

PROCEEDINGS OF THE INTERNATIONAL CONFERENCE ON ILLICIT FINANCIAL FLOWS AND ASSET RECOVERY

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# PROCEEDINGS OF THE INTERNATIONAL CONFERENCE ON ILLICIT FINANCIAL FLOWS AND ASSET RECOVERY



INDEPENDENT CORRUPT PRACTICES AND  
OTHER RELATED OFFENCES COMMISSION (ICPC)

18th & 19th May, 2021

Supported by



# PROCEEDINGS OF THE INTERNATIONAL CONFERENCE ON ILLICIT FINANCIAL FLOWS AND ASSET RECOVERY

**Organized By**

**INDEPENDENT CORRUPT PRACTICES AND OTHER  
RELATED OFFENCES COMMISSION (ICPC)**



**In Collaboration with**

**AU-ABC and CoDA**

**Supported by**



**FORD  
FOUNDATION**

**18<sup>th</sup> & 19<sup>th</sup> May, 2021**

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The Independent Corrupt Practices and Other Related Offences Commission (ICPC) was established in 2000 by Act No.5 of year 2000. Its mandates include enforcement, prevention, public education and enlightenment.

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## FOREWORD

### TO PROCEEDINGS OF THE INTERNATIONAL CONFERENCE ON ILLICIT FINANCIAL FLOWS AND ASSET RECOVERY MAY 2021

The costs of Illicit Financial Flows to the global economy is now well documented. About \$1.6 Trillion lost, which represents 2.7% of global GDP, is lost through money laundering by criminals. While between \$500 to \$600 Billion is asported to tax havens by corporations through the base erosion, and profit shifting and money laundering. The figure was about \$20 to 40 Billion lost in bribes to public officials in developing and transitional countries. The African Union and ECA High-Level Panel on Illicit Financial Flows from Africa, also known as Mbeki Report established the pressing need for Africa to track, stop and get African asset taken out though illicit financial flows. The Mbeki Report led to the AU Special Declaration on Illicit Financial Flows in 2015. It is now widely recognized and established that in order for Africa to be free from the shackles of underdevelopment and poverty and meet the Sustainable Development Goals and Agenda 2063, domestic resource mobilization is imperative and critical and this requires curtailment of illicit financial flows from the continent. This situation has been exacerbated by COVID-19 pandemic and the non-repatriation of illicit assets taken out of Africa to foreign jurisdictions.

The virtual International Conference on Illicit Financial Flows and Asset Recovery was organized by the Independent Corrupt Practices and Other Related Offences Commission, ICPC in collaboration with the Coalition for Dialogue on Africa (CoDA) for stakeholders from within and outside Africa to discuss solutions to the bleeding of resources from Africa and to find ways for African countries to advocate at global level for the return of African assets and establishment or strengthening of national, regional and global architecture to stem illicit financial flows. The conference had sessions on the international asset recovery framework, IFFs and the development dilemma, the Common African Position on Asset Recovery, and financing for development. One of the core recommendations is the need for Africans to unite and speak with a common African voice at all regional and global conversations on IFFs' and asset recovery. The conference also recommended that fundamental to the implementation of CAPAR is continental and global awareness campaign and must be multi-dimensional, championed by stakeholders and policy-makers in partnership with AU Commission, AU-ABC and CoDA.

This publication offers the perspectives of stakeholders, resource persons and participants at the conference within Africa and from across the globe as a resource on IFFs and asset recovery.

**Professor Bolaji Owasanoye, SAN**

Chairman, ICPC

November, 2021

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AAAA	Addis-Ababa Action Agenda
AfRO	Africa Regional Office
ANEEJ	Africa Network for Environment and Economic Justice
AU-ABC	African Union Advisory Board against Corruption
AUCPCC	Africa Union Convention on Preventing and Combatting Corruption
AU-ABC	African Union Advisory Board against Corruption
BEPS	Base Erosion and Profits Shifting
CAPAR	Common African Position on Asset Recovery
CoDA	Coalition for Dialogue on Africa
CSOs	Civil Society Organizations
DRM	Domestic Resource Mobilization
ECOSOC	Economic and Social Council
ECA	Economic Commission for Africa
FACTI	Financial Accountability Transparency and Integrity
G77	GROUP of 77
HEDA	Human and Environmental Development Agenda
ICPC	Independent Corrupt Practices and Other Related Offences Commission
IFFs	Illicit Financial Flows
NACIWA	Network of Anti-Corruption in West Africa
ODA	Overseas Development Assistance
OECD	Organization for Economic Co-Operation and Development
PEP	Politically Exposed Persons
POCA	Proceeds of Crime Bill 2020
SMEs	Small and Medium Scale Enterprises
UN	United Nations
UNCAC	United Nations Convention against Corruption
UNCTAD	United Nations Conference on Trade and Development
UNODC	United Nations Office on Drugs and Crime
UNTOC	UN Convention against Transnational Organized Crime

