

Published By



Contact

Economic Commission for Africa P.O. Box 3001 Addis Ababa, Ethiopia Tel: +251 11 544-9900

Fax: +251 11 551-4416 E-mail: ecainfo@uneca.org

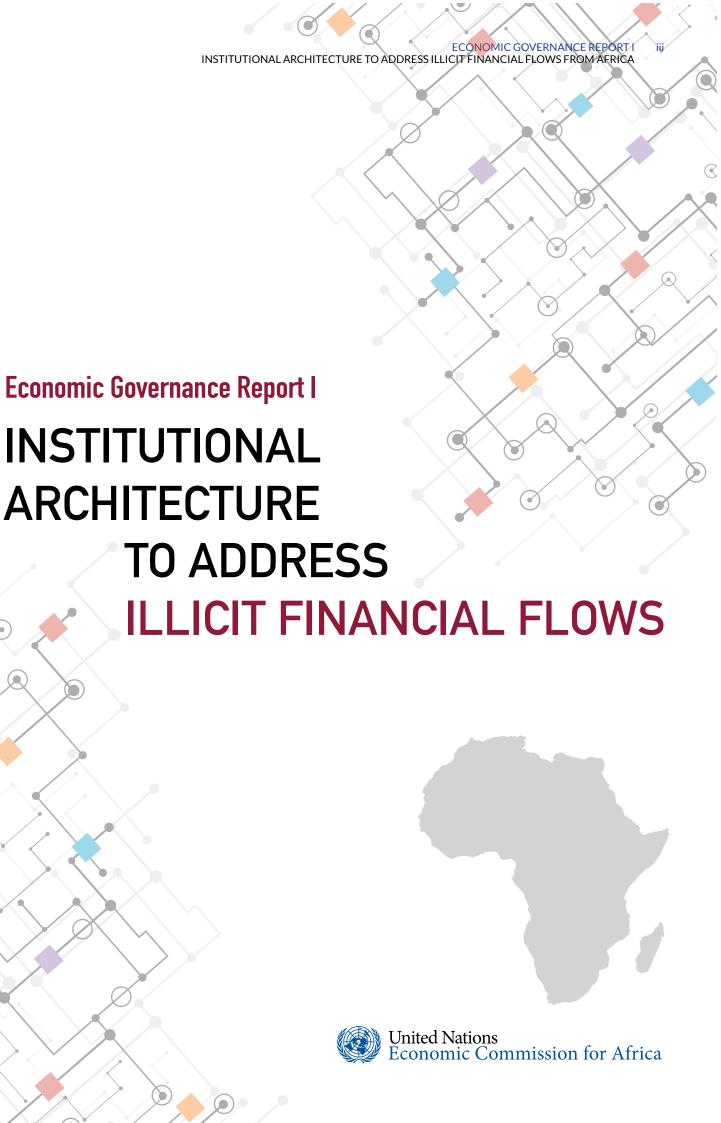
Web: www.uneca.org

©2021

Design

Dilucidar - www.dilucidar.com

UNITED NATIONS ECONOMIC COMMISSION FOR AFRICA, ADDIS ABABA, ETHIOPIA, All rights reserved



Contents

Abbreviations Foreword Acknowledgements		viii	
		xi i	
Acknov	Acknowledgements		
Executi	ive Summary	XV	
Ins	stitutions and illicit financial flows	xvi	
Tax	x-motivated illicit financial flows	xvii	
Tra	ade mis-invoicing	xix	
Illi	cit financial flows through the financial system	XX	
An	nti-corruption measures	xxi	
CHAPT Framew	ER 1: Illicit Financial Flows and Africa's Institutional Architecture: The Conceptual vork	1	
Со	ontext	2	
Pre	evious work	5	
Ok	ojectives of the economic governance report	5	
Me	ethodology	6	
Tax	xonomy of illicit financial flows and the institutional architecture	7	
An	nalytical framework for illicit financial flows in an institutional context	13	
Str	ructure of the report	19	
Re	eferences	20	
СНАРТ	ER 2: Tax Avoidance and Tax Evasion by Multinational Enterprises	23	
Ke	ey messages	24	
Tax	xonomy of tax-motivated illicit financial flows in Africa	24	
Ins	stitutional arrangements for addressing tax avoidance and tax evasion	30	
Re	egional and international cooperation for addressing tax-motivated illicit financial flows	33	
Со	onclusion and policy recommendations	40	
Re	eferences	48	

CHAPTER 3: Institutional Architecture for Addressing Trade Mis-Invoicing	51
Key messages	52
Incidence of trade-based illicit financial flows in Africa	53
Taxonomy of trade-based illicit financial flows in Africa	55
Institutions for addressing trade-based illicit financial flows	57
Trade-focused cooperative arrangements for addressing illicit financial flows	63
Conclusions and policy recommendations	73
References	79
CHAPTER 4: National Financial System Architecture to Address Illicit Financial Flows	83
Key messages	84
African financial systems: structure, institutions and functions	85
How the financial system aids illicit financial flows	88
Combatting money laundering and illicit financial flows through the financial system	99
Summary and conclusion	109
Recommendations	109
References	112
CHAPTER 5: Anti-Corruption Measures to Curb Illicit Financial Flows	
Key messages	116
International anti-corruption frameworks and instruments	119
Anti-corruption instruments relating to natural resources	126
Case study country laws and standards for fighting against corruption and illicit financial flows	129
National and local anti-corruption enforcement agencies in case study countries	130
Improving the implementation of anti-corruption measures to curtail illicit financial flows	132
Data and measurement issues	133
Conclusion and recommendations	134
References	140
CHAPTER 6: Conclusions and Policy Recommendations	143
Institutional architecture for addressing illicit financial flows from Africa	144
Tax avoidance and tax evasion	145
Curbing trade-related illicit financial flows	145
Curbing illicit financial flows through the financial system	146
Anti-corruption measures in addressing illicit financial flows	147
Conclusion	148

