

---

## OPENING REMARKS

BY

THE ATAF EXECUTIVE SECRETARY – MS MARY BAINE

5<sup>TH</sup> AFRICAN UNION STC SUBCOMMITTEE ON TAX AND ILLICIT FINANCIAL FLOWS

31 March 2023  
Abuja, Nigeria

His Excellency Adebayo Olawale Edun, Minister of Finance and Coordinating Minister of the Economy, Federal Republic of Nigeria.

His Excellency, Prof Taiwo Oyedele, Minister of State, Finance, Federal Republic of Nigeria. Her Excellency, Commissioner for Economic Development, Trade, Tourism, Industry, and Minerals, Madam Francisca Belobe

Executive Chairman of the Nigeria Revenue Service and Member of the ATAF Council, Dr Zacch Adedeji

Executive Director of the Tax Justice Network Africa – Madam Chennai Mukumba  
Heads of African revenue administrations

Heads of African multilateral organisations

Member countries

Ladies and gentlemen

1. Good morning! It is indeed a pleasure to meet once more to discuss, assess, plan and execute what is a critical area of Africa's development, taxation. I first want to thank the Federal Republic of Nigeria for the warm welcome to the capital. I would further like to express my gratitude to the African Union Commission for convening this important meeting. This meeting could not have come at a more opportune moment, considering the economic outlook painted by some economists amid the war in the Middle East. It will be another test for Africa's resilience during shifting global geopolitics, much like during the reset of Covid-19 presented to African economies.
2. Our theme, "Building the Africa We Want Through Tax and Fiscal Policy Reforms to Support Economic Growth and Domestic Resource Mobilisation". Across our continent, governments face rising development needs, tightening fiscal space, and a global economy in constant flux. At the same time, we have a powerful continental blueprint in Agenda 2063. The core message of this theme is clear: Africa's aspirations will only be realised if we can finance them ourselves, through robust, fair, and efficient tax and fiscal systems.
3. African oil-exporting states stand to gain short-term windfalls in hydrocarbon revenues, but these may be offset by recession risks in key markets, higher war-risk premia, and financing stress, while oil-importing economies face deteriorating terms of trade, higher subsidy bills, and renewed food and transport

inflation. It will test the projection for the economic growth forecasted for 2026. The early indications are that African countries will have to rely more on revenue collection and closing the loopholes, such as illicit financial flows.

4. Africa's tax performance in 2025 showed gradual but uneven progress, with tax-to-GDP ratios continuing a multi-year upward trend yet still lagging behind other regions. The African Economic Outlook 2025 projects real GDP growth rising from 3.3% in 2024 to 3.9% in 2025, and for this year, to edge past the 4% mark. This is a good mark for our efforts and certainly for the sustained technical assistance, policy design and implementation.
5. The latest Revenue Statistics in Africa indicate that average tax-to-GDP ratios in participating countries have inched up on the back of stronger corporate income tax and VAT collections, with around two-thirds of countries recording increases in tax revenues as a share of GDP. A majority of African countries recorded higher tax-to-GDP ratios over this period, with 24 countries seeing increases and only 13 experiencing declines or stagnation, indicating broad-based revenue strengthening before 2024–2025.
6. Excellencies, I would like to point out that our deliberations here are deeply connected to the evolving landscape of global tax cooperation. Recent changes to the Global Minimum Tax, including the OECD's Side-by-Side package, have raised important questions for Africa about the viability of implementing a complex set of rules and the durability of the 15% floor. This further exacerbates the risk that taxing rights over profits generated on our continent may be ceded to other jurisdictions. While simplification and safe harbours can ease compliance, Africa has consistently underlined that any adjustments to the global minimum tax must not weaken our ability to protect our tax bases, nor reward aggressive tax competition through overly generous treatment of certain incentives.
7. In parallel, the United Nations Framework Convention on International Tax Cooperation—driven in large part by African leadership—offers a historic opportunity to embed fairness, transparency and inclusiveness at the heart of global rule-making. The emerging work on the first two protocols, expected to address issues such as tax transparency, harmful tax practices and the taxation of cross-border services, will be critical for our continent. Africa's position is clear: the convention and its protocols must expand, not dilute, source-country taxing rights; provide accessible, capacity-sensitive mechanisms for dispute prevention and resolution; and ensure that the voices of developing countries are fully reflected in both the design and implementation of international tax rules.
8. I am pleased to report that collaboratively, we have worked with the Africa Group at the United Nations and submitted over 11 different written submissions in the design of the new rules. Our partnership has allowed us to brief experts and remain aligned on our positioning in areas such as gross-basis taxation for Workstream 2 and the exclusion of mandatory binding arbitration for Workstream 3. We must remain focused on this level of coordination and alignment as we head into the rest of the negotiations. Furthermore, as a continent, all countries must remain focused

