekistan as Tax for SDGs focus countries. Both will receive support from the UNDP INFF Facility to advance gender-responsive public financial

management practices, demonstrating how UNDP's country support is delivered through interconnected, mutually reinforcing initiatives rather than isolated interventions.



1. Africa

2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

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4.1 Armenia



In Armenia, support under the Tax for SDGs Initiative has sought to advance evidence-based tax reforms, strengthening institutional capacity and better aligning fiscal policy with public health and sustainable development priorities. Work began in 2022, with a focus on using taxation as a tool to improve health outcomes, particularly through excise duties on tobacco products and the potential introduction of a tax on sugar-sweetened beverages.

This work gained momentum in 2023 through the application of the STF Diagnostics. The State Revenue Committee and the ministries of finance and health carried out a self-assessment, supported by UNDP. It focused on health and partnerships, generating analytical insights on how tax policy could better support health and broader development outcomes. Building on this, UNDP supported detailed modelling of the public health and revenue effects of increasing tobacco excise duties, which informed legislative changes. The results also triggered strong government interest in extending similar measures to sugar-sweetened beverages.

Supported by modelling, communications and advocacy informed by behavioral insights, the process helped shape the Government's strategy, overcome strong industry resistance, and translate political momentum into concrete legislative action.

In 2024, the scope of support widened to include broader structural tax reforms. Technical assistance to the Ministry of Finance

focused on the design of a sugar-sweetened beverages tax, alongside analytical work on aligning tax expenditures with the SDGs. This included an assessment of VAT-related tax expenditures in the health and education sectors, as well as a comprehensive mapping of tax expenditures to the SDGs to support more equitable and effective fiscal policy.

In parallel, the launch of Armenia's Digital Forensic Lab in July 2024 marked a significant step forward in strengthening the tax administration's ability to address tax evasion through advanced digital tools. Since becoming operational in September 2024, the Digital Forensic Lab has supported hundreds of intelligence and investigative actions, contributing to the identification of shadow-economy activity exceeding \$180 million. In addition to revenue impacts, the reform has reinforced cooperation between tax authorities and law-enforcement institutions and strengthened confidence in the integrity of the tax system.

By 2025, the emphasis had shifted to consolidation and public outreach. A national awareness and communication campaign on sugar-sweetened beverages translated technical analysis into accessible messages, helping build public understanding and support for reform. Overall, Armenia's experience illustrates how targeted tax reforms can contribute to improved health outcomes, greater equity, and sustained progress on the SDGs when grounded in solid analysis and backed by institutional strengthening.

Armenia's transition to the Public Finance for SDGs phase is anchored in one of the most comprehensive UNDP public finance portfolios in the Europe and Commonwealth of Independent States (CIS) region—a picture confirmed and consolidated through the 2025 portfolio review. The INFF process has produced a DFA, an INFF road map, an SDG investment map and a pilot financing strategy

for the employment strategy. SDG tagging of the state budget has been introduced and institutionalized, and a climate budget-tagging methodology has been developed. UNDP's parliamentary programme (MAP/FORSETI) is advancing gender-responsive budgeting and SDG integration across legislative oversight. A CGE model assessment of the effectiveness of education and health sector tax expenditures has been developed with

an academic institution and has supported dialogue with the Ministry of Finance and other counterparts. The combination of an advanced INFF, institutionalized SDG and climate budget-tagging, a functioning Digital Forensics Lab, gender-responsive parliamentary engagement and health taxation reform positions Armenia as one of the most mature demonstrations of what an integrated fiscal policy coherence programme can achieve.

Armenia—Key results

(2022–2025)





Achievements

Digital Forensic Lab established to strengthen tax crime investigations and compliance; analytical work completed on tobacco excise taxation and health impacts; technical support provided for the design of a sugar-sweetened beverage tax; SDG-mapping of tax expenditures conducted to assess alignment with development priorities; STF Diagnostics conducted (health, education, institutions).

“The cooperation between UNDP and the State Revenue Committee of Armenia has made a real impact, driving major improvements in the country’s tax system and aligning it with the SDGs. Key projects like the launch of the high-tech Digital Forensic Lab and the adoption of the STF Diagnostics have strengthened Armenia’s efforts to fight financial crimes, boost resource mobilization and support sustainable development, setting a strong example of successful international teamwork.”

Ashot Muradyan, Deputy Chair of the State Revenue Committee of the Republic of Armenia

Next phase

The transition to Public Finance for SDGs builds on health taxation and digital enforcement tools, linking revenue policy with expenditure alignment, sustainable financing and stronger fiscal governance.

TIWB Status

Active

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

4.2 Uzbekistan



Uzbekistan’s work under the Tax for SDGs Initiative has centred on strengthening tax policy frameworks, advancing SDG-aligned fiscal reforms and building institutional capacity through data-driven analysis and innovation. Engagement began in 2022 with the development of a CEP in collaboration with the Ministry of Finance, setting out priorities such as natural resource taxation and tax expenditure analysis. The same year, Uzbekistan also took part in international dialogue, with the Tax for SDGs approach presented at the Uzbekistan Economic Forum in Samarkand as a tool to accelerate SDG progress.

The Country Engagement Plan for Uzbekistan was formally signed in February 2023, and since then, the initiative has been implemented through three major outputs, with the Ministry of Economy and Finance and the Tax Committee under the Cabinet of Ministers as the principal national partners. The initiative has also involved the Ministry of Health, the Ministry of Mining Industry and Geology, the Customs Committee under the Ministry of Economy and Finance, the Ministry of Investment, Industry and Trade, and the Ministry of Energy.

Implementation expanded in 2023 through the roll-out of the STF Diagnostics. The exercise covered a range of areas, including domestic resource mobilization, inequality, corruption and affordable and clean energy, generating evidence to inform policy reform. UNDP also supported the Ministry of Economy and Finance in refining its tax expenditure optimization

strategy, laying the foundation for the country’s first comprehensive tax expenditure report. At the same time, the Gender Equality Seal initiative advanced through targeted capacity development, positioning Uzbekistan as a regional frontrunner in integrating gender considerations into public finance.

In total, three STF diagnostic missions were conducted in 2023–2024 on Good Health and Well-being, Affordable and Clean Energy, Reduced Inequalities, Peace, Justice and Strong Institutions, and Partnerships for the Goals, introducing national partners to the STF methodology and producing recommendations that informed policy action, including the April 2024 introduction of the sugar-sweetened beverages excise tax under Good Health and Well-being. A dedicated mission on tax expenditures in July 2023, followed by sustained expert dialogue in 2024, provided the Tax Policy Department of the Ministry of Economy and Finance with a high-quality, critical review and options for strengthening cost–benefit analysis and methodology. In parallel, work under the Gender Equality Seal for Public Institutions was initiated with support from the Tax for SDGs project: a consultant was engaged to support baseline assessment and preparation of an Action Plan, with the Ministry of Economy and Finance advancing implementation and the Tax Committee preparing to join the process.

In 2024, efforts deepened with a stronger focus on gender equality and environmental taxation. The UNDP Equanomics Initiative provided support for the introduction of the Gender Equality Seal for Public Institutions across key fiscal bodies. At the same time, specialized training on tax and environment enhanced technical understandings of climate-aligned fiscal policies across ministries and the tax administration. A dedicated Tax for SDGs course further strengthened the capacities of tax officials, policymakers, and academics

in SDG-aligned tax design, international tax standards and fiscal policy coherence.

Building on this, the Tax for SDGs learning course was delivered in August 2024, bringing together tax administration officials, policymakers and academics in sessions that deepened understanding of the link between tax policy and SDG financing and strengthened institutional capacity to formulate tax policies supporting domestic resource mobilization for the SDGs. Specialized training on tax and the environment supported ministries and the tax administration in developing climate-aligned fiscal policies, while Equanomics and UNDP gender specialists provided regular online support to the Ministry of Economy and Finance and the Tax Committee on Gender Equality Seal implementation.

In 2025, a flagship deliverable was completed: an automated STF Diagnostics tool, developed with an external specialist and presented through two workshops in March and June. The tool standardizes tax policy assessments, generates structured draft analytical outputs and is designed to be operated by national counterparts without external support—an important step towards embedding SDG-aligned fiscal diagnostics as a permanent, government-owned function within the national system rather than a project-dependent activity. Its development positions Uzbekistan as a potential model for other countries seeking to institutionalize the STF Diagnostics methodology.

Complementing these national efforts, Uzbekistan's experience and perspectives were incorporated into regional and international discussions on taxation. National partners participated in the Global Dialogue in New York in November 2023, gaining new knowledge on contemporary global tax policy issues, and in UNDP's 1st Global Dialogue on Public Finance and Tax for Gender Equality in Istanbul in February 2024, which facilitated country-to-country exchange on gender-responsive taxation. These engagements

have informed ongoing policy development and created opportunities for future dialogue, including a potential National Dialogue in Uzbekistan and continued participation in global processes.