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The Independent Corrupt Practices and Other Related Offences Commission (ICPC) and CoDA express profound appreciation and Special thanks to the Special Guest of Honour, Mrs. Zainab Shamsuna Ahmed, Hon. Minister of Finance, Budget and National Planning, Mr. Abubakar Malami, Hon. Attorney-General of the Federation and Minister of Justice, Mr. Geoffrey Onyema, Hon. Minister of Foreign Affairs, Ambassador Bankole Adeoye-AU Commissioner for Political Affairs, Peace and Security...

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**Professor Bolaji Owasanoye, SAN**

Chairman, ICPC

November, 2021



## Introduction

The International Conference on Illicit Financial Flows (IFFs) and Asset Recovery, held virtually on 18<sup>th</sup> and 19<sup>th</sup> May, 2021. The Conference was co-organized by the Independent Corrupt Practices and Other Related Offences Commission (ICPC) and the Inter-Agency Committee on Stopping IFFs from Nigeria, African Union Advisory Board on Corruption (AUABC), and the Coalition for Dialogue on Africa (CoDA). The Conference was conducted in English Language with translations in Portuguese, Arabic and French respectively.

## Opening

The Opening session commenced at 10.02 a.m. on Day-1 with the Nigerian National Anthem. Distinguished guests and participants at the Two-Day Conference include:

- **MRS. ZAINAB SHAMSUNA AHMED**, Hon. Minister of Finance, Budget and National Planning as Keynote Speaker
- **MALAM ABUBAKAR MALAMI**, SAN, Attorney-General of the Federation and Hon. Minister of Justice
- **MR. GEOFFREY ONYEAMA**, Hon. Minister of Foreign Affairs
- **AMBASSADOR BANKOLE ADEOYE**, African Union (AU) Commissioner for Political Affairs, Peace and Security
- **DR. ADEYEMI DIPEOLU**, Chairman Inter-Agency Committee on Stopping IFFs from Nigeria and Special Adviser to the President on Economic Matters
- **HON. LOUIS ANDDRIAMIFIDY**, Chairman, African Union Advisory Board against Corruption (AUABC)
- **FRANCIS BEN KAIFALA**, Commissioner, Anti-Corruption Commission of the Republic of Sierra Leone
- **MS. SOUAD ADEN OSMAN**, Coalition for Dialogue on Africa (CoDA)
- **HON. IRENE OVONJI-ODIDA**, Member, FACTI Panelist Ugandan Lawyer
- **BARRISTER JULIET IBEKAKU-NWAGWU**, Senior Adviser to the President on Justice Sector
- **SURAJ OLANREWaju**, Chairman, Human and Environmental Development Agenda (HEDA)
- **REV. DAVID UGOLOR**, Executive Director, Africa Network for Environment and Economic Justice (ANEJ)





- **PROFESSOR MELVIN AYOJU**, *Project IFFs Consultant*
- **DR. MANORA SOEKANDAN**, *CARICOM*
- **THOM TOWNSEND**, *Executive Director, Open Ownership*
- **BRIAN TAMUKA KAGORO**, *Director, Programme Support Division, Africa Regional Office (AfRO)*
- **DON DEYA**, *Chief Executive Officer, Pan African Lawyers Union (PALU)*
- **ALVIN MOSIOMA**, *Executive Director, Tax Justice Network Africa*
- **FACRE KAKPO**, *Reporter, Agence ECOFIN, Togo*

Also present were Board Members and staff of the ICPC, Civil Society Organizations (CSOs), media organizations, local, regional and international participants.

### **Welcome Remarks**

The Chairman ICPC, Professor Bolaji Owasanoye, SAN opened the Conference and welcomed distinguished guests and participants. He noted that the Commission had last year 2020; as part of the activities in commemorating ICPC's 20<sup>th</sup> Anniversary and with support from the UNODC and the African Union (AU), organized a virtual African Regional Conference on Combating Corruption and IFFs on 14<sup>th</sup> and 15<sup>th</sup> July, 2020. He made the point that ICPC's increasing focus on IFFs is a function of its mandate and the Commission's role as the Secretariat of the Inter-Agency Committee on stopping IFFs from Nigeria in the implementation of the *Thabo Mbeki Panel Report*. He mentioned that the FACTI Panel submitted its Report earlier this year and the ICPC Chairman was privileged to be a member of the Panel.

