

Tax & Revenue

Mobilisation

over the past
decade: significant
untapped
potential remains
a challenge



Preliminary analysis of the 2026 Ibrahim Index of African Governance (IIAG) *Tax & Revenue Mobilisation* indicator results over the decade 2016-2025

Disclaimer

'Preliminary' indicates that calculations and analysis for this indicator have undergone internal checks but were not vetted externally. The indicator's three base variables are collected from UNU-WIDER, the African Development Bank and the World Bank. The raw data, which are aggregated into two sub-indicators and one indicator, were imputed, normalised and aggregated in accordance with the IIAG methodology. The final 2026 IIAG Report will be released on 31 October 2026 in Cairo, Egypt.

Data caveat: improving tax data coverage in the 2028 IIAG

Given the growing importance of revenue mobilisation and taxation capacity for Africa, as highlighted in the 2025 Ibrahim Forum Report *Financing the Africa We Want*, the Mo Ibrahim Foundation (MIF) will continue to strengthen and develop the tax data it incorporates into the next IIAG, to be produced in 2028. Currently, the single *Tax & Revenue Mobilisation* indicator only contains data from three sources. Following collaborations with our partner organisations and data providers, MIF is aiming to include more measures of revenue mobilisation and improve data granularity, especially around VAT and other forms of tax revenue, in the next iteration of the IIAG.

About the *Tax & Revenue Mobilisation* indicator

The *Tax & Revenue Mobilisation* indicator is one of the 2026 IIAG's 96 indicators. It is located within the *Foundations for Economic Opportunity* category, under the *Public Administration* sub-category.

Within the *Tax & Revenue Mobilisation* indicator*, there are two sub-indicators:

1. *Taxation Capacity* (sourced from UNU-WIDER)
2. *Efficiency of Revenue Mobilisation* (composed of the below sub-sub-indicators)
 - a. *Efficiency of Revenue Mobilisation* (sourced from AfDB)
 - b. *Efficiency of Revenue Mobilisation* (sourced from World Bank)

* This indicator does not measure metrics such as tax-to-GDP ratio or what proportion of tax revenue collection comes from sources such as VAT etc. MIF does not consider these as governance outputs.

Setting the scene: while Africa's tax-to-GDP ratio continues to improve, it remains lower than the global average

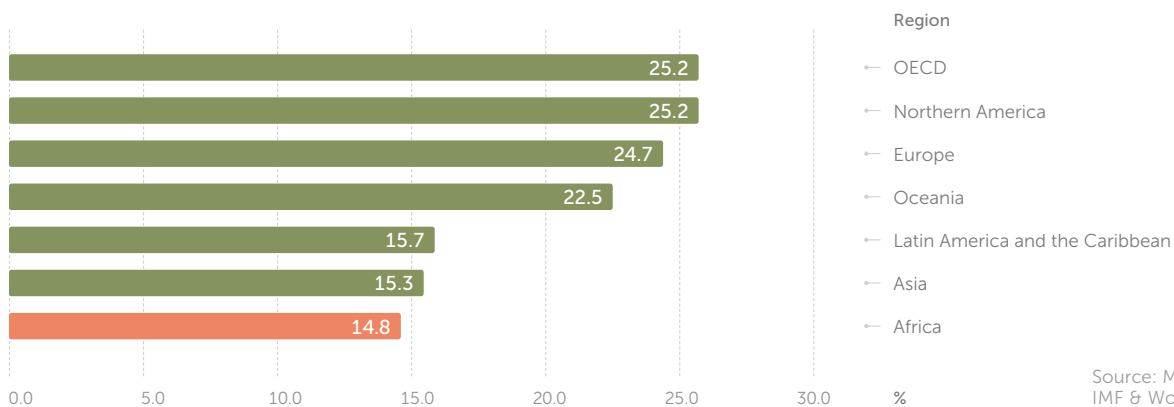
According to UNU-WIDER Government Revenue Dataset data, Africa's average tax-to-GDP ratio has improved for three consecutive years between 2020 and 2023, reaching around 15%¹, mostly thanks to increased corporate income tax revenues. However, as the following preliminary IAG data substantiates, this progress is unevenly distributed across countries. Some have made significant improvement, such as Tunisia, which had an average tax-to-GDP ratio of over 25% in 2022—comparable to the OECD average—whereas other countries like Somalia, Sierra Leone, and Equatorial Guinea all have ratios below 7%.² This disparity is a key obstacle for the continent to mobilise its domestic resources.