Taken together, these efforts have combined policy support, gender and climate integration and digital innovation to advance a more coherent and forward-looking tax reform agenda.

Uzbekistan's broader public finance portfolio—mapped through the 2025 portfolio review—is among the most advanced in the region, providing a strong foundation for the Public Finance for SDGs phase. The INFF process has produced a DFA, road map and a financing strategy pending government endorsement. Meanwhile, SDG-aligned budget expenditure grew from \$10 billion in 2020 to \$20 billion in 2025, with climate and green budget-tagging piloted since 2022. Uzbekistan issued its first sovereign SDG bond in 2021 (\$235 million equivalent), followed by a green bond in 2023, a second SDG bond (€600 million) in 2024 and another green bond (€500 million) in 2025. BIOFIN has identified a biodiversity financing gap of approximately \$59.8 million and is implementing targeted solutions. The Insurance and Risk Finance Facility, funded by the German Federal Ministry for Economic Cooperation and Development (BMZ) through 2026, is strengthening Uzbekistan's insurance ecosystem and agricultural risk finance. Local governance work in 12 pilot districts is embedding plan-budget alignment and medium-term planning tools. An Equanomics study on gender biases in the tax system is ongoing. This convergence of a mature INFF, sovereign green and SDG bonds, BIOFIN, risk finance, local governance reform and gender fiscal analysis makes Uzbekistan one of the strongest candidates in Europe and Central Asia for a flagship integrated Public Finance for SDGs programme.

1. Africa

2. Arab States

3. Asia and the Pacific

4. Europe and Central Asia

5. Latin America and the Caribbean

Uzbekistan—Key results (2022–2025)



Achievements

STF Diagnostics conducted (gender equality, climate action, institutions, partnerships); advanced-level training delivered to tax administrators and policymakers on SDG-aligned tax policy, illicit financial flows and domestic resource mobilization; capacity development delivered on gender-responsive taxation under the Equanomics Initiative; technical training conducted on tax and environment to support climate-aligned fiscal policy. Tax Inspectors without Borders programme launched in September 2023, with two expert missions conducted in September 2023 and January 2024 to strengthen transfer pricing audit capacity, alongside two regional tax events organized in 2024 to showcase the initiative's work and foster regional cooperation.

“UNDP’s ‘Tax for SDGs’ initiative has been instrumental in strengthening Uzbekistan’s capacities in domestic resource mobilization, combating tax avoidance, optimization of tax expenditures and aligning fiscal policy with the national sustainable development goals. As a part of this project a Tax Inspectors without Borders program was launched, several STF diagnostic missions as well as training activities on Gender Equality Seal conducted. The initiative also provided a significant opportunity for the high-level Government officials to attend a Regional Tax Forums and Global Tax Dialogues to learn more from international expertise and share Uzbekistan’s experience in reforming and building more SDG-aligned tax system”



Sardorbek Abdurakhmonov, Head of Resource Taxes Methodology Division, Tax and Customs Policy and Revenue Forecasting Department, Ministry of Economy and Finance of the Republic of Uzbekistan

Next phase

The transition to Public Finance for SDGs builds on gender-responsive and climate-aligned tax policy, linking taxation with public expenditure alignment, environmental financing and integrated fiscal governance.

TIWB Status

Completed

Non-focus countries

Moldova

The Republic of Moldova began implementing the Tax for SDGs approach in 2024, becoming the first country to adopt the Initiative without being a formal focus country. This decision marked an important milestone and demonstrated demand for the project's activities outside the initially established focus countries. Early work concentrated on evidence-based analysis of health-related taxation, with a particular focus on modelling increases in tobacco excise duties to assess impacts on consumption, public health and domestic revenue.

In 2025, this work was further integrated into the Republic of Moldova's broader public finance reform agenda under the regional Public Finance for Development initiative, supported financially by the Ministry of Finance of the Slovak Republic. Analytical work focused on tobacco taxation, including modelling of its fiscal implications, while further assessments related to alcohol and

petroleum excise policy were initiated and will be finalized in 2026. Together, these efforts are helping strengthen the analytical basis for tax policy decisions and position taxation more clearly as a tool for domestic resource mobilization, public health and Moldova's broader development and EU accession priorities.

The approach applied in Moldova relies on rigorous analytical tools to assess the fiscal and development implications of tax reforms. Close collaboration with national counterparts has supported the use of this evidence in policy discussions and helped connect tax policy more closely with health, environmental and fiscal objectives.

This broader reform trajectory was further strengthened in 2025 with the launch of the Republic of Moldova's first TIWB at the State Tax Service. Focused on transfer pricing audits and advance pricing agreements, the programme complemented the ongoing Tax for SDGs work by strengthening tax administration capacities, supporting the application of international transfer pricing standards and advancing the Republic of Moldova's wider fiscal advancement agenda.

5. Latin America and the Caribbean

From 2023 to 2025, the portfolio in Latin America and the Caribbean shifted from a narrow emphasis on tax design and administration towards a broader, more coherent fiscal agenda linking revenue, spending and developmental outcomes. Country Offices increasingly treat tax policy as an entry point into debates on inequality, informality and the social contract, connecting fiscal reforms with INFFs and sectoral priorities on poverty, health and climate. As a result of this approach, the initial focus on just two countries (Colombia and Honduras) has broadened into a more networked regional model.

New partnerships have been critical to opening and structuring these conversations. Collaboration with the Inter-American Center of Tax Administrations (CIAT) has positioned the Initiative as a regional convener on fiscal–social policy coherence, including the first-ever CIAT–UNDP seminar on informality at the 2025 CIAT General Assembly, which gathered high-level tax, finance, social policy actors and representatives from international finance institutions. The event triggered follow-up cooperation, including a TIWB engagement with Bolivia and joint work with Honduras. Parallel collaboration with the London School of Economics has produced capstone research on governance conditions and redistributive outcomes in Uruguay, Brazil, Chile, Dominican

Republic, Mexico and Ecuador, helping to frame dialogue around the transition from “easy” to “hard” redistribution and strengthening links between UNDP’s Sustainable Finance Hub (SFH) and its Prosperity and Governance teams.

These regional and analytical developments have underpinned new country-level opportunities beyond the initial resource countries. In Brazil, engagement through the Regional Platform for Tax Cooperation for Latin America and the Caribbean (PTLAC) on tax progressivity has been complemented by a proposal to apply the Tax Expenditures for SDGs Toolkit to assess incentives through a sustainable development lens. In Mexico, support to the Country Office has helped shape emerging work with subnational governments on the relationship between local taxes and developmental outcomes, signalling growing demand for integrated public finance diagnostics to address inequality under tight fiscal constraints.

As the portfolio consolidates its Public Finance for SDGs phase in Latin America and the Caribbean, regional engagement has been instrumental in building cross-country synergies and translating SDG-aligned frameworks into tailored, country-level technical cooperation.



1. Africa

2. Arab States

3. Asia and
the Pacific

4. Europe and
Central Asia

5. Latin America
and the Caribbean

5.1 Colombia



Colombia entered the Tax for SDGs Initiative facing interconnected challenges: persistent inequality, limited progressivity in the tax system and the need to better connect taxation with gender equality and sustainable development priorities. The Government sought to strengthen the contribution of tax policy to SDGs on gender equality, reduced inequalities, effective institutions and partnerships, while also managing growing expectations around climate and environmental taxation. Within this context, Tax for SDGs was designed to help move from fragmented reforms towards a more coherent, data-driven, SDG-aligned fiscal strategy.

Support in Colombia has concentrated on a set of mutually reinforcing interventions. The Initiative enabled a comprehensive STF Diagnostic to examine tax progressivity, tax expenditures and gender impacts; funded analytical work on tax policy; and financed targeted capacity-building for officials from the Ministry of Finance and the National Tax and Customs Authority (DIAN) on international taxation, tax expenditures and SDG-aligned reforms. At the regional level, it backed Colombia's engagement in the Platform for Taxation in Latin America and the Caribbean and thematic dialogues on environmental taxation and progressive tax policy. These efforts were

implemented in close partnership with DIAN and the Ministry of Finance and benefited from technical collaboration with institutions such as CIAT, the EU Tax Observatory, the OECD, CEP, tax administrations, such as the Chilean IRS and national research centres and universities that contributed evidence, training and policy advice.

These interventions have translated into concrete, system-level results. Evidence generated through the STF Diagnostics has been used to inform core fiscal documents and policy debates, sharpening the focus on capital income, gender gaps and the distributional effects of tax expenditures. Capacity-building has strengthened in-house analytical skills within DIAN and the Ministry of Finance, enabling national teams to lead discussions on progressive taxation, gender-responsive tax policy and environmental fiscal reforms. Participation in regional platforms and global dialogues has, in turn, elevated Colombia's visibility as a champion of progressive taxation and opened new channels for South–South cooperation.

