

MANAGING THE SHADOW ECONOMY

PROPOSED DATES: October 6 – 10, 2025.

TARGET GROUP | Officials from revenue administrations and ministries of finance who work with different aspects of the shadow economy.

DESCRIPTION | In most countries, tax revenue lost because of the shadow economy represents a very significant component of the total tax gap. The shadow economy represents an endemic tax compliance risk in all countries and requires long-term targeted compliance risk management strategies which should target the underlying causes of non-compliance and comprise an appropriate mix of education, assistance, encouragement, and enforcement activities.

This 5-day workshop, based on the FAD Technical Note “Managing the Shadow Economy” addresses a range of issues related to managing shadow economy. Participants will be trained on the essential elements for effectively managing the shadow economy. Questions such as what the size of the shadow economy is, how it is calculated, what actions should revenue agencies take to manage the shadow economy and what the most recent initiatives to manage the shadow economy will be touched upon. Some of the central strategies to combat the shadow economy, such as to reduce community tolerance of the shadow economy, encourage self-regulation and how to demonstrate a visible and credible detection and enforcement capability will be discussed. The workshop consists of expert presentations, group work and country presentations on specific issues relating to managing the shadow economy. Participants are expected to actively contribute to presentations on country practices and exercises, with peer learning being a fundamental element of the workshop.

OBJECTIVES | Upon completion of this workshop, participants should be able to:

- Identify key approaches for an effective management of the shadow economy
- Formulate elements for a program on shadow economy.

LANGUAGE | The workshop will be delivered in English language, proficiency in English is highly recommended.