Improved revenue mobilisation provides a key foundation for macroeconomic stability, increases a country's ability to react to external shocks, reduces reliance on volatile external financing sources and improves sovereign credit ratings. Stabilising and improving revenue mobilisation through more efficient tax collection creates a more predictable business environment, with many countries then less likely to implement sudden tax changes or emergency levies, all improving stability.



In 2022, only 17 African countries had an average tax-to-GDP ratio above 15%

World regions: average tax revenue as a share of GDP (2022)



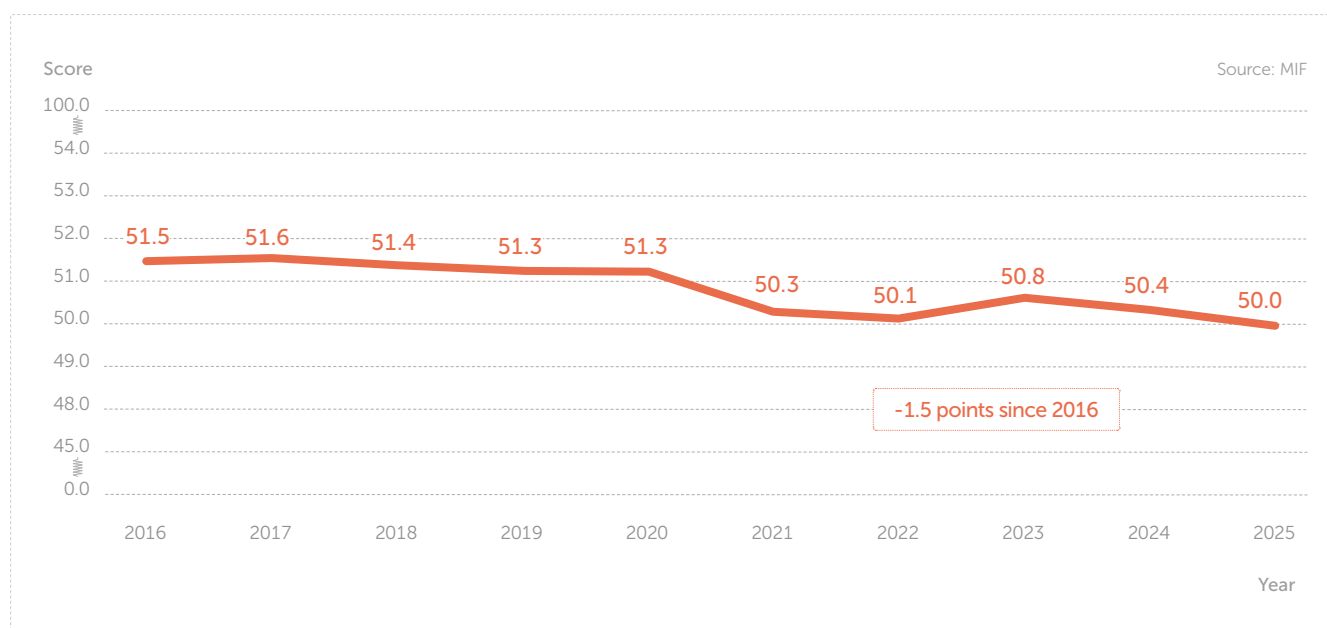
Source: MIF based on IMF & WoRLD (2022)

At the African average level, *Tax & Revenue Mobilisation* has slightly declined between 2016 and 2025

At the African average level, the *Tax & Revenue Mobilisation* indicator declined by -1.5 points over the decade between 2016 and 2025. While this deterioration is relatively minor, it highlights the growing gap between the expectations and aspirations surrounding domestic resource mobilisation and the overall reality of the administrative capacity on the ground.

Tax & Revenue Mobilisation declined by -1.5 points at the Africa average level between 2016 and 2025