on participating in the discussions and the briefing provided by our collaboration. As such, our efforts to research and collect data to better equip our negotiators are underway with Tax Justice Network Africa.

9. The STC Recommendations have provided a guide to mobilising our efforts to combat IFFs and improve taxation across the continent. At ATAF, we are supporting countries through a broader, more integrated approach. This includes:
  - a) *Combating Illicit Financial Flows (IFFs)*: ATAF's work in strengthening audit capacity, enhancing cross-border investigations, and expanding the automatic exchange of information and the use of the IFF policy tracker developed with partners AUC and TJNA to identify and plug the IFFs gaps. Our efforts to build robust legal and administrative frameworks are steadily increasing. We are on track for the Republics of Angola and Zimbabwe to ratify the African Agreement on Mutual Assistance in Tax Matters within the next few weeks.
  - b) *Increasing Overall Revenue through Targeted Assistance*: Effective tax policy and administration are the bedrock of a well-funded state. ATAF's Rapid Response Unit and our tailored Technical Assistance (TA) programs provide direct, practical support to members, leading to tangible increases in revenue collection. In 2025, ATAF-supported interventions generated USD 907.8 million in new tax assessments, while USD 685.8 million was successfully collected. Over the past 9 years, cumulative assessments have reached USD 6.0 billion, with USD 2.8 billion collected. We continue to invest in the capacity of our tax administrations, which yields high returns, creating a larger divisible pool of resources that can be allocated to national priorities. In 2025, we reached 2,433 officials trained in various technical subjects, including auditing, transfer pricing, and exchange of information.
  - c) *Shaping Global Tax Rules for Africa's Benefit*: Continuous engagement with partners, AUC, TJNA and UNECA remains critical in ensuring a clear and sustainable African position in the UN Framework Convention while keeping track of the developments at the OECD. This year, we have also worked with the African Union to submit 3 sets of written comments to the United Nations and have commenced developing the Protocol on Dispute Settlement and Prevention, showcasing our combined strengths to ensure active participation and proactive engagement. We continue to factor in technical positions in the OECD and have submitted written commentary on simplification and de-minimis thresholds related to the Global Minimum Tax.
10. Our commitment to the work of the STC is to ensure that we disseminate the tools developed to all corners of the continent. It is equally important to ensure that technical experts develop the right policy tools for members to adopt. It is my pleasure to inform you that ATAF has immediately implemented one of the resolutions from last year's STC on Finance, Monetary Affairs, Economic Planning and Integration, and has the members of the ATAF Joint Technical Committee here with us to contribute to the discussions and inform us of developments across the critical tax types in Africa.

---

11. ATAF remains fully committed to supporting this agenda. We will continue to provide technical assistance, capacity building, and practical guidance to our member countries, and work hand in hand with the African Union and our partners to ensure that continental strategies are translated into tangible gains on the ground. Our shared objective is simple but demanding: to ensure that Africa's tax systems can finance our development priorities, protect our tax bases, and give substance to the vision of Agenda 2063.

12. In closing, let me underline that “the Africa we want” will not be built for us; it will be built by us—by the decisions we take in meetings like this, by the reforms we implement at home, and by the solidarity we show each other as African institutions and administrations. I am confident that this 5th STC Sub-Committee session will move us decisively in that direction.

I thank you, and I wish you productive and results-oriented deliberations.

**Web:** [au.int](http://au.int) | Addis Ababa, Ethiopia | **Follow Us:** [Facebook](#) | [Twitter](#) | [Instagram](#) | [YouTube](#)