Boxes

	Box 2.1. Foreign direct investment round-tripping in India and Mauritius	27
	Box 2.2. Tanzania's tussle with asset recovery	29
	Box 2.3. Tanzania's experience with multinational enterprise illicit financial flows	32
	Box 3.1. Anatomy of the four pathways of trade mis-invoicing	55
	Box table 1. Motives behind trade-based illicit financial flows through trade mis-invoicing	55
	Box 3.2. GFTrade tool	63
	Box 3.3. Risk management in United Republic of Tanzania	67
	Box 3.4. The role of customs integrity measures in addressing trade mis-invoicing	69
	Box 3.5. Customs risk assessment	70
Table	es	
	Table 1.1. Illicit financial flows: Motivations, manipulations and channels	11
	Table 1.2. Tracking illicit financial flows through trade	13
	Table 1.3. Main types and common purposes of trade mis-invoicing	13
	Table 1.4. Examples of banking features used for illicit transfer of funds	14
	Table 1.5. Financial secrecy indicators	17
	Table 2.1. Institutional architecture for combatting tax-motivated illicit financial flows	30
	Table 2.2. Implementation of Base Erosion and Profit Shifting Action 13, by country, end-2018	34
	Table 2.3. African countries' progress in joining the Multilateral Convention, February 2019	36
	Table 2.4. Commitments of African countries towards Automatic Exchange of Information (AEOI), January 2020	36
	Table 2.5 Transfer pricing legislation and large taxpayer units in African countries, December 2019	38
	Table A2.1. African countries' institutional arrangements and legal frameworks for curbing tax avoidance and tax evasion	42
	Table 3.1. African countries engagement in transparency initiatives	59
	Table A3.1. Institutional architecture for addressing trade mis-invoicing in Africa, by country	76
	Table 4.1. Use of mobile money, select countries, 2019	87
	Table 4.2. Banking features used for illicit financial flows	88
	Table 4.3. Digital technologies and illicit financial flows	95
	$Table\ 4.4.\ Digital\ technology\ contributions\ to\ preventing, investigating\ and\ detecting\ illicit\ financial\ flows$	96
	Table 4.5. Membership of the Financial Action Task Force and its regional bodies	107
	Table A4.1. Institutional architecture to address illicit financial flows through the financial system, by country	110
	Table 5.1. Anti-corruption measures and their scope	121
	Table 5.2. Illicit financial flow risk analysis data. 2008–2018	133

Figures

Figure 1.1. Africa's total revenue as a share of GDP	3
Figure 1.2. Illicit financial flow-induced tax losses as a percentage of total tax	4
Figure 1.3. Elements contributing to global illicit financial outflows	7
Figure 1.4. The vicious cycle of illicit financial flows and weak institutions	8
Figure 1.5. The institutional architecture for illicit financial flows	9
Figure 1.6. Interactions between the sources and actors of illicit financial flows	10
Figure 1.7. Illicit financial flow typology	12
Figure 1.8. Corruption–illicit financial flows interactions	16
Figure 2.1. Anatomy of tax avoidance	25
Figure 2.2. Anatomy of tax evasion	28
Figure 3.1. Average annual illicit outflows through trade mis-invoicing from selected African countries, 2000–2016	53
Figure 3.2. Average annual outflows by sector in Africa, 2000–2016	54
$Figure\ 3.3.\ Top\ destinations\ of\ outflows\ from\ African\ countries\ with\ average\ annual\ outflows,\ 2000-2016$	55
Figure 4.1. Financial development indicators: Africa and other regions, 2000–2018	86
Figure 4.2. Banks in the money laundering process	92
Figure 4.3. Three stages of professional money laundering	98
Figure 4.4. Pillars of the infrastructure for combatting illicit financial flows and money laundering	101
Figure 4.5. Elements of assessing the effectiveness of the anti-money laundering/combatting the financing of terrorism (AML/CFT) framework	104

Abbreviations

AAAA Addis Ababa Action Agenda for financing sustainable development

ABC Automatic exchange of tax information, Beneficial Owners registers, and Country by Country

reporting

ABoC Advisory Board on Corruption
ACC Anti-Corruption Commission
ACI Advanced Cargo Information
AEC African Economic Community

AEOI Automatic Exchange of Information
AEO Authorized Economic Operator

AfCFTA African Continental Free Trade Area

AGR African Governance Report

AML Anti-Money Laundering

AMU Arab Maghreb Union

APRM African Peer Review Mechanism

ARIN-EA Asset Recovery Network -East Africa

ARIN-WA Asset Recovery Network -West Africa

ARIN -SA Asset Recovery Network -Southern Africa

ATA ATA Carnet for the Temporary Admission of Goods [ATA Convention])

ATAF African Tax Administration Forum

ATM Automatic Teller Machines

AU African Union

AUABC African Union Advisory Board on Corruption

AUC African Union Commission

ASYCUDA Automated Systems for Customs Data

BCEAO Banque Centrale des Etats de l'Afrique de l'Ouest

BEPS Base Erosion and Profit Shifting

BPI Bribe Payers Index

预览已结束,完整报告链接和二维码如下:

https://www.yunbaogao.cn/report/index/report?reportId=5_185