Tax for SDGs continued to support the process of locking these gains into regular policy and institutional practice. Key lessons include the importance of combining rigorous diagnostics with politically salient entry points and of using technical assistance to catalyse domestic reforms. Going forward, priorities should include deepening work on subnational finance, further refining tax expenditure and progressivity analysis and expanding partnerships—particularly with regional tax administrations and academic institutions—to sustain and scale SDG-aligned tax reforms beyond the life of the current programme.

Colombia—Key results (2022–2025)



Achievements

STF Diagnostics completed with a focus on gender equality and reduced inequalities; analytical work on tax progressivity, tax expenditures and gender responsive taxation delivered; in depth capacity development for DIAN and Ministry of Finance officials; STF Diagnostics findings fed directly into the 2024 Medium Term Fiscal Framework and workshops with senior officials on progressive, SDG aligned fiscal policy.

“The cooperation between UNDP and the DIAN has created a meaningful platform for knowledge exchange and institutional strengthening, contributing to the modernization of Colombia’s tax administration and its alignment with the SDGs. Through this partnership, we had the opportunity to engage with the Chilean tax administration, gaining valuable insights into their experience in delivering improved services for taxpayers. This exchange stands as a strong example of effective South–South cooperation. Additionally, the project with UNDP has enabled us to learn from leading experts in tax culture, further enhancing our approach to fostering voluntary compliance and building trust between citizens and the tax system.”



Daniela Garzón, Senior Adviser to the General Director on International Cooperation, DIAN

Next phase

The transition to Public Finance for SDGs will deepen Colombia’s leadership on progressive and gender responsive taxation, link tax expenditure reform more systematically with expenditure frameworks and equity objectives and connect national tax reforms with the broader INFF, SDG budgeting, biodiversity finance and sustainable finance agenda.

TIWB Status

● Not applicable

1. Africa

2. Arab States

3. Asia and
the Pacific4. Europe and
Central Asia5. Latin America
and the Caribbean

5.2 Honduras



When Honduras entered the Tax for SDGs Initiative, its tax system was constrained by limited fiscal space, governance gaps and institutional capacity challenges, against a backdrop of high inequality and vulnerability to external shocks. The new authorities were seeking to strengthen domestic resource mobilization, improve the credibility and effectiveness of tax administration and align tax policy more closely with the SDGs on gender equality, reduced inequalities, stronger institutions and partnerships. In this context, support from Tax for SDGs was framed around building a more modern, transparent and SDG-aligned tax system that would underpin long-term development priorities rather than providing isolated short-term fixes.

UNDP's technical assistance focused its efforts on a set of core interventions that combine analytical work, institutional reform and capacity-building. A comprehensive self-assessment of tax policy was carried out using an SDG lens, examining linkages with gender equality, governance and domestic revenue mobilization and helping the authorities to identify priority areas for reform. In parallel, the programme supported the design of a national tax treaty model and the strengthening of international tax cooperation, while investing in training for tax officials on key topics such as tax policy for SDGs, governance and gender. On the administrative side, Tax for SDGs has backed the creation of new taxpayer-facing services, including a Taxpayer

Orientation Unit inspired by peer learning with the Chilean tax administration.

The creation of the DFL is a flagship achievement of Tax for SDGs in Honduras, marking a shift from traditional audits to a modern, intelligence-driven enforcement model focused on complex evasion and tax crime. Embedded within the tax administration and closely linked to TIWB's work on tax and criminal investigation, the lab has been shaped and driven by the UNDP Country Office, which secured political buy-in, coordinated technical design and procurement and ensured that TIWB assistance generated operating procedures. These efforts have been implemented in close partnership with the Ministry of Finance and the national tax administration and have benefited from collaboration with CIAT, Chile's tax authority and other regional and international partners.

These investments yielded visible results in how Honduras designs and administers its tax system. The SDG-oriented self-assessment and training programmes have created a common understanding across government institutions of how taxation can support gender equality, stronger institutions and fairer revenue mobilization and have helped to inform emerging reform discussions. The development of a tax treaty model and enhanced international cooperation mechanisms has improved the country's capacity to negotiate agreements and combat tax avoidance. These include a new TIWB programme on transfer pricing currently in the pipeline, while collaboration with CIAT, OECD and other organizations has strengthened the foundations for automatic information exchange. At the same time, the new Taxpayer Orientation Unit and the DFL demonstrate concrete shifts towards more service-oriented, technology-enabled tax administration, with the potential to improve compliance, deterrence and trust in the system.

Key lessons from Honduras highlight the importance of leveraging ties with regional peers to accelerate learning and pairing diagnostic and training work with tangible institutional changes, such as better taxpayer services and more credible enforcement capabilities. Looking ahead, priorities include operationalizing and fully utilizing digital forensic capacity, deepening reforms linked to international tax cooperation and transparency and continuing to align tax policy and administration with SDG objectives so that the initial programme funds translate into lasting improvements in fiscal governance and development outcomes.

Honduras's transition to the Public Finance for SDGs phase is supported by a portfolio that expanded significantly alongside the Tax for SDGs work, a picture that the 2025 portfolio review brought together for the first time into a coherent whole. Honduras issued its first sovereign thematic bond in 2024, a landmark sustainable bond of \$700 million, 91 percent of which was allocated to social projects

and 9 percent to green projects. UNDP co-developed the debt sustainability analysis, the sustainable bond framework, and the eligible project portfolio and supported the Second Party Opinion process and the roadshow. The Equanomics Initiative has produced a national road map on gender and fiscal policy, a national guideline on gender-responsive budgeting and a municipal toolkit piloted in five municipalities for the 2025–2026 budget cycle. At the same time, the Gender Equality Seal is being implemented with the Secretariat of the Interior (SEGOB). TIWB's tax and crime programme is operationalizing the Digital Forensic Lab, and a new TIWB transfer pricing programme is in the pipeline. Carbon market feasibility work is under way on ART/TREES. These combined results—a sovereign sustainable bond, gender-responsive budgeting, digital forensic capacity and an emerging transfer pricing programme—establish Honduras as a country with both the political will and the institutional anchors for an ambitious, integrated Public Finance for SDGs engagement.

Honduras—Key results

(2022–2025)

strong links to

Achievements

Established a DFL and a new Taxpayer Orientation Unit, completed an SDG oriented tax policy self assessment, developed a national tax treaty model and supported Honduras's first sovereign sustainable bond, alongside a national road map and tools for gender responsive fiscal policy.

“The cooperation between UNDP and the Revenue Administration Service has contributed to the modernization of the tax system, strengthening its alignment with the SDGs. Initiatives such as the DFL reflect the potential of innovation and the use of data to strengthen tax collection and move towards more effective public management.”

“

Alessandro Fracassetti, UNDP Resident Representative in Honduras

Next phase

Consolidate Honduras within Public Finance for SDGs portfolio by fully operationalizing digital forensic capacity, deepening international tax cooperation and transparency, scaling gender responsive budgeting and leveraging sustainable finance (bonds and carbon markets) within a coherent, SDG aligned fiscal framework.

TIWB Status

● Not applicable

Tax Inspectors Without Borders

Since its inception, TIWB has supported developing countries through a practical, hands-on model of tax cooperation assistance that delivers measurable revenue gains while strengthening long-term institutional capacity. As of December 2025, TIWB has contributed \$2.72 billion in additional tax revenue collected, \$7.67 billion in additional tax assessed and \$2.53 billion in carry-forward losses offset across 51 current and 114 completed programmes in 70 jurisdictions. TIWB has also become

an increasingly important platform for peer exchange among developing countries, with 38 South–South programmes implemented to date and 32 partner administrations now providing expertise. A particularly important sign of TIWB’s longer-term impact is the emergence of “graduating” countries that have transitioned from recipients of support to providers of expertise, including Egypt, Colombia and Zambia.

Figure 1. Tax collected and assessed by TIWB

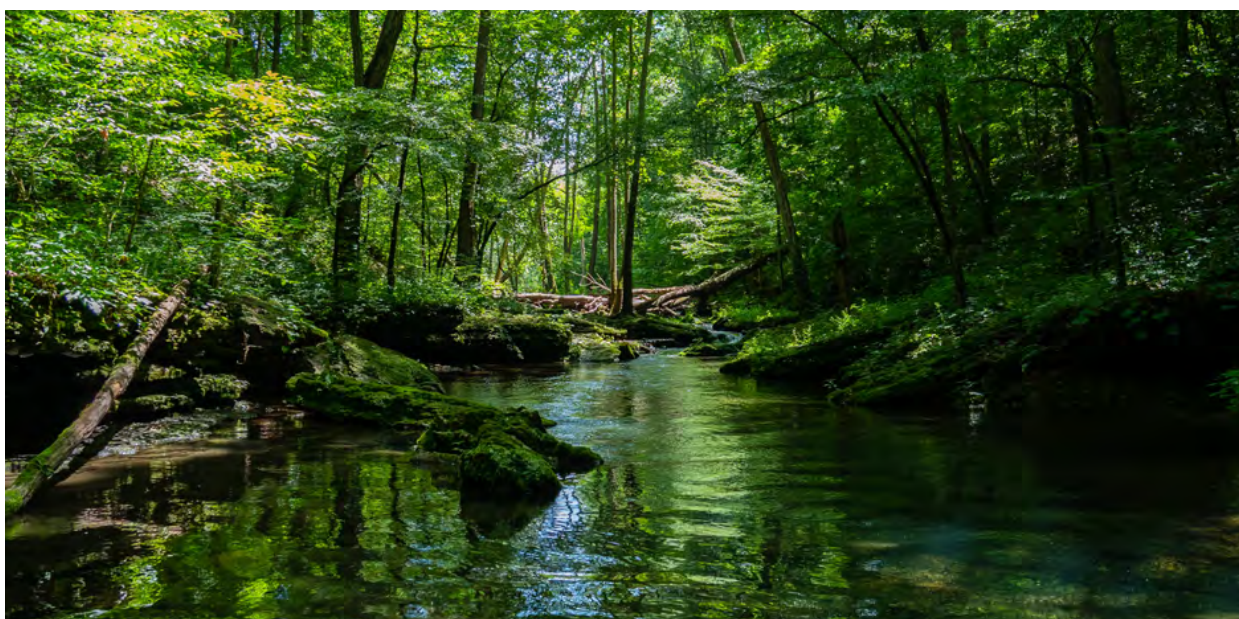


Photo credit: Free Photo Library.