He observed that the destination of most IFFs from developing countries are rich industrialized countries in the West, but that it has now extended to Asia and the Middle East in recent times. He stressed that African countries are particularly affected by loss through IFFs thus depriving the continent of much needed resources for development and that IFFs are generally recognized as a major threat to the actualization of the SDGs Agenda 2030. He noted that Heads of State and Government and High Representatives at the Addis-Ababa Action Agenda (AAAA) in July 2015 committed to addressing the challenge of financing for development and creating an enabling environment at all levels for sustainable development. A specific action area of the AAAA Report is the role of domestic public resources in meeting SDGs. He informed the Conference that more recently, the 74<sup>th</sup> President of the UN General Assembly and the President of ECOSOC based on GA Resolution 74/206 inaugurated the High-Level Panel on International Financial Accounting, Transparency and Integrity to bring up recommendations to strengthen current efforts to combat IFFs and close



existing gap in the international system. The FACTI Panel submitted its Report earlier this year... He appreciated the Chairman, CoDA, distinguished participants, with special appreciation to the Ford Foundation for a grant in support of the ICPC project on IFFs.

### **Opening Remarks**

**AMBASSADOR (DR.) ADEYEMI DIPEOLU**, Chairman Inter-Agency Committee on Stopping IFFs from Nigeria and Special Adviser to the President on Economic Matters, welcomed all and remarked that going by its negative impact on development in addition to the governance challenges that it generates, stopping and stemming IFFs has come to the very top of the global development agenda. He noted that activities such as the Conference forms an important platform for the purposes of advocacy, tackling IFFs, imparting knowledge and sharing experiences. He noted that part of the successes achieved of the Mbeki Report is the inclusion of IFFs in the global agenda, such as, SDG Goal 16 Target 4 which calls for significant reduction in IFFs by 2030; and, incorporation of IFFs in the AAAA adopted at the Third International Conference on Financing for Development. He informed the Conference that Nigeria has established an *Inter-Agency Committee on Stopping IFFs* to, inter alia, establish cooperation amongst relevant agencies, improve coordination and exchange of information towards reduction and elimination of IFFs; and make recommendations Government on legislative, legal and administrative processes towards stemming IFFs. The Inter-Agency Committee has also undertaken a range of activities, including research to better appreciate the nature and extent of IFFs in Nigeria.

### **Goodwill Messages**

Goodwill Messages were received from the Honourable Attorney-General of the Federation and Minister Justice; Abubakar Malami (SAN), Honourable Minister of Foreign Affairs; Mr. Godfrey Onyeama as well as Ambassador Bankole Adeoye; African Union Commissioner for Political Affairs, Peace and Security. Ambassador Adeoye congratulated the ICPC and stated that the African Union remain committed to serve as institutional advocates for Asset Recovery and that the Common African Position on Asset Recovery was adopted as the latest tool for policy advocacy for combatting illicit financial flows.

### **Keynote Address**

**MRS. ZAINAB SHAMSUNA AHMED, Hon. Minister of Finance**, Budget and National Planning harped on the need to curb IFFs and ramp up domestic and international efforts on assets' recovery. She emphasized the need to check IFF, considering the fact that it erodes domestic revenues, enable corruption, divert money from public priorities and hampers government's efforts to mobilize resources. She pointed out that Nigeria and the African continent continue to suffer various forms of IFFs, corruption, organized crimes, tax evasion and other harmful tax practices. She stated that commercial activities account for



approximately 65% of IFFs across Africa. She noted that tax sharp practices are facilitated by aggressive tax avoidance and tax evasion through trade mispricing, profit shifting and the like. She stressed the importance of political will and leadership, including the need to strengthen governance structures and adopt policies that enable legitimate transactions and minimize the abuse of tax practices. She emphasized the need for countries that are main destinations for IFFs and their proceeds to take urgent steps in combating, preventing, freezing or seizing assets already in their custody in addition to repatriating same. She pointed to the need for multilateral organizations to develop specific rules and processes to prevent and manage IFFs and argued that eradication of the scourge requires sustained cooperation between Africa and multilateral organizations. The Honourable Minister advocated that Africa must take the lead in setting the agenda for tax system reformation both domestically and globally given the disproportionate impact of IFFs on the collective economic and social development of its nations. She closed her address by noting that asset recovery is critical to domestic mobilization, especially in the aftermath of COVID-19.

