



How civil society can foster equity in tax administration – and reflections points for funders

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OVERVIEW

The emerging evidence on civil society's role in tax administration provides a jumping off point for a larger research agenda. This agenda can help funders and other actors more deeply understand how civil society organizations (CSOs) can help foster transparency, accountability, participation, and equity in tax administration for diverse populations. This greater emphasis on the role of civil society was highlighted recently by the Addis Tax Initiative's commitment to "enhance the space and capacity for accountability stakeholders".¹ At the same time, there is little consensus on what meaningful implementation of such a role could look like.

The Transparency and Accountability Initiative (TAI) commissioned IDinsight to provide a synthesis of this emerging evidence and highlight promising areas for investigation. This brief outlines key findings from that evidence and potential implications with a focus on funders. Please read the distributed full report and a more detailed analysis of the roles various CSOs play to foster equitable and accountable tax administration.

PROCESS AND METHODOLOGY

The goal of this evidence review is to provide a broad overview of the evidence on CSOs role in tax administration. IDinsight took a comprehensive approach to this review, developing a systems map of the tax administration ecosystem, identifying possible points of entry for CSOs in that system, reviewing both scholarly contributions, project reports, and grey literature related to each of these entry points, and supplementing this review with a small number of stakeholder interviews.

FINDINGS FROM THE EVIDENCE SYNTHESIS

CSOs are operating in a complex political economy around tax administration, engaging with both state actors, such as Revenue Authorities, parliament, and the judicial system, as well as other non-state actors such as citizens, businesses, and the media. We characterize CSOs potential points of entry along four major roles: 1) Fostering transparency and taxpayer awareness, 2) Mobilizing taxpayers, 3) Facilitating taxpayer participation, 4) Engaging with state actors.

Overall, the evidence on each of these "points of entry" is weak and mostly rests on case studies and anecdotal evidence. To date, stakeholders have a limited understanding of the contribution CSOs can make to change in often complex revenue systems.

CSOs are well positioned to foster transparency and raise the – in many contexts low – awareness of taxpayers, in theory. However, only a few examples of CSOs engaging in these roles exist in practice.

¹ Addis Tax Initiative, ATI Declaration 2025.

We find some examples of CSOs successfully mobilizing taxpayers to engage on topics of tax policy reform and fewer examples specific to tax administration. Working through a diverse CSO coalitions and leveraging existing citizen fora emerge as key contributors to successful mobilization.

The evidence on CSOs facilitating citizen participation, especially through tax bargaining is weak. CSOs potential to create safe and inclusive spaces for interaction though, emerges as a key opportunity in encouraging participation.

Finally, the evidence on CSOs engaging with state actors to influence tax administration (reform) is scarce. That said, we find CSOs to pursue multiple approaches - including both collaborative and confrontational strategies - when engaging state actors to influence tax policy reform.

CONSIDERATIONS FOR FUNDERS

For funders looking to support civil society organizations to work towards increased accountability in domestic tax policy implementation, the evidence points to these considerations:

Civil society organizations may require higher than traditional levels of flexibility. This enables them to react effectively to narrow windows of political opportunity. In experimenting with novel strategies, including public interest litigation, it may be more difficult for CSOs to predict when, and to what extent, resources may be required.

CSOs working within effective coalitions can be a critical component to success. Ongoing or new coalitions may be a better investment than one-off campaigns. In addition, ensuring that coalitions are - and remain - unified in purpose is particularly important given that partners forming a coalition may have different agendas for achieving equity.

Expand the scarce evidence base to better understand how CSO's can help change highly complex systems. Rigorous micro-studies may only provide compelling answers to a subset of systems-level questions. Using a wider variety of research methods, such as process tracing, will provide a more systematic understanding of CSOs contribution.

Fostering accountable tax systems may take a decade or more. This timeline may be in tension with shorter, project-based financial support. Funders can consider ways to support local CSOs on their path to long-term, diversified, and flexible funding.

CSOs may be inhibited from engaging in domestic accountability activities due to the inherent political risks involved in holding governments accountable. By working to deeply understanding these risks, funders can uncover learnings from CSO engagements in budgetary processes to help them work effectively in the tax space.

POINTS OF REFLECTION

Scope of Strategy	Type of CSO Grantees	Type of Grantmaking
Consider the tax administration ecosystem when developing a strategy (including both CSO and government capacity).	Consider whether CSO coalitions possess the 'right' balance set of skills, including among others experience in tax, connections to government and communities.	Ongoing/new coalitions may be stronger investments vs. one-off campaigns. Assess whether CSOs are adversarial or collaborative with government.