

## Tax lobby launches tool to fight illicit flows

The Tax Justice Network Africa (TJNA) in collaboration with the African Union Commission (AUC), Department for Economic Development, Trade, Tourism, and Industry, have commenced the validation of its Anti-Illicit Financial Flows (IFFs) policy tracker tool.

The policy tracker, developed by TJNA, draws upon the recommendations of various reports that have extensively documented procedures required to combat IFFs, including the High-Level Panel on Illicit Financial Flows from Africa (commonly known as the Mbeki Panel report) and recent reports like the High-Level Panel on International Financial

Accountability and Transparency (FACTI Panel).

As outlined in the 2020 Economic Development in Africa Report published by the UN Conference on Trade and Development (UNCTAD), Africa experiences an annual loss of approximately \$88.6 billion, equivalent to 3.7 per cent of its gross domestic product (GDP), due to illicit financial flows. Moreover, the FACTI Panel's February 2021 report highlights the impact of IFFs on sustainable development, depleting vital resources for sustainable growth.

This validation meeting aims to ensure that the tracker tool meets the criteria and helps African countries to influence policy decisions,

inform financial governance, and, ultimately, contribute to economic growth, social development, and financial stability across Africa and beyond.

Key stakeholders in the field of taxation, pan-African institutions working on illicit financial flows, experts from the AU Member States, TJNA network members, policymakers and civil society organisations will be present to further, refine and propose viable recommendations to strengthen the methodology and tool for the anti-IFFs tracker.

Francis Kairu, Policy Officer at TJNA notes that having an anti-IFFs policy tracker tool is paramount for African countries as it empowers

governments to effectively monitor and combat illicit financial flows, safeguarding their economies, promoting transparency, and ensuring that valuable resources are channeled towards sustainable development and the welfare of their citizens.

"This validation is a representation of the steps that TJNA is taking towards rolling out the policy tracker tool in Africa. It will play a pivotal role in curbing the flow of illicit funds, ensuring that African nations can harness their resources for sustainable development and inclusive growth by closely monitoring the implementation of national-level policies," noted Kairu.

The validation meeting objectives

include reviewing of parameters for alignment of national and regional policies with the anti-IFFs tracker tool, Reviewing the policy indicators to measure the success in implementing the tool and strategy at national, regional and continental levels and Scrutinise the accuracy and comprehensiveness of the data collected by the policy tracker tool.

The Committee will also strategise how best to integrate the tool into national and continental policies, and enforcement mechanisms as well as develop clear roadmap with timeframes for undertaking alignment at national and regional levels. **[Gerard Nyete]**