### **Plenary Sessions**

The Conference Plenary had a total of 4 thematic sessions (2 on Day-1 and 2 on Day-2):

Session 1/Day-1: International Asset Recovery: Milestones and Challenges

Session 2/Day-1: IFFs and the Development Dilemma

Session 1/Day-2: Common African Position on Asset Recovery (CAPAR)

Session 2/Day-2: Financing Sustainable Development by Stemming IFFs

### **Key Recommendations**

Several cross-cutting issues emerged across the robust Plenary Sessions including the Welcome and Opening Remarks, Keynote Address, Goodwill Messages, presentations, discussions, reflections and questions and answers. Key recommendations emanating from the engagements include the following:

#### **General**

1. With an estimated annual loss to IFFs from the Africa put at \$50billion and growing at the rate of 20.2% per annum (as at 2015) and \$88.6 billion representing 3.7 GDP, there is a need for collective action to address Africa's illicit financial outflows to secure Africa's survival, sustainable growth and development and Agenda 2063.
2. The interconnection between IFFs and Peace, Security, Good governance and sustainable development should be analysed.



3. It is imperative for Africa and the international community to collectively find ways of improving on the modalities and methodologies for the recovery of Africa's sovereign assets situated in destination countries to address the problem of poverty in the midst of plenty.
4. Advocacy on IFFs needs to be supported by additional research to deepen understanding of the IFFs' phenomenon and the things that facilitate such flows such as the growing digital economy, financial secrecy jurisdictions and unequal contracts.
5. Deepening of regional and international collaboration including policy actions to stem IFFs at domestic and international levels; beam the searchlight with a view to gain additional insights on ways and means of tackling the IFF phenomenon, and actors, drivers and enablers of IFFs including tax policies and practices.
6. African nations should be on the Table in discussions on global minimum corporate tax regime, Base Erosion and Profit Shifting to address the commercial component of IFFs in the interest of 'common but differentiated responsibilities.'
7. As stated in the Mbeki Panel Report, mechanisms for information sharing and coordination among the various institutions and agencies responsible for preventing IFFs should be activated;
8. Attention should be paid to the actors, drivers and enablers of IFFs, including tax policies that cause a 'race to the bottom' of continuous lowering of tax rates to attract investment;
9. Asset recovery should not be limited to proceeds of crime or corruptly acquired assets but should extend to repatriation of other illegal proceeds, unpaid taxes, and historical artefacts.
10. Enactment of relevant laws at the national level to trace and intercept IFFs is critical to stemming IFFs;
11. Need to review strategies for influencing the decision and efforts of the international cooperation on IFFs;
12. Training and retraining Africa's foot soldiers assigned to combat IFFs should be explored;
13. There is the need for collective action, to improve modalities, and methodologies for the recovery of Africa's sovereign assets situated off-shore in the interest of the survival of the African continent;
14. Fundamental first steps towards continental and global awareness campaign for the CAPAR should be accelerated;



15. The systems for detecting and identifying African assets in foreign jurisdictions should be strengthened.
16. Advocacy for CAPAR must be multi-dimensional, championed by policy-makers in partnership with AU Commission, AU-ABC and CoDA.
17. Africa must have a seat at the table and be well represented at negotiations on IFFs and its proceeds.
18. There is the need for Africa to take the lead in setting the agenda for tax system reformation both domestically and globally.
19. Countries that are main destinations for IFFs and their proceeds must take urgent steps to assist in combating, preventing, freezing or seizing assets already in their domain and repatriate the proceeds of same.

#### **International Asset Recovery: Milestones and Challenges**

20. Identification, tracing, confiscation and return of illicit assets are crucial tools for combating the scourge of IFFs across borders.
21. Necessity for continuous global efforts to bridge the gaps and address impediments in the international system that allow abuses and illicit flow of funds, through effective anti-corruption, anti-money laundering and asset recovery measures, including incorporation and engagement of Civil Society Organizations in asset recovery and monitoring process.
22. Existing legal hurdles and misunderstandings that impedes efficient recovery and return of assets should be meaningfully addressed by developed countries in the spirit of UNCAC.
23. Countries should embrace and adopt non-conviction-based approach to asset recovery.
24. Reform global legal mechanisms should address address hurdles and obstacles to compensation for victims, recognition of States as legitimate owners during confiscation proceedings, mutual legal assistance, execution of foreign requests and orders for seizure freezing of assets.
25. Return of assets should be mandatory and unconditional and not at the discretion of competent authorities destination countries.
26. Need for sanctions for non-complying countries in return of stolen and illicit assets and adequate punishments and sanctions as a deterrent to engaging in IFFs.