Between 2021 and 2025, TIWB strengthened its position as a leading example of effective multilateral cooperation, delivering hands-on tax capacity development while supporting developing countries to mobilize domestic resources. Over these five years, TIWB responded to sustained and increasingly sophisticated demand from jurisdictions, launching a total of 83 programmes across Africa, Asia and the Pacific, Eastern Europe and Latin America and the Caribbean.

Throughout this period, TIWB programmes continued to generate tangible revenue outcomes, contributing \$2.1 billion in additional tax revenues collected, \$5.77 billion in additional tax assessed and \$1.72 billion in carry-forward losses offset, while also delivering broader institutional impacts beyond revenue. By deploying experienced tax experts to work directly alongside host administration officials on real audit and investigation cases, TIWB supported improvements in audit quality, risk assessment, case selection and compliance practices. Host administrations consistently reported strengthened technical skills, increased confidence among auditors and enhanced capacity to apply complex international tax rules in practice.

Beyond these revenue results, TIWB engagements often served as a strategic entry point for broader reform pathways. In several countries, recommendations emerging from TIWB missions helped identify institutional, legal and operational gaps that could not be resolved through audit support alone, creating a basis for subsequent engagement by UNDP and partners. This sequencing proved particularly important in areas such as tax crime, digitalization and legislative reform, where hands-on case support generated practical recommendations that informed follow-on assistance, including the establishment of specialized units, digital forensic capabilities, stronger compliance risk management frameworks and reforms to legal and administrative procedures. In Armenia, TIWB support helped identify the need for advanced digital investigative tools, contributing directly

to the establishment of the DFL. In Honduras, the TIWB criminal investigation programme provided the operational foundation for the DFL, which is now institutionalized within the tax administration. In Nigeria, TIWB work on transfer pricing and criminal investigation contributed to building the conditions for broader reform and wider tax administration modernization, including work on digital forensic capacity and new TIWB programmes launched in 2025.

The relevance of TIWB's work between 2021 and 2025 was reinforced by a challenging global context marked by the aftermath of the COVID-19 pandemic, rising debt pressures and inflation. In this environment, domestic resource mobilization became an even more critical pillar of sustainable development finance. TIWB's practical, demand-driven approach enabled tax administrations to better enforce existing legislation and address tax avoidance and evasion, thereby promoting transparency and tax certainty.

While international tax and transfer pricing audits remained at the core of TIWB assistance, this period was characterized by a deliberate expansion into new and frontier areas of work. Building on early audit engagements, host administrations increasingly requested more specialized support, reflecting both evolving needs and major changes in the global tax architecture. TIWB scaled up assistance for criminal tax investigations, supporting jurisdictions in strengthening their capacity to tackle tax crime and illicit financial flows. Work also expanded on the effective use of automatic information exchange, complementing global transparency standards by focusing on the practical analysis and use of exchanged data in audits and investigations.

Further diversification included pilot programmes on the effective use of country-by-country reporting, support for the digitalization of tax administrations and assistance with implementing the global minimum tax. These initiatives reflect a broader pattern in which country demand

increasingly shifted from core audit support to more specialized assistance and, in turn, to wider institutional reform needs. Across all areas of assistance, TIWB preserved its core delivery principles, including confidentiality, host administration ownership and a strong emphasis on skills transfer through the learning-by-doing approach.

A defining feature of TIWB's evolution has been its growing role as a platform for effective international tax cooperation, including South–South cooperation. Between 2016 and the end of 2025, 38 South–South TIWB programmes were launched, with 12 Global South partner administrations supporting 28 host administrations. Notable cases include Morocco–Sri Lanka, Brazil–Angola and Mexico–Peru. Among these programmes, India and South Africa have played particularly important roles, having deployed experts on 13 TIWB programmes to date. This expansion reflects a clear shift towards peer-to-peer support among developing countries facing similar administrative realities and tax challenges, while broadening the pool of available expertise, strengthening regional ownership and reinforcing the sustainability of TIWB's capacity development model.

TIWB programmes also demonstrate the value of triangular cooperation in fostering long-term capacity development. By leveraging partnerships and shared expertise, triangular cooperation enables host administrations to mobilize the resources they need to advance their sustainable development priorities. Notable examples include joint programme delivery in Africa through the strategic partnership with ATAF and 16 partner administrations, and a new programme in Bolivia in collaboration with CIAT and Argentina.

UNDP's role throughout this period was instrumental in anchoring TIWB programmes within broader development and public finance reform efforts. Through its Country Offices and Regional Bureaux, UNDP helped identify opportunities to advance TIWB recommendations with additional support. This sequencing was critical to sustaining momentum between missions, embedding recommendations in national reform agendas and connecting technical assistance to wider domestic resource mobilization objectives. In practice, it meant that TIWB often served as an entry point for broader engagement. In countries such as Armenia, Honduras and Nigeria, what began as stand-alone programme evolved into wider support for tax administration modernization, including the procurement, installation and implementation of DFLs in tax administrations. This integrated approach helps promote continuity, stronger country ownership and more sustainable long-term results.

TIWB's continued relevance was further recognized in 2025 at FFD4 in Sevilla, where the initiative entered a new phase through the launch of TIWB 2.0 and its inclusion in the Sevilla Platform for Action. TIWB 2.0 builds on core strengths while responding to a more complex international tax environment and increasingly specialized country demand. It places stronger emphasis on peer-to-peer South–South and triangular cooperation as a central delivery model; expands support into frontier thematic areas, including the effective use of country-by-country reporting, global minimum tax implementation, criminal tax investigation at scale and the practical use of automatic exchange of information; and scales up access to sector-specific expertise in areas such as extractives, forestry and tourism.

Thematic highlights

Over four years, Tax for SDGs' thematic work on gender, health, environment, and tax expenditures has generated evidence, built institutional capacity and led to concrete reforms in countries across all regions. These thematic foundations provide substantive grounding for the integrated Public Finance for SDGs Initiative. A gender-responsive fiscal system encompasses not only tax design but also gender-responsive budgeting, expenditure tracking and accountability. Climate finance coherence requires aligning revenue instruments, public investment frameworks and debt decisions around the same goals.

Gender equality ♀

Advancing gender equality through taxation and fiscal policy was a priority from the outset. From 2022 to 2025, Tax for SDGs embedded the UNDP EQUANOMICS approach¹ which successfully demonstrated that taxation and fiscal policy can be powerful instruments for advancing gender equality and the SDGs.

To strengthen institutional capacity on gender-responsive fiscal policy, a dedicated stream of the UNDP Gender Equality Seal for Public Institutions was rolled out, targeting ministries of finance and tax administrations. By committing to the Seal, institutions undertake a structured journey towards incorporating gender equality perspectives into all their functions, from policy design to service delivery. Colombia, Ghana, Nigeria, Rwanda and Uzbekistan all progressed along this journey. In Nigeria, sexual harassment policies, gender-mainstreamed communications and gender-disaggregated data collection were established within the FIRS, setting a national benchmark for gender-responsive public institutions.

Complementing the Seal, a standardized research methodology on taxation and gender equality was developed and applied across Bhutan, Nigeria, Sri Lanka, the United Republic of Tanzania and Zimbabwe, yielding country-specific evidence on gender biases embedded in tax design and generating actionable policy recommendations for reform.

Through the broader Equanomics Initiative, gender-responsive fiscal policy support has been extended across a broader country set to reform tax systems to address gender disparities and to promote financing for gender equality including through gender responsive budgeting in partnership with Ministries of Finance and tax authorities. In Honduras, Equanomics produced a national road map on gender and fiscal policy, a national guideline on gender-responsive budgeting and a municipal toolkit piloted in five municipalities for the 2025–2026 budget cycle. Gender-responsive measures were also included in legislation: in Nigeria, the 2025 Tax Act introduced more progressive and gender-responsive provisions following UNDP-supported parliamentary engagement.