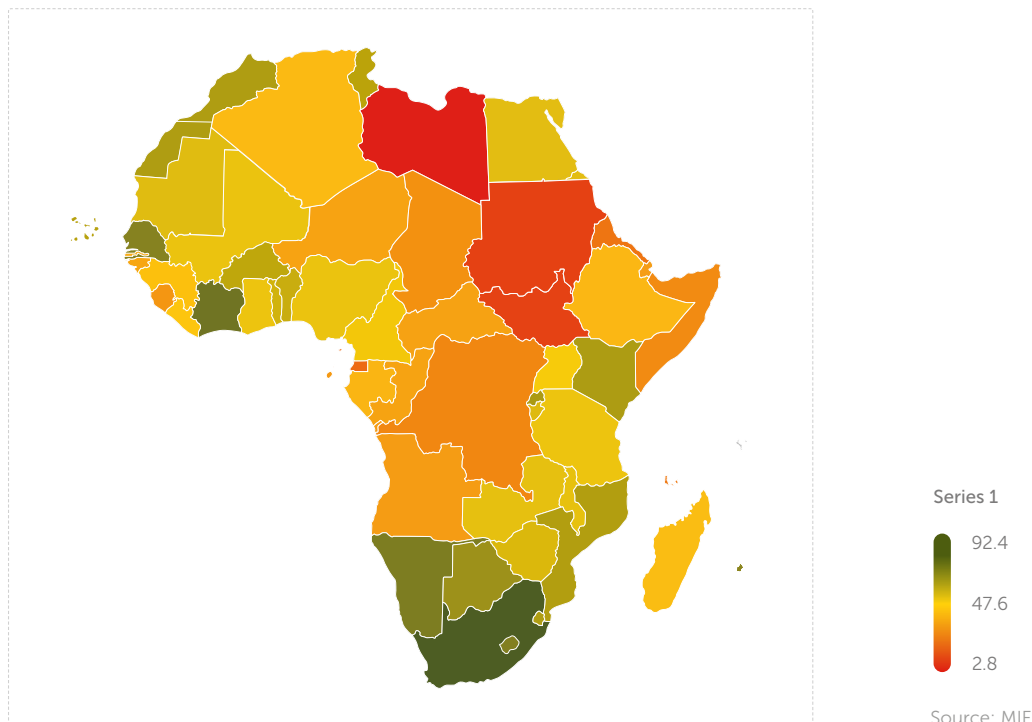
Africa: *Tax & Revenue Mobilisation* (2016-2025)



Capacity gap: a gulf of 90 points between the highest and lowest scoring countries

Turning to the 2026 IIAG, across the continent, the average score for the indicator in 2025 was 50.0 points. In 2025, 29 countries scored above this average and 25 scored below it. As a result, the range of scores is considerable – at the top, South Africa scores an impressive 92.4 points, but at the bottom of the table, Libya scores just 2.8 points, giving the indicator a range of 89.6. This highlights the significant valley in performance between countries in their ability to collect tax and mobilise revenue.

Africa: Tax & Revenue Mobilisation (2016-2025)



At country level, the trends are mixed

Africa: Tax & Revenue Mobilisation—IIAG trend classification

Number of countries	Trend
16	Increasing Improvement
12	Increasing Deterioration
10	Bouncing Back
6	Slowing Deterioration
5	Slowing Improvement
5	Warning Signs
0	No change

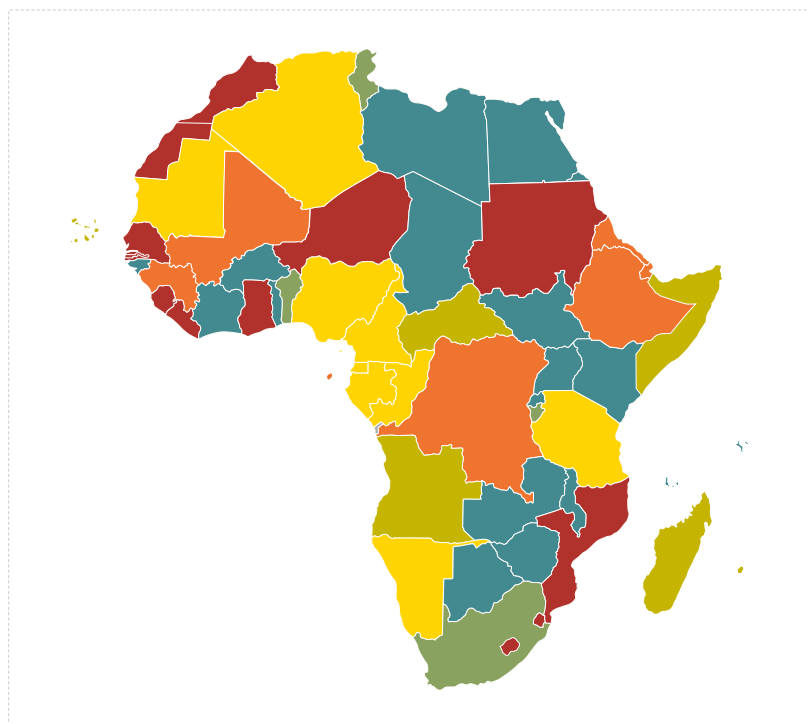
Source: MIF

Within the Tax & Revenue Mobilisation indicator:

- Sixteen countries registered a trend of *Increasing Improvement*, meaning their score is better in 2025 than in 2016 and that they are improving at a faster rate since the mid-point (2021).
- Five countries registered a trend of *Slowing Improvement* meaning that though their 2025 score is better than in 2016, they are improving at a slower rate since 2021.
- Ten countries registered a trend of *Bouncing Back*, meaning although their 2025 score is worse than in 2016, they have been improving since 2021.

- Twelve countries registered *Increasing Deterioration* meaning that their 2025 score is worse than in 2016 and the decline since 2021 has accelerated.
- Six countries registered *Slowing Deterioration*, this means that though their 2025 score is worse than in 2016, the deterioration since 2021 is slowing.

African countries: *Tax & Revenue Mobilisation* trends (2016-2025)



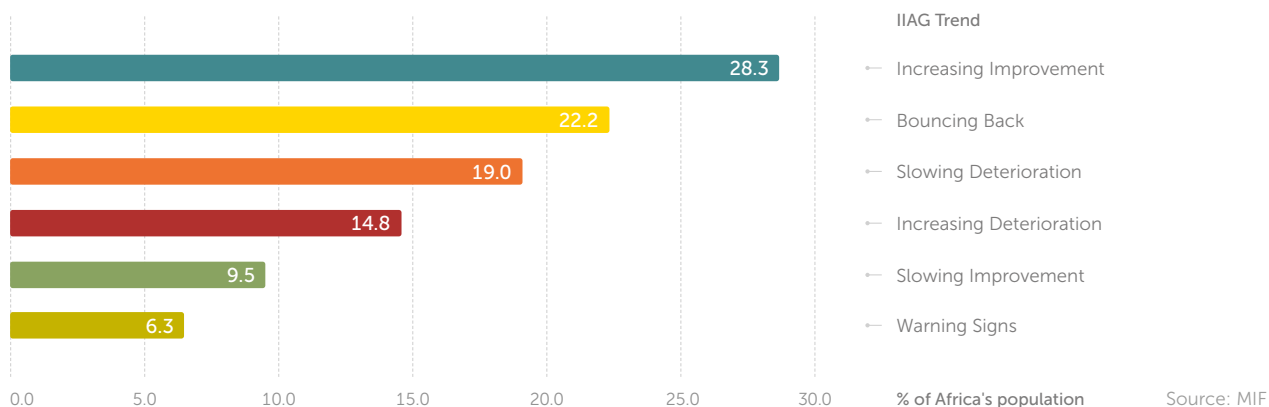
Over 50% of Africa's population lives in a country where the *Tax & Revenue Mobilisation* indicator has registered a trend of either *Increasing Improvement* or *Bouncing Back* from 2016-2025



Source: MIF

The results mean that 56% of Africa's population live in a country where the *Tax & Revenue Mobilisation* indicator has declined. The below chart shows the breakdown of IIAG trend classification by population affected within the continent.

Tax & Revenue Mobilisation: share of African population by trend (2016-2025)



Results at a glance: the top and bottom performing countries within the *Tax & Revenue Mobilisation* indicator

Tax & Revenue Mobilisation—Top 10 performing countries

Rank	Country	2025 score	10-year change	Trend
1	South Africa	92.4	+2.2	Slowing Improvement
2	Côte d'Ivoire	83.3	+13.9	Increasing Improvement
3	Namibia	80.0	-1.1	Bouncing Back
4	Lesotho	79.0	-3.9	Increasing Deterioration
5	Senegal	77.8	-2.8	Increasing Deterioration
6	Mauritius	76.6	+12.0	Slowing Improvement
7	Seychelles	75.2	-8.1	Bouncing Back
8	Botswana	71.9	+2.0	Increasing Improvement
9	Rwanda	68.6	+4.9	Increasing Improvement
10	Kenya	67.9	+4.6	Increasing Improvement