27. There is the need for strengthening existing collaborations between the Law Enforcement Agencies and CSOs.
28. Being victims of IFFs, Africans need to unite and speak with a common African voice at all regional and global conversations on IFFs' and asset recovery.
29. Corrupt Politically Exposed Persons (PEP) should be placed under scrutiny by CSOs.
30. There is the need for effective Proceed of Crime legislation.
31. Governments should look beyond short-term goals to global approach in combating IFF and other corrupt practices.
32. Weakness in national systems should be addressed by enacting laws, continuous dialogue, training, exchanging information, and sharing best practices.

### **IFFs and the Development Dilemma**

33. While the external debt for 30 African countries between 1970-2018 stood at \$720 billion, loss to IFFs in the same period stood with interest at \$2400 billion (\$2000 billion without interest) meaning that Africa is a net creditor and curbing IFFs would free substantial resources for African development and would not require Overseas Development Assistance (ODA).
34. IFFs must be reduced to ensure development of strong institutions and good governance.
35. Partner countries that wish to help Africa can do so by addressing systems and processes and enablers of IFFs to enable domestic resource mobilizations to empower institutions for development.
36. There is the need to pay more attention to Domestic Resource Mobilization (DRM) and mobilize support for SMEs by reducing cost; public-private partnership; greater commitment and transparency in governance.
37. Need for innovation and invention in anti-corruption and reduction of IFFs.
38. focus on the opportunity costs of corruption; greater effectiveness in depriving criminals and corrupt officials of illicit assets through enhance capacity and professionalism of anti-corruption agencies (ACAs).
39. Fiscal prudence should be imbibed either via aid, funds or internally generated revenue and same should be efficiently utilized.



40. It is imperative to focus not only on the enablers of IFFs but the chain, loopholes and “culture” that sustains the flow of illicit assets.
41. There should be increasing focus on IFFs in the extractive sector and greater openness in government revenue sources and expenditure to remove of opacity and ensure transparency.
42. Need to streamline and coordinate various agencies working on IFFs.
43. Draw on growing diversity of international best practices particularly beneficial ownership information disclosure regime to create awareness and popularize the issue of disclosure of true ownership company information.
44. Deliberate integration of discussions on and around IFFs into other policy areas is crucial.
45. For securing the desired results, use of data cannot be over emphasized.

#### **Common African Position on Asset Recovery (CAPAR)**

46. It is fundamental for implementation of CAPAR to engage continental and global awareness campaign for the CAPAR be accelerated.
47. Advocacy for CAPAR must be multi-dimensional, championed by stakeholders and policy-makers in partnership with AU Commission, AU-ABC and CoDA.
48. Development of regional best practices guidelines on detection and identification of stolen assets is critical to stemming the scourge.
49. Need for the establishment of a strong global financial architecture with Africa having a strong say on the financial architecture.
50. The need to develop strong advocacy plans and networks to put pressure and demand political action.
51. There is also the need to develop a compendium of good and scalable practices on asset recovery so that countries are not always starting from zero.
52. Constant pair learning and mutual legal assistance for upward progression in tackling IFFs should be promoted.
53. Beyond declarations like CAPAR, there is a need for African as a continent to take united practical action.
54. Africa should adopt a framework for escrow accounts for identified IFFs pending repatriation.



### **Financing Sustainable Development by Stemming IFFs: The FACTI Panel in Perspective**

55. UN member States should concretely position anti-IFFs at global level in inclusive, multilateral forums, including close engagement of tax justice community & other experts critical for process, report & reform of global financial system.
56. There is need for fair, inclusive global governance and rule-making, end of tax secrecy and safe haven; policies and action to address base erosion and profit shifting, corporate tax avoidance and tax evasion.
57. Systemic loopholes and archaic rules that enables IFFs by MNCs should be reformed.
58. There is need for a universal pact on financial integrity and comprehensive action for legitimate financial rules that support domestic resource mobilization and sustainable development.
59. Transparency in company ownership, (including Beneficial Ownership), account rendition, public accountability including procurement processes.
60. Bolster transparency & data exchanges to tackle abusive/criminal practices
61. An overhaul of international tax & institutions; and addressing short comings in international laws and Conventions.
62. Need for robust role for Civil Society Organizations (CSOs) in International Policy and protection of whistle blowers and media.
63. Reformation of domestic laws and enforcement to promote accountability and inclusive national governance is of great importance.
64. Need to improve regional and international coordination and cooperation.