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STF Diagnostics assessments for SDG 5 were conducted in Angola, Bhutan, Botswana, Colombia, Eswatini, Honduras, Kenya, Lebanon, Namibia, Nigeria, Rwanda, Sri Lanka, the United Republic of Tanzania and Zimbabwe, generating country-specific evidence on gender dimensions within tax systems and informing concrete institutional and policy changes.

In Nigeria, the FIRS demonstrated strong leadership by initiating a capacity enhancement on gender budgeting, gender violence and gender procurement, integrating gender considerations into the Import Duty Exemption Certification system.

In Eswatini, a gender-responsive review of Eswatini's Graded Tax Law identified provisions that disproportionately burdened low-income and unemployed adult men, who were legally required to pay an annual graded tax regardless of their employment status or ability to pay. In contrast, adult women were broadly exempt from the tax, creating inequities that were not aligned with principles of fairness or ability-to-pay. The diagnostics informed policy dialogue and reform efforts that led to the repeal of these regressive provisions, contributing to a more equitable and gender-responsive tax system while strengthening the alignment of tax policy with inclusive development objectives.

In Rwanda, gender-segregated data initiatives and the Women's Safe Space Committee addressed workplace conditions and the needs of women taxpayers and also expanded opportunities for women to participate in fiscal dialogue processes.

In Somalia, a comprehensive gender-responsive review of Somalia's Income Tax Law assessed how existing tax provisions affect women and men differently. The resulting recommendations proposed measures to enhance equity, remove unintended gender biases, and strengthen the contribution of the income tax system to gender equality objectives. These recommendations were

formally submitted to Cabinet, providing an evidence-based foundation for tax reforms.

The Namibia Revenue Agency launched its new customer service management and feedback systems (the Onyofi tool) to capture taxpayer perceptions and strengthen trust in revenue administration, with a specific focus on enabling women traders to engage government institutions with greater ease, reducing information asymmetry, and promoting fair, predictable and transparent tax services.

In Colombia, gender considerations were incorporated into the 2024 Medium-Term Fiscal Framework. Colombia became one of the first countries to explicitly integrate gender equality considerations into its MTFF, a key instrument guiding fiscal policy, revenue projections, expenditure priorities, and fiscal sustainability.

Evidence on the gendered impacts of taxation on micro, small and medium enterprises (MSMEs) influenced reform within the Zimbabwe Revenue Authority (ZIMRA), leading to the establishment of gender desks across border posts to support women cross-border traders, while Ministry of Finance and revenue authority capacities to design and undertake gender-responsive policy reform were strengthened. Kyrgyzstan costed SDG 5 to provide rationale for investments and to estimate the financial resources required to achieve gender equality and women's empowerment targets under the SDGs and strengthen the government's ability to integrate gender priorities into national development planning, budgeting, and fiscal policy discussions, while also informing domestic resource mobilization strategies and helping policymakers identify financing gaps and investment priorities for advancing SDG 5.

The initiative also demonstrated how administrative and survey data can be linked to inform tax and fiscal reforms. For example, establishment of a Gender Observatory on Taxation in Lebanon, to serve as a critical and dynamic framework for the collection,

analysis and dissemination of gendered data and trends related to taxation and its impact on gender equality. Supporting the integration of gender considerations into broader public finance reforms rather than treating gender as a stand-alone issue.

Global momentum on public finance and gender equality advanced through the Fourth International Conference on Financing for Development (FFD4) in Seville, where over 18 countries endorsed the Collective Commitment on Public Finance and Gender Equality, pledging bold public finance reforms that make economies and fiscal systems work for gender equality and women's empowerment while supporting fiscal sustainability, domestic resource mobilization, and economic growth.

In February 2024, the first UNDP Global Dialogue on Public Finance and Tax for Gender Equality was held in Istanbul. Over 180 policymakers from approximately 40 countries convened to explore fiscal reforms that promote gender equality, discuss the interplay between public finance and gender outcomes and share implementation strategies. The dialogue marked a decisive shift in framing, moving the conversation beyond gender-sensitive tax design towards a whole-of-fiscal-system approach encompassing expenditure, budget transparency and institutional accountability.

This shift reflects a deeper lesson from four years of implementation: gender equality cannot be advanced through tax design alone. It requires coherence across the full fiscal system: revenue instruments that do not penalize women's economic participation, public expenditure that funds social protection and budget processes that make gender outcomes visible and accountable. Gender-responsive fiscal policy is therefore now embedded as a core commitment, not a stand-alone thematic stream, across the full architecture of the Public Finance for SDGs Initiative through the Equanomics Initiative. In other words, gender equality is a structural principle rather than a portfolio add-on.

Environment



Work on environmental and climate taxation grew from an emerging thematic area into one of the most in-demand domains of engagement across the four years, spanning carbon tax advisory, green taxation and STF Diagnostics-based climate diagnostics.

Carbon tax advisory work constituted the most technically intensive strand. The STF Diagnostics were applied across multiple countries regarding SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action), generating country-specific analyses of carbon pricing, green taxation and the fiscal dimensions of the energy transition. A significant body of work involved developing ready-to-use carbon tax legislation and policy options papers delivered to Djibouti, Egypt, Mongolia, Sri Lanka, the United Republic of Tanzania and Uzbekistan, providing them with concrete legislative instruments to accelerate national carbon pricing decisions. This work went even further in Egypt: a zero draft of carbon tax legislation was delivered in early 2024, incorporating the implications of the EU's forthcoming Carbon Border Adjustment Mechanism. An engagement with the World Bank was also facilitated to assess the macroeconomic and welfare impacts of carbon pricing using the CPAT framework. Together, these initiatives provided the Government with the legal instrument and the economic evidence needed to advance reform. In Mongolia, the STF Diagnostics produced a model carbon tax law, a policy options paper and technical assistance to adapt carbon pricing to the national tax system. In the United Republic of Tanzania, a workshop on carbon tax design and voluntary carbon markets was conducted in December 2025. The findings generated policy recommendations for climate-aligned fiscal reform, positioning the United Republic of Tanzania to better deploy fiscal tools in support of its NDC commitments and climate transition priorities. A zero draft on carbon tax legislation was also provided to Uzbekistan. Green taxation work produced its most significant outcome in Gabon and illustrates the kind of

integrated environmental fiscal reform the Initiative aims to catalyse. UNDP supported the development of five green taxation proposals, covering levies on polluting products, high-emission vehicles, and plastic waste. In parallel, tax expenditure analysis revealed fiscal exemptions equivalent to approximately 3.2 percent of GDP, prompting the Government to suspend all exemptions in June 2025 and launch a comprehensive audit of preferential regimes. Gabon remains the only country in the region to have taken this step, and the combination of new green instruments with the removal of environmentally harmful incentives represents the most integrated environmental fiscal reform the initiative catalysed. In the Republic of the Congo, a study on green taxation was initiated as part of the broader integrated public finance workshop.

The STF Diagnostics extended the reach of this work into countries' broader development planning. In Ghana, an assessment of clean energy transition tax policies contributed to the new Excise Tax Law and supported the establishment of an interministerial committee to implement STF Diagnostics recommendations. In the Maldives, the work complemented broader efforts to reduce fossil fuel subsidies on the revenue side while strengthening targeted social protection on the expenditure side. In Bhutan, capacity development on SDG 13 covered carbon pricing, fiscal reform for NDC alignment and the tax implications of voluntary carbon markets.

Across these engagements, a consistent pattern emerged: the most durable results came from connecting revenue-side environmental work to the expenditure and investment dimensions of climate action, treating carbon pricing, green budgeting and climate debt instruments as parts of a coherent offer. The environmental tax work undertaken through Tax for SDGs laid the technical and institutional foundations for what is now being taken forward as the fiscal policy coherence approach under Public Finance for SDGs, where climate considerations are no longer addressed through tax instruments in isolation, but integrated across the full

revenue–expenditure–debt spectrum as a coherent offer.

Health and well-being

Health taxes are among the most powerful instruments in a government's fiscal toolkit: a single tax on tobacco, alcohol or sugar-sweetened beverages simultaneously generates revenue, curbs consumption of harmful products and when ring-fenced, directly finances the health services it is designed to protect. These taxes are extremely efficient yet uncomplicated to implement. The STF Diagnostics were central to making this case actionable, giving governments the modelling and evidence they needed to move from policy interest to legislation.

The results of STF Diagnostics on health for SDG 3 are among the most concrete legislative outcomes of the entire Tax for SDGs Initiative. In Armenia, STF Diagnostics–supported modelling found that raising tobacco excise taxes to align with global health benchmarks would generate over \$130 million in additional revenue under moderate projections, while reducing annual consumption by more than one billion cigarettes.



Photo credit: Free Photo Library.

