

Financing Local Governments in Africa

AGADIR – MAROC

February 9th – 11th 2009

The Seminar objectives :

In many countries, decentralization represents a strategic stake of development, allowing the implementation of a management level likely to offer a better access to goods and services according to the needs of populations.

As a consequence, the mobilization of local resources secures local governments financial autonomy by providing steadier income than earnings transfers or subsidies and enables a better expenditure management.

Though, as appropriate local resources are comparatively weak and are not always sufficient to reach public needs, many African countries are facing major problems.

A study was conducted from 2006 to 2008, on French Ministry of Foreign and European Affairs' initiative and under its protection, to suggest efficient recommendations towards best procedures in local tax system, to States involved in a decentralization process and which institutions allow local governments functioning.

This study was conducted by a joint team of Academics from the Centre for Studies and Research on International Development (CERDI) and of experts from French Public Finance General Directorate (DGFIP), under the leadership of Mr Gérard CHAMBAS, researcher in the National Centre for Scientific Research (CNRS) and CERDI. Comparative studies were lead on the basis of existing documentation and missions carried out in five countries (Benin, Cameroon, Ghana, Mali and Mauritania).

This study lead to a provisional report delivered in Octobre 2008.

The objective of this seminar, organised by the Centre for Meetings and Studies of Tax Authorities Managers (CREDAF) and the International Association of Treasury Services (AIST), is to allow, prior to any conclusion, discussions among partners interested in the provisional report main orientations to ensure the accuracy and coherence of the advocated measures as well as their adequacy to local issues in the countries involved.

This seminar will gather Tax Authorities and Public Accounting Managers from CREDAF and AIST members and representatives from local governments of the 5 countries involved in the study, in addition to representatives from French Ministry of Foreign and European Affairs, French Public Finance General Directorate experts and the team in charge of the study.

This event constitutes an opportunity to wonder about the significance of earnings produced by residence, property and business taxes and to study the requirements for a managing structure likely to meet local needs.

It will allow the attendees to discuss non fiscal earnings and transfers from Central State as well as to study the efficiency of current managing and accounting systems and finally to look for improvements.

Workshops on 4 pre-established themes (specific notes will be shortly sent), as well as discussions in plenary sessions, will allow exchanges on all the above-mentioned topics, in order to validate the study result.