Source: MIF

Tax & Revenue Mobilisation—Bottom 10 performing countries

Rank	Country	2025 score	10-year change	Trend
54	Libya	2.8	+2.8	Increasing Improvement
53	Sudan	11.8	-16.5	Increasing Deterioration
52	South Sudan	12.1	+0.9	Increasing Improvement
51	Equatorial Guinea	22.5	-1.0	Bouncing Back
50	Eritrea	25.0	-22.2	Slowing Deterioration
49	Comoros	25.8	+2.0	Increasing Improvement
48	DR Congo	29.6	-5.1	Slowing Deterioration
47	Somalia	30.6	+13.9	Warning Signs
46	Chad	31.8	+1.4	Increasing Improvement
45	Sierra Leone	33.0	-1.5	Increasing Deterioration

Source: MIF

In the 2026 IIAG, South Africa is the highest-scoring country within the *Tax & Revenue Mobilisation* indicator in 2025, with a score of 92.4. Interestingly, South Africa's score has remained around the 90-point mark across the whole decade (2016–2025), suggesting a robust and mature taxation capacity.

Within the top ten highest-scoring countries, there is also a large gap between the 10th ranked country, Kenya, which scores 67.9 and South Africa ranked first with 92.4. This is a gap of 24.5 points across just ten countries, pointing to a wide capacity gap on the continent, even among higher scoring countries.

Similarly, at the bottom of the table, there is an equivalent gap. Between Libya, which ranked 54th with a score of 2.8 in 2025, and Sierra Leone which ranked 45th with a score of 33.0, there is a gap of 30.2 points.

The gap between the highest scoring country, South Africa, and the country ranked 10th, Kenya, is almost 25 points

For both sub-indicators, trends are challenging

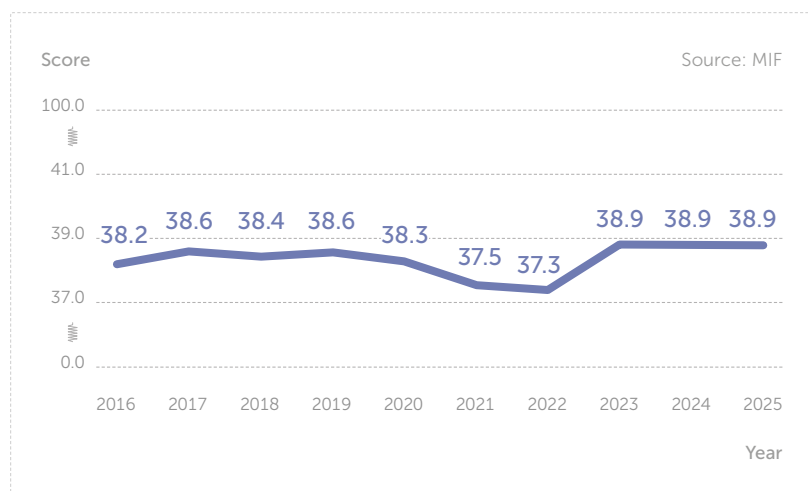
The changes in the indicator score are dependent on its two underlying sub-indicators, *Taxation Capacity* and *Efficiency of Revenue Mobilisation*. *Taxation Capacity* improved by just +0.7 points between 2016 and 2025, remaining relatively stagnant over a decade when domestic resource mobilisation has ostensibly been a priority for the continent, given the attrition of external financing sources and the accumulation of external shocks. The other sub-indicator, *Efficiency of Revenue Mobilisation* declined by -3.1, largely responsible for driving the -1.5 decline at the indicator level.

The chart below highlights the lack of significant progress within these sub-indicators at the African average level. Although *Taxation Capacity* improved, *Efficiency of Revenue Mobilisation* declined by -3.1 suggesting that overall, African countries have gone backwards in their capacity to mobilise revenue. As a result, this preliminary data points to a declining trend at the African average level for revenue mobilisation.



***Efficiency of Revenue Mobilisation* declined significantly by -3.1 points over the decade**

Africa: *Taxation Capacity* score (2016-2025)



Africa: *Efficiency of Revenue Mobilisation* score (2016-2025)



ICTD: Bold investment in the basics of tax administration is key to sustained revenue gains

Giulia Mascagni, Executive Director

Awa Diouf, Research Fellow

Research from the International Centre for Tax and Development (ICTD) shows that sustained revenue gains depend on getting the basics of tax administration right. But strengthening tax administrations requires more than simply increasing staff numbers: it requires bold investment in the skills needed to operate within increasingly digitalised systems, while redeploying skilled staff from routine manual tasks towards higher-value activities such as complex audit cases and direct engagement with taxpayers. Without these investments, digital transformation, automatic exchange of information and wider tax reforms cannot deliver their full potential.³ Three examples illustrate this.