These outcomes directly informed the government's decision to raise tobacco taxes for 2024–2027. In Ghana, UNDP worked with WHO's Fiscal Policies for Health Unit to develop revenue modelling and a health tax policy brief that supported the passage of a new Excise Tax Law in 2023. In Zimbabwe, STF Diagnostics on health and well-being led to the adoption of a tax on sugar-sweetened beverages in 2024, which has generated \$30.8 million for primary healthcare. In Eswatini, new levies on alcohol and tobacco introduced in 2025 were accompanied by a ring-fencing mechanism directing revenues towards health spending. Angola's 2025 Budget Law earmarked 60 percent of increased excise revenues from tobacco and spirits for the procurement of essential medicines and basic sanitation—a single fiscal instrument that simultaneously advances revenue mobilization, health financing and local service delivery.

Beyond individual country outcomes, the Initiative has collaborated with the WHO European Office for Investment for Health and Development and contributed to the Health and Tax Subcommittee's Handbook on Health Taxes, ensuring that country-level evidence informed the international frameworks that shape health fiscal policy more broadly. The resulting evidence and institutional relationships paved the way for UNDP to become an endorsing partner of the WHO-led 3 by 35 Initiative launched under the Sevilla Platform for Action, calling on countries to raise real prices on three unhealthy products (tobacco, alcohol and sugary drinks) by at least 50 percent by 2035 to curb noncommunicable diseases and generate \$1 trillion in additional public revenue over the next decade. Designing the right revenue instrument is only the first step. The next phase entails ensuring that the revenues raised reach health systems, are ring-fenced and governed transparently and translate into sustained improvements in health outcomes. That is precisely where Public Finance for SDGs takes over: as the 3 by 35 Initiative drives global ambition on health taxes, Public Finance for SDGs provides the country-led vehicle to ensure that what is raised is also well spent, connecting revenue reform

to expenditure planning, budget transparency and health financing strategy in a coherent whole.

Tax expenditure



Tax expenditures—including exemptions, reduced rates and special fiscal regimes—are among the most significant and least scrutinized areas of developing countries' fiscal systems. Their fiscal cost is rarely measured, their policy effectiveness seldom evaluated and their alignment with development priorities almost never assessed. In practice, they function as a “hidden” dimension of public finance: spending decisions disguised as revenue foregone, invisible in budget documents and therefore subject to less scrutiny than direct expenditure measures.

To address this gap, Tax for SDGs has invested in building Government capacity to understand, report on and evaluate tax expenditures. A dedicated Tax Expenditure Assessment Toolkit was developed and piloted to provide governments with a replicable methodology for evaluating the fiscal cost, policy effectiveness and SDG alignment of individual tax expenditure measures. Pilots were conducted in Colombia, Djibouti, Eswatini, Kyrgyzstan, Lao PDR, Togo and Uzbekistan. The results demonstrated that a structured analytical approach could shift tax expenditure from a fiscal blind spot into a managed policy instrument.

In Uzbekistan, the Initiative assisted the Ministry of Economy and Finance in developing a methodology for assessing the effectiveness of tax expenditures, laying the foundation for the country's first comprehensive tax expenditure report. In Kyrgyzstan, the Government revised its tax code and established a system to monitor the alignment of tax expenditures with the SDGs. In Lao PDR, a tax expenditure database was established and tax exemption evaluations conducted, with findings informing policy reforms such as the elimination of tobacco tax incentives. In Eswatini, parliamentarians received dedicated training on tax expenditure oversight and its alignment with the SDGs.

In 2024 and 2025, milestones were reached in several countries, most notably in Gabon. An UNDP-supported analysis assessed Gabon's tax expenditures (exemptions, reduced rates, and special regimes), identifying 218 measures in 2023 with an estimated fiscal cost of approximately 3.2 percent of GDP, largely concentrated in VAT, customs duties and CIT. This report directly informed the Government's 2025 decision to suspend existing exemptions, freeze new incentives and launch a comprehensive audit of preferential tax and customs regimes. In Angola, the first-ever SDG-related tax expenditure report was delivered to the tax administration to enhance transparency and assess the developmental impact of tax incentives. In Botswana, the country's first-ever tax expenditure report marked a significant step towards evidence-based fiscal policymaking. In Colombia, a workshop co-organized with the Institute of

Development and Sustainability evaluated tax expenditures and their efficiency, attended by participants from the Government, the OECD and CIAT, with the findings feeding into the 2024 Medium-Term Fiscal Framework. Sri Lanka also incorporated tax expenditure reporting into its budgeting exercises. Looking ahead, both Brazil and Ecuador have expressed interest in receiving support for tax expenditure analysis in 2026. In response to this growing demand, the Tax Expenditure Assessment Toolkit is being expanded to reflect the fiscal policy coherence vision upheld by the Public Finance for SDGs Initiative—assessing tax expenditures not only for their SDG alignment, but for their coherence with national expenditure priorities and debt sustainability, ensuring that what governments forgo in revenue is held to the same standard of accountability as what they choose to spend.



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STARBUCKS COFFEE

SDG Taxation Framework Diagnostics

The STF Diagnostics tool was developed under UNDP's Tax for SDGs Initiative to support governments in assessing how well their existing tax systems align with the SDGs. It provides a structured methodology for examining tax policy and administration through an SDG lens, helping identify policy gaps, distortions and opportunities linked to development outcomes such as equity, health, climate action and institutional strength.

Between 2022 and 2025, STF Diagnostics evolved from a pilot diagnostic instrument into a core pillar of the Tax for SDGs Initiative. After initial testing in a group of focus countries, the framework was progressively rolled out and implemented across all 25 focus countries, ensuring a common analytical foundation for aligning taxation with sustainable development priorities. The tool combines country-led self-assessments, targeted diagnostic missions and structured policy dialogue involving tax authorities, ministries of finance and other public institutions, fostering national ownership and cross-government coordination.

Over the life of the project, STF Diagnostics informed a range of concrete policy and institutional reforms. These included increases in tobacco excise taxes in Armenia to improve public health outcomes; the introduction of a sugar-sweetened beverage tax in Zimbabwe, with revenues directed towards health services; analytical inputs supporting new excise tax legislation in Ghana; and adjustments to renewable energy tax incentives reflected in national budget processes in Seychelles. In parallel, findings

from the STF Diagnostics supported progress on gender-responsive taxation, carbon tax design, the review of tax expenditures and the strengthening of digital tax administration systems in multiple countries.

By the end of the 2022–2025 implementation period, the STF Diagnostics had demonstrated its value not only as a diagnostic tool but also as a practical bridge between analysis and reform. Its application across all focus countries helped normalize the integration of SDG considerations into tax policymaking, strengthen domestic resource mobilization and position taxation as a strategic instrument for inclusive, climate-aware and accountable public finance.



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From dialogue to action: advancing public finance for sustainable development

Tax and SDGs dialogue series: Building a shared platform

UNDP has convened a high-level global dialogue series on tax and public finance for the SDGs since 2022, bringing together tax administrators, finance ministers, diplomats, academics and representatives of think tanks and civil society. The series was created to address a simple but important disconnect: while taxation is widely recognized as central to financing the SDGs, tax policy experts and development negotiators often operate separate policy spheres. Convened in partnership with Columbia University and supported by the Governments of Finland and Norway, the dialogue series seeks to bridge this divide by creating a shared space where political will, evidence and practical experience could come together.

The first Dialogue on Tax and SDGs in 2022 drew 210 participants from 36 countries and 34 organizations, with 50 speakers, including leading economists and practitioners. Discussions explored how taxation works both as a source of revenue and as a policy tool that can directly shape development outcomes in areas such as health, climate, gender equality and governance. The 2023 edition marked a significant step up in scale: participation grew by 70 percent, bringing together around 360 attendees from 61 countries and 48 organizations, including 13 ministers and deputies, 24 heads of tax administrations and 8 Permanent Representatives to the United Nations.

The dialogue series resonated across stakeholder communities due to three mutually reinforcing factors. First, the credibility of the partnership with Columbia University, led by Nobel Laureate Joseph E. Stiglitz. Second, the sustained political and financial support of Finland and Norway. Third, the deliberately broad design that put tax administrators, finance ministers, diplomats and academics into structured dialogues with one another. This design produced concrete results, ranging from signed CEPs to peer-to-peer learning networks, and helped elevate the profile of tax at major international forums, including the United Nations and the FfD process. The series was also a direct response to the demands of the moment. As the SDG financing gap widens, debt pressures mount across developing economies and the 2030 deadline approaches, there is a growing need for dedicated spaces to build shared understanding and drive coordinated action on domestic resource mobilization to achieve the SDGs.

