

INFORMATION & COMMUNICATION DIRECTORATE

Press Release No:/2024

Date: 26 June 2024

Venue: Tunis, Tunisia

Commissioner Muchanga calls for action on Illicit Financial Flows



[Aspiration 1 of Africa's continental development blueprint Agenda 2063](#) emphasizes the critical goal for the continent to achieve prosperity based on inclusive growth and sustainable development. Central to this aspiration is self-financing of Africa's development efforts and the imperative to eliminate illicit capital outflows.

Against this backdrop, the Department of Economic Development, Trade, Tourism, Industry and Minerals (ETTİM) of the African Union Commission (AUC) in association with the Government of the Republic of Tunisia is hosting the Seminar on Pan-African Conference On Illicit Financial Flows (IFFs) and Taxation from 26-28 June 2024.

On behalf of H. E Mr. Moussa Faki Mahamat, the Chairperson of the AU Commission, H.E. Excellency Ambassador Albert M. Muchanga, African Union Commissioner for Economic Development, Trade, Tourism, Industry and Minerals, stressed the importance of going beyond debates to concrete measures.

He gave an overview of challenges facing the continent: unsustainable debt, declining official development flows, low foreign direct investment due to perceived risks, disrupted global supply chains, and emerging geopolitics; Africa's low tax collection as a percentage of the Gross domestic product (GDP) compared to global standards, and briefed the participants about actions and initiatives taken by the African Union, specifically; the establishment of and partnerships with the African Tax Administration Forum (ATAF), the Tax Justice Network Africa (TJNA) and collaboration with UN Trade and Development (UNCTAD) on Automated System for Customs Data (ASYCUDA); partnership with UN Office of the Special Advisor on Africa to form African Alliance on Domestic Resource Mobilization; and policy efforts through

specialized committees to align tax policies, expand tax bases, and strengthen tax administration. “The issue of domestic resource mobilization is becoming increasingly important in this current environment of unsustainable debt levels, decline of official development flows in real terms, low foreign direct investment flows to Africa on account of perceived high risks, disruption of global supply chains; and, among others, emerging geopolitics. In this environment, we must develop capacities to increase tax collection as a percentage share of Africa’s Gross Domestic Product, which is the lowest in the world,” said Ambassador Albert M. Muchanga.

The AU Commissioner concluded by highlighting the urgency, strategies, and collaborative efforts necessary to combat illicit financial flows from Africa effectively.

H.E. Mr. Nabil Ammar, Minister for Foreign Affairs, Migration and Tunisians Abroad of the Republic of Tunisia highlighted several critical points regarding the international community’s role in addressing illicit financial flows and supporting Africa’s development efforts.

The Minister underscored the political dimension of the conference’s theme, stressing that combating illicit financial flows requires sincere political commitment from the international community. He called on countries and governments to demonstrate their genuine intention to support Africa’s development by actively participating in these efforts. He highlighted Tunisia’s diplomatic efforts in developing national legislation, strengthening mechanisms for asset recovery, and collaborating with regional and international organizations. These efforts aim to trace, freeze, and confiscate looted assets across borders effectively.

Finally, the Minister reiterated Tunisia’s call for a reform of the international financial system and its structures to reduce the liquidity of illicit funds. He highlighted how criminal financial activities undermine African countries’ ability to mobilize resources for sustainable development and weaken their institutions, rule of law, judiciary, and governance systems through corruption and bribery.

For further information, please contact:

Ms. Luckystar Miyandazi | Tax and Domestic Resource Mobilisation Advisor | Department for Economic Development, Trade, Tourism, Industry and Minerals, African Union Commission | Tel: +251 991164784 | E-mail: MiyandaziL@africa-union.org

Mr. Gamal Eldin Ahmed A. Karrar | Senior Communication Officer | Information and Communication Directorate (ICD), African Union Commission | E-mail: GamalK@africa-union.org

Information and Communication Directorate | African Union Commission | E-mail: DIC@africa-union.org |
Website: <http://www.au.int> | Addis Ababa | Ethiopia | Follow Us: [Facebook](#) | [Twitter](#) | [Instagram](#) | [YouTube](#) |