Firstly, digital public infrastructure (DPI) needs to go hand in hand with investment in administrative capacity. Digital identification, digital payments and secure data exchange can significantly improve the information and processes available to tax administrations. However, the evidence on their impact on revenue and compliance remains mixed: while some countries have realised important revenue gains, impacts vary across contexts depending on complementary investments in data quality, analytical and enforcement capacity, taxpayer support and appropriate governance.⁴ In Senegal, for example, mandatory electronic filing and payment had limited effects on tax compliance.⁵ Evidence from Uganda, Ghana, and Rwanda echoes this finding. Technology can therefore strengthen tax administration, but it cannot substitute for the basic capacity needed to use it effectively.

Secondly, getting the basics right also means making better choices about where to direct scarce administrative resources. Too often, governments have doubled down on approaches to tax the informal economy, such as mass registration campaigns and simplified regimes, that raise little or no revenue, while imposing significant compliance costs on low-income operators and contributing to perceptions of unfairness.⁶ An alternative, and more promising, approach is to improve the basic functioning of taxes that already exist but that are massively underperforming, such as those on the income of self-employed professionals, property and rental income, and income from investment and capital gains. These offer both revenue potential and greater fiscal fairness.⁷ Tax expenditures are another area of reform that can increase both revenue and equity. Better reporting and regular evaluation can help governments identify incentives whose costs outweigh their benefits and replace them with better alternatives.⁸

Finally, international tax reforms show the same importance of strong domestic foundations. New international standards and mechanisms can create opportunities for lower-income countries, but they can only translate into increased revenue if tax administrations have the skills, systems and technology required to implement and use them effectively. Research in seven countries shows that their benefits are uneven and depend strongly on domestic capacity and sequencing.⁹ International commitments therefore need to be selected and implemented in line with countries' administrative capabilities.

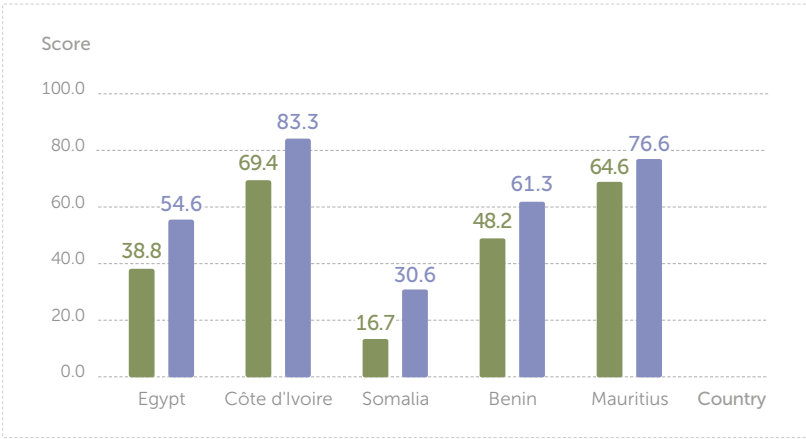
The largest improvements are smaller than the largest declines

While there has been decline at the African average level (-1.5 points over the decade), individual countries have still reported noteworthy improvements in this indicator.

- Several countries have made significant improvements within the *Tax & Revenue Mobilisation* indicator, such as Egypt (+15.8), Côte d'Ivoire (+13.9) and Somalia (+13.9).
- Coming from a low base, Somalia's score has almost double over the decade, improving from 16.7 to 30.6.
- Côte d'Ivoire's improvement starts from an already strong base in 2016. In 2025, the country is now ranked second behind South Africa.

In 2025, Côte d'Ivoire is the second highest scoring country in *Tax & Revenue Mobilisation*, registering a score of 83.3

Tax & Revenue Mobilisation: top 5 most improved countries' scores and 10-year changes (2025)