The 2025 Dialogue on Public Finance and the SDGs



Photo credit: UNDP

In January 2025, the series took a deliberate and strategic step forward. The 2025 Dialogue on Public Finance and the SDGs, held at Columbia University in New York, expanded its partnership coalition beyond the founding partners and Columbia University to include the IMF, OECD, UN DESA and the World Bank Group. The shift in focus from “tax” to “public finance” was intentional and reflected a clear evolution in thinking driven by the state of the global development financing landscape. With only 17 percent of SDG targets on track and

developing countries facing debt service costs projected to rise from \$26 billion in 2022 to over \$40 billion by 2025, stronger tax collection alone was no longer sufficient. A broader conversation was needed: one covering how governments spend and govern public resources, align budgets with development priorities and manage debt and finance outcomes in climate, equity, gender equality, health, and fragile and crisis settings. Former UNDP Administrator Achim Steiner opened the dialogue with a call for fundamental change in how public finance is approached, while Professor Joseph Stiglitz framed the moment as a real opportunity for developing countries to rethink how they raise and deploy revenues in pursuit of shared prosperity.

A clear and actionable message emerged from the discussions: fiscal policy coherence is essential for delivering shared development outcomes, ensuring that revenue, expenditure and debt decisions work together rather than in isolation. Equally important is country ownership, with governments leading their own public finance reforms and supported by coordinated support among international and regional organizations. These conclusions gave the 2025 dialogue a practical edge, grounding its ambitions in the realities that developing country governments face every day.

The timing of the dialogue was equally strategic. With FFD4 in Sevilla and COP30 in Brazil both approaching, the January convening served as a key preparatory moment, helping to shape the international agenda and build political support for stronger commitments on public finance reform. It also brought greater coherence to UNDP's ongoing work, linking its Tax for SDGs, Budgeting for SDGs, INFFs and other relevant initiatives into a more integrated and impactful approach. What began as a focused convening on tax and SDGs evolved into a recognized platform for advancing international dialogue on public finance and sustainable development.

This engagement unfolded alongside the formal intergovernmental preparatory process

for FFD4. UNDP actively participated in the three Preparatory Committee (PrepCom) sessions held in New York in the lead-up to the FFD4: PrepCom 2 (December 2024), PrepCom 3 (February 2025) and PrepCom 4 (April–May 2025). At each session, the Tax for SDGs Initiative contributed to the broader UNDP delegation, supporting efforts to embed strong domestic public finance commitments—including tax policy, tax administration and, increasingly, a broader public finance perspective—into the emerging outcome document. Side events organized on the margins of the PrepComs provided platforms to amplify country experiences and bring practitioner voices into multilateral negotiations, helping to ensure that the technical realities facing developing country governments shaped the political commitments being forged at the intergovernmental level.

From commitments to practice: UNDP at FFD4 and the Sevilla Platform for Action



Photo credit: UNDP

The momentum built through the dialogue series fed directly into UNDP's engagement at FFD4, held from 30 June to 3 July 2025 in Sevilla, Spain. The adopted outcome document, the Sevilla Commitment, renews the global financing compact and makes it clear that strengthening domestic public finance systems through mobilization, investment and accountability must be at the centre of efforts to close the SDG financing gap. The priorities advanced by the Tax for SDGs Initiative and the broader integrated public finance approach align closely with the Sevilla Commitment.

The first of these priorities is stronger tax policy and administration. The Sevilla Commitment calls for a renewed domestic resource mobilization framework encompassing stronger tax policies and administrations, tax reforms grounded in country-specific data and progressive taxation, with increased international support for capacity development, including at the subnational level. This focus mirrors the work carried out through Tax for SDGs across 25 focus countries. The STF Diagnostics, piloted in all 25 focus countries, provided governments with an evidence-based tool to assess how their tax systems support development priorities and identify targeted reforms. These pilots led to tangible policy outcomes such as the Nigeria Tax Act 2025, which introduced more progressive and gender-responsive measures. The launch of DFLs in Armenia and Honduras, an e-tariff platform in Namibia, and enterprise risk management modernization in the Maldives directly embody the call of the Sevilla Commitment to modernize revenue administration through digitalization, data and technology.

The second priority area is doubling support for domestic resource mobilization. Collectively, development partners committed to at least doubling their support for domestic resource mobilization programmes in developing countries by 2030, targeting countries seeking to raise their tax-to-GDP ratio to at least 15 percent. The TIWB initiative has already demonstrated what scaled-up support can achieve. To date, TIWB has supported 70 jurisdictions through 165 programmes worldwide, contributing to \$2.72 billion in additional revenue and \$7.67 billion in tax assessments.

The third priority is advancing international tax cooperation. Countries committed to engage constructively in negotiations on a UN Framework Convention on International Tax Cooperation and its protocols. Tax for SDGs has been a sustained contributor to this agenda by providing technical advisory support to Egypt during its leadership of the UN Ad Hoc Committee to Draft Terms of Reference for a

UN Framework Convention on International Tax Cooperation and seconding a UNDP expert to UNDESA to serve as tax adviser throughout the process. The Dialogue series also systematically amplified developing country perspectives in multilateral negotiations.

The fourth priority covers fiscal transparency, public financial management and budget alignment with development outcomes. The Sevilla Commitment calls for transparency and accountability across fiscal systems, including in relation to public spending and tax expenditure governance, and for national budgets that support development outcomes, integrating climate, gender, and social protection considerations into fiscal programming. Together, these commitments reflect the fiscal policy coherence approach of the broader Public Finance for SDGs offer: ensuring revenue, expenditure and debt decisions are governed transparently and aligned with one another in pursuit of development priorities. In Gabon, UNDP-supported tax expenditure analysis exposed the true cost of untransparent incentive regimes and triggered corrective government action. In Eswatini, the Budgeting for SDGs workstream and INFFs connected fiscal planning across the ministries of finance and planning, operationalizing a whole-of-government approach. Angola's 2025 Budget Law illustrates what this looks like in practice: excise taxes on tobacco and spirits were significantly increased, with 60 percent of the resulting revenues earmarked for essential medicines and allocations directed to basic sanitation at the local level. In this way, a single fiscal instrument simultaneously advanced multiple goals.

These commitments validate the trajectory of the Tax for SDGs Initiative from a focus on revenue mobilization to a more integrated public finance approach, laying the foundations for a strong international mandate for continued UNDP engagement across the full public finance spectrum.

The Sevilla Platform for Action seeks to translate commitments into implementation. Under its

auspices, UNDP launched the Public Finance for SDGs Collaborative, a global coordination platform that helps countries and partners align efforts to advance a more coherent fiscal ecosystem, linking revenue, expenditure and debt decisions to development priorities and results. Since its launch, the Collaborative has moved from design to active coordination, promoting a common approach to outcome-oriented public finance through high-level global platforms. These events included the Conference on Reimagining Public Finance hosted by the World Bank in Washington, DC, in September, and the New Ways of Governing Conference hosted by UNDP Global Policy Centre for Governance in Oslo in October. At the latter, governments and partners—including Finland, Norway, the World Bank, IBP and INTOSAI—agreed to convene a Fiscal Ecosystem Coordination Workshop in 2026. The workshop will bring together international organizations working across different dimensions of public finance to strengthen coordination and consistency in support of country-level reform. The Collaborative also serves as an implementing arm for several related Sevilla Platform for Action initiatives that UNDP supports, including TIWB 2.0, Financing for Gender Equality, FFD4 and the Future of Data, Accelerating Health Taxes: the 3 by 5 Initiative, Enforcing Effective Taxation of High-Net-Worth Individuals and Localizing Development Finance for SDG Impact.

Also launched under the Sevilla Platform for Action, TIWB 2.0 builds on a decade of results and has begun translating the Sevilla Commitment into practice. Since FFD4, implementation has focused on deepening stakeholder engagement and aligning the initiative with the new FfD mandate. Between July and December, TIWB launched seven new programmes, supporting jurisdictions in transfer pricing challenges, criminal tax investigations and beyond. In October, more than 200 participants from 63 jurisdictions, international organizations and donor agencies joined the TIWB Stakeholders Workshop, which shaped the priority directions for TIWB 2.0. These included expanding technical assistance on modern tax standards, strengthening sector-

specific expertise (e.g. extractives, forestry and telecommunications) and scaling South–South and triangular cooperation. Participants also highlighted evidence of increased compliance among multinational enterprises and institutional benefits for both host and partner administrations, including the creation of specialized units, new guidance tools and more structured risk assessment frameworks. Taken together, UNDP’s engagement across the dialogue series and FFD4 reflects a consistent and evolving commitment to placing public finance at the heart of the FfD agenda and to ensuring that institutions, tools and partnerships needed to act on that commitment are in place.

Evaluation and strategic transition to Public Finance for SDGs

In 2025, UNDP completed a final independent evaluation of the Tax for SDGs Initiative, covering the implementation period from the Project Document date of May 2021 through the Initiative’s official launch in April 2022, and from April 2022 through December 2024. With the support of Finland and Norway, Tax for SDGs was subsequently extended through December 2025 to allow for the development of a successor initiative. It was later further extended through March 2026 to ensure activities continued during the transition period. The evaluation drew on 49 stakeholder interviews, a Tax for SDGs National Coordinator survey across 25 focus countries and a comprehensive document review, organized around the OECD–DAC evaluation criteria of relevance, coherence, effectiveness, efficiency, sustainability, gender equality and social inclusion.