### **Conclusion**

65. The International Conference on Illicit Financial Flows (IFFs) and Asset Recovery raised critical issues on IFFs and Asset Recovery with special sessions on the CAPAR and the Report of the FACTI Panel. The CAPAR is a potent tool for African voice for advocacy in the return of historical and illicit assets in destination countries.
66. The African Union, AU-ABC, CoDA, AU member States, CSOs, and anti-corruption agencies must work together to address the most





fundamental challenges to Africa, which is, IFFs and the recovery and return of our stolen assets that are kept in foreign jurisdictions.

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# **OPENING SESSION**





## Welcome Address

by

**PROF BOLAJI OWASANOYE**, SAN Chairman, ICPC 18th May, 2021

### Protocols

I am delighted to welcome you to this Virtual International Conference on Illicit Financial Flows and Asset Recovery organized in collaboration with the AU-ABC and the Coalition for Dialogue on Africa (CoDA). Last year, the Independent Corrupt Practices and Other Related Offences Commission (ICPC) celebrated her 20th anniversary in commemoration of which we organized an African Regional Conference on Combating Corruption and Illicit Financial Flows on 14th and 15th July 2020 with support from the United Nations Office on Drugs and Crime (UNODC) and the African Union (AU). ICPC's increasing focus on IFFs is directly related to her anticorruption mandate and its role as the Secretariat of the Inter-Agency Committee on Stopping IFFs from Nigeria and Implementation of the Thabo Mbeki Panel Report. It is common knowledge that corruption is a source and contributor to IFFs from Nigeria. The AU-UNECA High Level Panel on Illicit Financial Flows chaired by President Thabo Mbeki, described IFFs as money illegally earned, transferred or used. Estimates of the quantum of IFFs lost globally varies, but it is generally agreed that a significant proportion of the loss is suffered by developing countries. African countries are particularly affected by loss through IFFs thus depriving the continent of much needed resources for development. The destination of most IFFs from developing countries are rich industrialized countries in the West, but in recent times this destination now extends to Asia and the Middle-east. Illicit financial flows are generally recognized as a major threat to the actualization of the Sustainable Development Goals or Agenda 2030. The Heads of State and Government and High Representatives at the adoption of the Addis Ababa Action Agenda (AAA) in July 2015 affirmed their strong political commitment to address the challenge of financing for development and creating an enabling environment at all levels for sustainable development in its three dimensions: inclusive economic growth, protecting the environment, and promoting social inclusion. The AAA recognized that a fully equitable global economic system can actualize a world in which no one is left behind. A specific action area of the AAA report is the role of domestic public resources in meeting SDGs. The report noted inter alia, noted: (a) the effects of tax evasion; and the work of the AU-UNEC High Level Panel on Illicit Financial Flows. It invited the International Monetary Fund (IMF), the World Bank and the United Nations to assist both source and destination countries in stemming IFFs; appropriate international institutions and regional organizations to publish estimates of the volume and composition of illicit financial flows; (e) committed to making UNCAC an effective instrument to