2016
2025

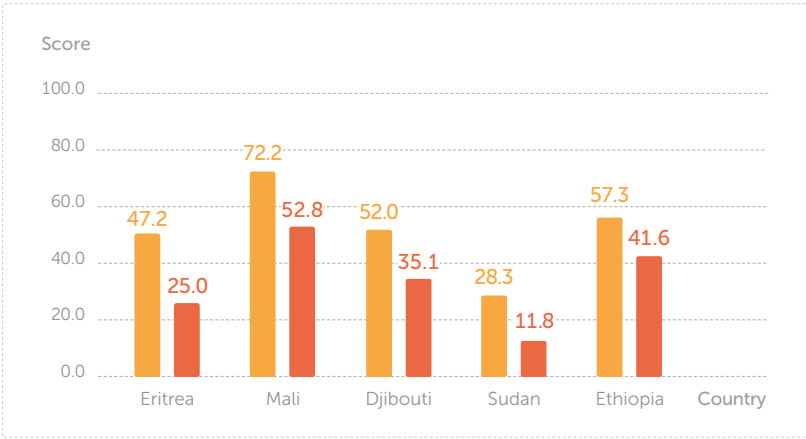
Source: MIF

However, deteriorations at the bottom of the table are larger than the improvements at the top.

- Eritrea declined by -22.2 points over the decade, making it the most declined country within this indicator.
- Similarly, Mali, Djibouti, Sudan and Ethiopia all declined by more than -15.5 points.

Ethiopia deteriorated by over 15 points over the 2016-2025 decade

Tax & Revenue Mobilisation: top 5 most deteriorated countries' scores and 10-year changes (2025)



2016
2025

Source: MIF

International Centre for Tax & Development (ICTD) Lusaka Forum, 14-15 July 2026: reflections by Enrico Nichelatti (IIAG Expert Panel member)

The Lusaka Forum highlighted that taxation has entered a new phase. As international aid declines and fiscal pressures increase, domestic revenue mobilisation is becoming the central source of development finance. The numbers tell us a story: for every \$127 a high-income country can spend on each of its citizens, a low-income country can spend just \$1. Average tax collected per capita last year was over \$10,000 in high-income countries, and \$81 in lower-income ones.¹⁰

Raising more isn't the same as raising smarter. The recurring message across the forum's plenaries was that raising more revenue is not sufficient. Countries need to tax smarter, meaning that reforms should be evidence-based, politically feasible, equitable, and embedded within strong institutions rather than implemented as isolated technical solutions. Too often reforms that look convincing on paper often fail in practice when they ignore administrative capacity, political incentives, or how taxpayers actually behave. When these reforms fail, poor people are the one to pay the higher price.

Research as an institution, not a service. A second major lesson was that the quality of tax systems ultimately depends on the quality of the institutions that produce and use evidence. A decade ago, there was essentially no collaboration between researchers and African revenue authorities to produce reform-oriented evidence. Today those partnerships are widespread, and the results are tangible: a dedicated high-net-worth-individuals unit in Uganda raising filing rates among wealthy taxpayers from 13% to 78%¹¹; a Rwanda¹² field experiment that generated an additional £6 million in revenue and changed how the tax authority communicates with taxpayers; property tax reform in Freetown that tripled revenue collection and rebuilt public trust in the process.

Research was consistently presented not as an academic exercise, but as a core function of effective tax administration. Successful reforms require continuous interaction between researchers, revenue authorities and policymakers, ensuring that evidence informs policy design, implementation and evaluation throughout the reform cycle.

The forum also reinforced that many of the remaining barriers to tax reform are institutional and political rather than purely technical. Better communication of evidence, stronger public trust, and closer collaboration across actors were repeatedly identified as prerequisites for successful reform.

Only one REC, the EAC, reported a positive 10-year average trend in *Tax & Revenue Mobilisation*

Within Africa's eight Regional Economic Communities (RECs), performance in the *Tax & Revenue Mobilisation* is, again, varied and mostly negative. Only one REC, the East African Community (EAC) reported a positive average 10-year change in scores. This positive result is mainly driven by the large improvement, albeit from a low base, made by Somalia (+13.9 points) over the decade. This improvement is driven by the country's concerted efforts over recent years to create a standardised National Revenue Authority to centralise tax and other administrative and revenue collection services.¹³ While the other RECs report deteriorations in their average 10-year changes, these are all mostly minor, except for IGAD at -6.5 points. This decline is driven by Eritrea (-22.2), Djibouti (-16.9) and Sudan (-16.5).

The highest scoring REC is the Southern African Development Community (SADC), scoring 60.3 points in 2025, driven primarily by the consistent performance of South Africa across the decade.