Alignment between the Sevilla Commitment and Tax for SDGs Initiative

Sevilla Commitment

Tax for SDGs Initiative

Strengthen tax policy and administration; scale up and at least double domestic revenue mobilization capacity by 2030; modernize revenue administration through digitalization.

STF Diagnostics piloted in all 25 focus countries, with policy changes adopted in multiple countries. DFLs established in tax administrations. TIWB provided support in 70 jurisdictions, contributing \$2.72 billion in additional tax revenue and \$7.67 billion in tax assessments.

Enhanced oversight and management of tax expenditures, including through transparent tax expenditure reporting.

Tax Expenditure Toolkit piloted in 7 countries. UNDP-supported analysis in Gabon identified 218 TE measures at a fiscal cost of 3.2 percent of GDP, directly triggering the suspension of all exemptions and a comprehensive audit.

Promote gender-responsive budgeting and advance discussion on gender-responsive taxation, including by identifying and addressing gender biases within tax systems.

STF Diagnostics for SDG 5 conducted across 14 countries. Istanbul Dialogue (2024) convened 180+ policymakers from 40 countries. Nigeria Tax Act 2025 introduced gender-responsive provisions.

Promote consideration of environment, climate and biodiversity in fiscal programming, including green budgeting, green taxation and taxes on environmental contamination.

Draft carbon tax legislation and policy options delivered to six countries. Five green tax proposals developed for Gabon's parliament. STF Diagnostics for SDG 13 applied across multiple countries.

Introduce or increase taxes on tobacco and alcohol as a revenue source with clear potential to reduce risk factors for noncommunicable diseases.

STF Diagnostics-supported modelling informed Armenia's 2024–2027 tobacco tax increase (\$130M+ projected). Zimbabwe adopted a sugar tax (\$30.8M for health). Angola's Budget Law earmarked 60 percent of excise revenues for essential medicines and local sanitation.

Engage constructively in the UN Framework Convention on International Tax Cooperation; strengthen customs and eliminate loopholes.

Advisory support to Egypt during its leadership of the UN Ad Hoc Committee on the Framework Convention. UNDP expert seconded to UNDESA as Tax Adviser. TIWB criminal investigation programmes directly targeted tax crime.

The evaluation found the initiative to be highly relevant and demand-driven, built on nearly a decade of UNDP-OECD collaboration through the joint TIWB initiative and directly responsive to countries' priorities and needs. Regarding TIWB's effectiveness, the evaluation noted that it was only launched in April 2022, leaving it with just 2.5 years of actual implementation time to achieve its ambitious goals. The accumulated evidence nonetheless suggested the initiative met or exceeded many of its output targets within this compressed time frame. Notable achievements of the Tax for SDGs Initiative included strengthening national tax administration capacity to tackle tax avoidance, evasion and illicit financial flows through TIWB and digitalization support, piloting the STF Diagnostics in 25 countries and supporting the incorporation of developing country perspectives into regional and international tax dialogues. The evaluation also noted that the Initiative's successes proved catalytic within UNDP, leading to Country Office engagement in tax where previously little existed, with Country Offices in the Republic of Moldova, Nigeria, Malawi, and Mongolia subsequently allocating their own funding to tax work.

This strategic transition from a more narrowly defined project to a broader, more ambitious portfolio required more time and preparation than originally anticipated. Translating evaluation recommendations into a genuinely responsive successor initiative meant engaging donors, Country Offices and national partners in a substantive co-design process, negotiating new financing agreements and building the programme architecture for the new initiative. Memoranda of Understanding were formalized with the OECD and ATAF and carried forward; staff transitions were managed to retain expertise developed during the first phase; and additional expertise was brought in to cover the expanded work streams.

This transition was underpinned by a structured Public Finance Portfolio Review, conducted at the country, regional and global levels to ensure that the new initiative was grounded in UNDP's existing delivery capacity. Covering

nearly 130 countries and drawing on inputs from Country Offices and Regional Bureaux, the review systematically mapped existing UNDP public finance engagements across all relevant workstreams, including INFFs, Budgeting for SDGs, climate finance, BIOFIN, Equanomics, insurance and risk finance, debt support and digital public infrastructure. The review identified where tax and fiscal reform work was already under way, where gaps existed and where emerging synergies could be connected into coherent country-level programmes. The review produced the first consolidated overview of UNDP's public finance footprint, ensuring continuity of support to countries during the transition and directly informing the prioritization of country engagements and resource allocation under the 2026 Annual Work Plan. Its findings also shaped the design of the fiscal policy coherence approach for the new phase and led to the creation of the first Public Finance Map, an internal tool consolidating this information for ongoing coordination across the organization.

This transition work extended into the second half of 2025, resulting in a portion of the 2025 funds remaining unspent by year-end. These resources have been carried forward into 2026 to directly support the early implementation phase of the Public Finance for SDGs Initiative. This carry-over should be understood not as a gap in delivery but as a planned transition between the two phases to ensure that the momentum built over four years of Tax for SDGs flows without interruption into a more strategic, impactful and sustainable Public Finance for SDGs offer.



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Five lessons learned along the Tax for SDGs journey

Time is the scarcest resource

- 1 The 2.5 years of actual implementation time were not enough to embed lasting institutional change in tax systems or fiscal policy. The next four-year phase is not a luxury but the minimum time frame required to support reform.

TIWB works as an entry point for broader reform

- 2 In countries such as Armenia, Honduras and Nigeria, systematic follow-up to TIWB recommendations helped pave the way for wider institutional reform. Where follow-up was limited, gains proved more fragile.

STF Diagnostics is a tool, not an end point

- 3 Policy uptake was slower in countries that received STF Diagnostics without a structured follow-up support plan. The tool works best when embedded in a country-owned reform agenda with dedicated implementation support. Public Finance for SDGs is continuing this journey.

Country Offices multiply impact

- 4 UNDP Country Offices that actively supported implementation through co-financing, political access and institutional continuity delivered significantly stronger results. In the Republic of Moldova, Nigeria, Malawi and Mongolia, Country Offices invested their own resources to expand work.

Fiscal coherence cannot be achieved through tax reform alone

- 5 The most compelling country results—in Angola, Eswatini, Colombia and Honduras—emerged where tax reform was connected to expenditure decisions, debt management and climate finance. For example, tobacco excise measures ring-fenced for health spending, as seen in Angola and Eswatini, became broader public finance reforms. The transition from Tax for SDGs to Public Finance for SDGs is not a rebranding, but rather the logical conclusion of this lesson, applied at scale.

Five recommendations from the evaluation have directly informed the design of the Public Finance for SDGs initiative in the following ways:

● Evaluation recommendation

● Public Finance for SDGs response

1

Scale and duration

Develop a larger, longer second phase to anchor UNDP's engagement in tax policy and administration, continue integrating tax into broader public finance work and support sustained engagement on the further development and implementation of products piloted under Tax for SDGs.

Public Finance for SDGs was designed as a four-year programme (2026–2029), providing the sustained timeline identified by the evaluation as necessary to embed institutional change in tax and fiscal systems.

2

Country focus

Revise the strategy to concentrate resources in a smaller set of countries to achieve greater, more measurable impact, rather than spreading support thinly across many countries.

Public Finance for SDGs prioritizes a focused set of country engagements identified through the 2025 Public Finance Portfolio Review, which mapped UNDP's existing public finance work across nearly 130 countries to identify where concentrated support would have the greatest coherence and impact. The programme is operationalized through a three-phase fiscal policy coherence approach.

3

Domestic constituency

Continue fiscal policy work towards the longer-term goal of building domestic constituencies in focus countries for using taxation to advance the SDGs, engaging parliamentarians and civil society, as well as ministries of finance and tax administrations.

Public Finance for SDGs adopts a whole-of-government and whole-of-society approach, explicitly expanding engagement to reach parliamentarians, civil society and subnational actors, directly addressing the structural gap identified by the evaluation.

● Evaluation recommendation

● Public Finance for SDGs response

4

Products and tools

Continue developing, applying and learning from Tax for SDGs processes and products to build the next phase, particularly the STF Diagnostics and Tax Expenditure Assessment Toolkit.

All core products piloted under Tax for SDGs are being carried forward into the new phase: the follow-up work to the STF Diagnostics continues, the Tax Expenditure Assessment Toolkit is being upgraded to incorporate the fiscal policy coherence approach, and the DFL model remains a core component of in Public Finance for SDGs.

5

Knowledge and coordination

Strengthen information-sharing across UNDP and with partners to integrate lessons from Tax for SDGs into broader UNDP public finance programming, including through INFFs.

The 2025 Public Finance Portfolio Review produced the first consolidated map of UNDP's public finance work, covering INFFs, Budgeting for SDGs, climate finance, BIOFIN, Equanomics, debt and digital finance initiatives, among others. It serves as an internal knowledge and coordination tool to help integrate lessons learned from UNDP's public finance programmes and other initiatives across its thematic hubs/teams and regions.



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SUOMI
FINLAND



Norway

