



## **Goodwill Message at the 3<sup>rd</sup> Technical Meeting of the IGR Dashboard Desk Officers of States**

I welcome you all to the 3<sup>rd</sup> meeting of the IGR Dashboard Desk Officers of States

This meeting has been put together by the Nigeria Governors' Forum Secretariat to review tax reform activities in the last year; discuss major lessons from the IGR Dashboard; and share insights on the impact of the COVID-19 pandemic on the tax environment of States. We will also take some time to discuss the tax outlook for 2021.

We created the Dashboard 3 years ago to track tax reforms across States in relation to their revenue performances, and to distil practical lessons that will help all States scale up reform gains so that no State is left behind.

In addition to our work with the Executive Chairmen of the Internal Revenue Service of States and the FCT as well as the Joint Tax Board, our engagement with Dashboard Desk Officers has helped us maintain the institutionalisation of our work, knowing that the Chairmen are generally political appointees who operate on a tenured basis.

It started with a training exercise two years ago, the launch of the IGR Dashboard Guide and the nomination of Desk Officers, which is an ongoing exercise. This is an important role in the broader context of our engagement with your State governors to drive strong political participation in tax reforms.

Literally all States have taken advantage of this platform and the technical assistance we provide. Both our IGR Dashboard and HelpDesk programmes remain accessible to all states at zero cost. We will continue to provide a level-playing field for all States to utilize the opportunities these programmes provide – including providing opportunities to learn from States that have implemented reforms that have led to positive outcomes.

As we continue to maintain this line of work, we recognize the impact of the COVID-19 pandemic which has given way for greater economic and social concerns in the country.

As the impact of the COVID-19 pandemic prolongs, governments at both the national and sub-national level have suffered a revenue shortfall from the fall in oil price and contraction in the tax base owing to lockdown and social distancing measures. Over the last 9 months following

the first recorded COVID-19 case in February, governments have been compelled to increase public spending to mitigate the impact of the pandemic, by setting-up testing and treatment centres from scratch and implementing targeted responses in public health, security, public works, social safety and other stimulus-targeted interventions, including tax relief for individual taxpayers and businesses.

In April 2020, we developed a COVID-19 tax advisory to help States maintain some level of revenue sustainably, improve business confidence, and protect the tax community during the period. Amidst these actions, the fiscal social contract between governments and citizens remains a challenge; hence the reason for rising social tensions across the country. It is up to some of you in this hall to support a more sensible response that is driven by good data.

Unlike economic data which experience lags, tax information provide real time information about the impact of the pandemic that can be analysed daily. The impact of the government's new interventionist approach may not be easily measured in the short run, but tax trends and composition provide useful information about the cost on the society and direction on counter measures required to steer the economy into recovery.

How can we improve citizens trust for the government through taxes? This is an important question I leave to you today.

I encourage you to participate fully in this meeting and the use of the Dashboard. The discussions from our team will help you build a report and a roadmap for your management to help your States address common challenges associated with taxation in the country – including issues related to the multiplicity of taxes, double taxation and the absence of a fiscal social contract.

Raising and maintaining this performance is still feasible given the high revenue potential of States still untapped. We are ready to support you by bringing together evidence from all states, developing tax guides and templates to help strengthen the domestication of reforms, and creating platforms for peer learning.

I wish you all a fruitful deliberation.

Asishana Okauru Esq.

Director General

**Monday 16<sup>th</sup> November 2020**