Regional Economic Communities performance in *Tax & Revenue Mobilisation*

Tax & Revenue Mobilisation			Number of countries	
REC	Score 2025	Average 10-year change	Improved	Deteriorated
EAC	45.7	2.7	6	2
ECOWAS	53.4	-0.5	6	9
SADC	60.3	-0.6	8	7
CENSAD	45.3	-1.1	11	13
COMESA	47.1	-1.2	14	7
UMA	46.5	-1.6	2	3
ECCAS	40.1	-2.1	4	6
IGAD	34.2	-6.5	4	4

Source: MIF

Domestic revenue mobilisation through taxes is not improving quickly enough across the continent

While the preliminary data presented here is by no means exhaustive of tax capacity data on the continent, it does offer enough information to issue a warning. Though improvements are being made at country level, they are generally modest and are outweighed by the more significant declines registered by weaker-performing countries. These improvements also mask a large chasm between high and low scoring countries, meaning capacity in this indicator is very unevenly distributed across the continent.

In the most deteriorated countries such as Eritrea, Mali and Djibouti, these declines in taxation capacity are likely to have significant effects across other areas of their IIAG performance. When states struggle to mobilise revenue and effectively tax their citizens, their resources to fund development in other areas such as education, health and social protection all dwindle. Driving investment and capacity building in revenue mobilisation and tax capacity improvement represent one of the most critical avenues available to countries to improve their capacity to govern efficiently, and to increase their autonomy and sovereignty.

- ¹ UNU-WIDER (2022) GRD The Government Revenue Dataset. Total Revenue (% of GDP). <https://www5.wider.unu.edu/#/?graph=map&indicators=3&activeIndicators=3> (Accessed July 2026).
- ² UNU-WIDER (2022) GRD The Government Revenue Dataset. Total Revenue (% of GDP). <https://www5.wider.unu.edu/#/?graph=map&indicators=3&activeIndicators=3> (Accessed July 2026).
- ³ Gallien, M.; Hearson, M.; Mascagni, G.; Occhiali, G.; Ogembo, D. and van den Boogaard, V. (2025) The Tax Era of Development: Taxing Smarter for Equity, Growth, and Resilience, ICTD Policy Brief 18, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2025.039.
- ⁴ Ogembo, D.; Mader, P. and Santoro, F. (2025) Digital Public Infrastructure and Tax: High Stakes, High Rewards, ICTD Policy Brief 21, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2025.061.
- ⁵ Czajka, L.; Diouf, A. and Santoro, F. (2026) Do Electronic Filing and Payment Increase Tax Compliance? Evidence from Large Taxpayers in Senegal, ICTD Working Paper 238, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2026.010.
- ⁶ Gallien, M. (2025) Why the Informal Sector Is Not a Tax Goldmine, ICTD Policy Brief 20, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2025.054.
- ⁷ Occhiali, G.; Madzivanyika, E.; Abounabhan, M. and Waiswa, R. (2026) Taxing the Wealthy in Africa: Evidence from 14 Revenue Administrations, ICTD Policy Brief 22, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2026.011.
- ⁸ Gallien, M.; Hearson, M.; Mascagni, G.; Occhiali, G.; Ogembo, D. and van den Boogaard, V. (2025) The Tax Era of Development: Taxing Smarter for Equity, Growth, and Resilience, ICTD Policy Brief 18, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2025.039.
- ⁹ Hearson, M.; Heitmüller, F. and Dierich, F. (2026) Global Rules, Local Realities: Lessons from the Global South on International Tax Standards, ICTD Working Paper 241, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2026.017.
- ¹⁰ ICTD (2026) Taxing Smarter: Advancing Reform Through Research and Partnership, Brighton: Institute of Development Studies, DOI: 10.19088/ICTD.2026.022.
- ¹¹ Kangave, Jalia; Nakato, Susan; Waiswa, Ronald; Nalukwago, Milly; Lumala Zzimbe, Patrick (2018). Taxing High Net Worth Individuals: Lessons from the Uganda Revenue Authority's Experience. The Institute of Development Studies and Partner Organisations. Report. <https://hdl.handle.net/20.500.12413/13543>.
- ¹² Mascagni, G. and Nell, C. (2022) 'Tax Compliance in Rwanda: Evidence from a Message Field Experiment', *Economic Development and Cultural Change*, 70(2), 587–623. <https://doi.org/10.1086/713929>.
- ¹³ Gallien, Max; Hearson, Martin; Mascagni, Giulia; Occhiali, Giovanni; Ogembo, Daisy; van den Boogaard, Vanessa (2025) The Tax Era of Development: Taxing Smarter for Equity, Growth, and Resilience. The Institute of Development Studies and Partner Organisations. Report. <https://doi.org/10.19088/ICTD.2025.039> (Accessed 22 July 2026).



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