deter, detect, prevent and counter corruption and bribery, prosecute those involved in corrupt activities, and recover and return stolen assets to their country of origin; (f) encourage the international community to develop good practices on asset return; and (g) support the Stolen Asset Recovery Initiative of the United Nations and the World Bank, and other international initiatives that support the recovery of stolen assets. Much more recently, the 74th President of the UN General Assembly and the President of ECOSOC based on GA Resolution 74/206 inaugurated in March 2020 the High-Level Panel on International Financial Accountability, Transparency and Integrity to bring up recommendations to strengthen current efforts to combat IFFs and close existing gaps in the international system. Included in this mandate is focus on strengthening good practices on asset return for sustainable development. The panel submitted its report earlier this year and I was privileged to be a member of the FACTI Panel. This conference will be reviewing the recommendations of the FACTI Panel. The AAA and the FACTI Panel report testify to the increasing clamor for the international community to take the lead in putting in place structures, systems and processes to stem the flow of IFFs from developing countries and return of illicit assets to countries of origin. The Independent Corrupt Practices and Other Related Offences Commission (ICPC) in collaboration with the AU-ABC and the Coalition for Dialogue on Africa (CoDA) have organized this conference for discussion of international asset recovery, the role of enablers and facilitators and the need for beneficial ownership standards, the Common African Position on Asset Recovery (CAPAR), and the Financial Accountability, Transparency and Integrity (FACTI) Panel Report, in the context of the global agenda to stem IFFs to highlight the goals and challenges. The experience of Nigeria with the now notorious P&ID case shows that bogus and sometime genuine investment contracts are among the leading sources of IFFs from developing countries. Article 57 of UNCAC makes copious provisions for asset return but in spite of the glaring intention of UNCAC, asset return remains a major challenge for requesting states. Nigeria's little experience in local and international asset recovery is a modest source for study of the mechanics of asset recovery and return. This conference therefore offers an opportunity for participants to discuss IFFs, CAPAR, and asset recovery and proffer solutions to these critical barriers to resource mobilization and sustainable development. The pedigree and experience of the panelists that will guide our discussion over the course of this conference will offer participants unique insights into IFFs, the international asset recovery architecture, CAPAR and the work of the FACTI Panel. I wish to thank our partners, the AUABC and CoDA for the roles they have played in organizing this conference. I also extend our appreciation to our distinguished special guests most notably the Hon. Minister of Finance Budget and National Planning, the Hon Minister of Foreign Affairs and the Hon Attorney-General of the Federation and Minister for Justice, the AU Commissioner for Political Affairs, Peace and Security, distinguished moderators and panelists, participants from all over the world but most



## Report of the International Conference on Illicit Financial Flows and Asset Recovery

especially Africa, and the media and civil society. Let me use this opportunity to appreciate the Ford Foundation for supporting ICPC's project on IFF and to use this opportunity to again acknowledge the late Innocent Chukwuma, immediate past Regional Director for Ford Foundation West Africa Office who passed away suddenly on the 3rd of April. May his soul rest in peace. On behalf of ICPC and our partners, I welcome you all. Thank you!



## Goodwill Message

by

**ABUBAKAR MALAMI, SAN**

Honourable Attorney-General of the Federation and Minister of Justice

### Protocols

1. Your Excellences, thank you for inviting me to deliver this goodwill message at this auspicious conference on “International Conference on Illicit Financial Flows (IFFs) and Asset Recovery” organized by the Independent Corrupt Practices and other Related Offences Commission (ICPC) and the African Union (AU).

2. I congratulate the leadership of the ICPC for undertaking such a laudable initiative in bringing international and national experts together to discuss and tackle the issue of illicit flow of finance and the challenges of recovering stolen assets and returning them back to countries of origin.

3. It is no longer news that the problem of IFF is a global phenomenon and is presently one of the many challenges facing humanity. In fact, many scholars have identified it as the greatest obstacle to the realization of good governance and sustainable development goals. Developing countries that are mainly African countries are worse hit by the impact of IFF; where high-level corruption has plundered the national wealth.

4. The World Bank and the United Nations Office on Drugs and Crime has reported that the cross-border flows from proceeds of criminal activities is estimated between \$1 trillion and \$1.6 trillion yearly. Africa is estimated to lose amount in excess of USD 148 billion or about 25 percent of gross domestic product (GDP) to corruption. 5. The High-Level Panel Report of the African Union and the Economic Commission for Africa (AU/ECA 2015 IFF Report) on Illicit Financial Flow found that IFF in Africa was growing at 20.2% annually, with an estimated \$50 billion lost annually, and this was as a result of weak national and regional capacities to stem the tide. No doubt, the impact of such criminal flow of funds 3 means lack of health and education services, low levels of growth, high level of poverty and lack of infrastructure in many African countries.

6. The initial efforts to address this globally came with the third International Conference on Financing of Development that held in Addis Ababa in 2015. One of the critical outcomes of that meeting is on how to stop the flow of illicit financial flows from Africa and how to use these resources to fund the UN Social Development Goals (SDGs). The commitment of the international community to



meet Goal 16.4 which states, "By 2030, the global community will significantly reduce all illicit financial arms flow, strengthen recovery and return of stolen assets and combat all forms of organized crime" is challenge for all of us. How do we tackle these problems?

