



Opening Remarks

Ms. Cristina Duarte
Under-Secretary-General and Special Adviser on Africa

High-level Meeting

“AU Silencing the Guns initiative - the role of illicit financial flows in fuelling instability in Africa”

Thursday, 10 December 2020
8:30 am – 11:30 am (New York time)
Virtual Event (Interprefy)

Dear DSG Amina Mohamed

Dear Ambassador of the AU POM, Fatima Mahomed

Excellencies,

Distinguished delegates, ladies and gentlemen,

It is my great pleasure to welcome you all to our High-level Meeting on Silencing the Guns: the role of illicit financial flows in fuelling instability on the continent. As we all know, Silence the Guns is the African Union Theme for 2020.

At the outset, I wish to express my deeply appreciation for the collaboration and commitment of our co-organizers, namely the African Union Observer Mission to the United Nations, as well as our two partners: the Permanent Mission of South Africa - the current Chair of the African Union - and the Permanent Mission of Nigeria – the AU Champion for the fight against corruption.

I would also like to acknowledge the decision by African leaders, at the extraordinary Summit of the African Union this past Sunday, to extend the implementation of the Lusaka Roadmap on Silencing the Guns in Africa for 10 years (2021-2030) and to institute periodic reviews every two years.

The theme of our event today is extremely timely. The health and socio-economic fallouts of the COVID-19 pandemic have disrupted development plans and strained African governments' capacity to ensure access to services and improve livelihoods. They have also put at risk the hard-won development gains achieved over the past two decades.

While the world is pursuing a sustainable recovery under the Secretary-General's call to "build back better", it's both a development necessity and moral obligation to ensure that Africa can make use of all its capabilities and resources to ensure that the recovery is sustainable, genuine and inclusive. A recovery that delivers for the most vulnerable and helps reverse the upward trend in poverty levels so the promise of leaving no one behind can be truly realized and fulfilled.

Unfortunately, the economic crisis triggered by the COVID-19 pandemic will further exacerbate the pre-existing gaps in the implementation and funding of Africa's development needs to achieve the Sustainable Development Goals during the Decade of Action. And let me underscore once again that, without Africa, the world will not succeed in the implementation of Agenda 2030.

Against this background, illicit financial flows constitute a constant drainage of a significant portion of African resources and assets. Bold and urgent measures are required to stem capital flight and allow African countries to fund the post-COVID-19 reconstruction.

Ladies and gentlemen,

Our objectives are well defined, and our path is clear. The Addis Ababa Action Agenda underscored the importance of taking measures to combat corruption and curb illicit financial flows (para 18), and redouble efforts to substantially reduce illicit financial flows by 2030, with a view to eventually eliminating them, including by combating tax evasion and corruption (para 23); as well as eliminate safe havens that create incentives for transfer abroad of stolen assets and illicit financial flows and strengthen international cooperation and national institutions to combat money-laundering and financing of terrorism (para 25).

Similarly, in the 2030 Agenda for Sustainable Development, world leaders committed to significantly reduce by 2030 illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime (SDG 16.4) and strengthen domestic resource mobilization, including through international support to developing countries, to improve domestic capacity for tax and other revenue collection (SDG 17.1).

Accordingly, while the goals are there, it's the political will and capacity for implementation that is often lacking, particularly with respect to advancing international cooperation in critical areas such as regulations in the financial sector, tax regimes, combating organized crime, money laundering, financing of terrorist activities, strengthening public institutions and national data systems, and cross-national responses.

Ladies and gentlemen,

The estimated \$ 88 billion that Africa loses annually in illicit financial flows is not just a figure. It should be looked at through the lenses of missed development opportunities, lost livelihoods and increased poverty. Let's imagine the millions of people that could have been lifted out of poverty; the enormous number of job opportunities that could have been created for Africa's burgeoning youth population; the thousands of hospitals and schools that could have been built; and how these all could translate into strengthening the stability and cohesion of our societies and communities.

Certainly, stemming illicit financial flows is not the only answer to all of Africa's peace, security and development challenges, but it is a necessary step in the right direction. International partners cannot continue pledging to provide "development aid" to Africa, while the continent is deprived of a significant volume of its resources that surpasses ODA and nearly equals the amount of ODA and FDI inflows combined.

Ladies and gentlemen,

I am pleased that OSAA is contributing to the global debate around this important topic. Today's meeting, which provides a space for governments and regional organizations to discuss this theme, is the second meeting organized this week by OSAA on this topic. It was preceded by a roundtable meeting held on Tuesday with academic experts and practitioners that focused on the impact of illicit financial flows on the peace and security situation in the Sahel Region. During that roundtable, experts noted that the causal relationship of illicit financial flows with conflict exists in both directions - IFFs can be a factor in the creation of crises on the conflict, while at the same time IFFs can also be induced by those crises. Clearly, the conflict-IFFs relationship is complex and one that will be explored more closely today.

I am confident that today's event will build on and contribute to the new impetus that the fair and just cause of strengthening international cooperation to stem illicit financial flows has received over the past few months, including through the work of the High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda (FACTI Panel) and by other entities in the UN system, including UNCTAD, ECA, UNODC and DESA, as well as through the contribution of the High-Level Panel of former President Mbeki.

I look forward to hearing the perspectives of our panellists and participants on this important topic and hope that our meeting today will

contribute to strengthening international cooperation to tackle the challenge of illicit financial flows and help ensure a life of dignity and prosperity for all.

Thank you.