7. In Africa, the fight against corruption and the recovery of proceeds of crime is taking center stage at the African Union (AU). This has led to the adoption of the African Union Convention on Preventing and Combatting Corruption (AUCPCC) in 2003. In furtherance of the resolve to combat corruption, the 11th of July has been designated by the AU as Africa Anti-Corruption Day. Also, at the 32nd Ordinary Session of the AU in February 2019, at Addis Ababa Ethiopia, His Excellency President Muhammad Buhari, reiterated the need for Africa to develop a common position on asset recovery to ensure the recovery, and use of returned assets for development of Africa.

8. I believe that solution to some of these challenges can be found in the AU Convention that criminalizes specific money laundering offences. Article 4 defines money laundering to include "the conversion, transfer, or disposal of property knowing that the property is proceeds of crime or related offence to conceal or disguise the illicit origin of the property".

9. Article 6 of the Convention also makes it mandatory for States to "adopt legislative measures for the search, seizure, and freezing of the instrumentality and proceeds of corruption pending final judgment as well as the confiscation of the proceeds or property the value of which corresponds to such proceeds derived from offences established in this Convention. These are vital provision in tackling illicit financial flows and should be used by African leaders in addressing that problem.

10. The efforts by the international community in addressing the issue of IFF include the adoption of United Nations Convention against Corruption (UNCAC), 2003 and the UN Convention against Transnational Organized Crime (UNTOC), 2000. These are quite commendable efforts. It is now left for national authorities to make the Conventions effective by enacting relevant laws and policies to stem the tide of illicit flows. There is also a plethora of efforts championed by bodies such as the Financial Action Task Force, the World Bank, and the UN Office on Drugs and Crime.

11. There is no doubt that international and regional cooperation is key in achieving this goal as no one country can do it. Therefore, we must all work together. This is what the Financial and Accountability, Transparency and Integrity (FACTI) Panel's report released in February 2021 is telling us. How we meet the recommendations of the panel in order to achieve the 2030 Agenda for Sustainable Development is a global and a regional challenge. 12. The use of asset recovery measures to trace, and identify corrupt funds and illicit financial flows, as well as transparent management of public funds are key and the





conference should consider the linkages and develop further recommendations on the way forward.

13. In Nigeria, Asset recovery is a priority within the anti-corruption framework of Nigeria. Nigeria has a plethora of anti-corruption laws – some of which are 5 preventives in nature, while others are meant to address enforcement, financial intelligence, mutual assistance in legal matters and recovery of stolen assets. The Nigeria Financial Intelligence Unit Act, of 2018 and the Mutual Legal Assistance Act, 2019 has helped Nigeria's efforts in the tracing and recovery of stolen assets and to stem the tide of illicit finance.

14. Nigeria has also developed Regulations 2019 on the management of stolen assets with a view to ensure that both domestic and international assets when recovered are treated in a transparent and accountable manner. It is also the government's goal to ensure that these assets benefit all Nigerians through investment in social development programs and infrastructure.

15. This is part of President Muhammadu Buhari's commitment at the 2016 Anti-corruption Summit that held in London as well as in the Open Government Partnership national action plan.

16. Recovered assets including assets recovered domestically are now channeled into the Appropriation Act to support specific development projects in line with trilateral and bilateral agreements signed with the countries returning the funds to Nigeria.

17. Your Excellences, you are already aware that Nigeria through proactive and collaborative efforts with other countries has recovered and ensured the return of over \$700 million US Dollars from the US, the UK, Bailiwick of Jersey, Switzerland, and Ireland in the past four years. We are still working with our international partners and other countries to ensure that all Nigeria's assets that are identified are recovered.

18. We using different mechanisms, including voluntary asset declaration process approved by President Buhari in Executive Order 008. In this way, we believe that if Nigerians or Nigerian entities come forward to declare their assets wherever located, the government will apply a levy against those assets 6 and also bring the assets within the tax regime. We are also considering different ways to apply non-conviction-based procedures in asset recovery to make it less cumbersome and to reduce the time spent in court. The focus of law enforcement should be to move towards contemporary developments in international law – one of which is to move against assets that are illicit with or without a criminal conviction, especially where there is a voluntary declaration, a plea bargain or where the person in question has absconded.

19. Therefore, in line with UNCAC and Financial Action Task Force Recommendations, the government of Nigeria is taking steps to become more proactive to recover all stolen assets for the benefit of the people of Nigeria.



20. The delay in the passing of the Proceeds of Crime Bill 2020 (POCA) into law by the National Assembly has hampered the attempt at providing a comprehensive framework on management of recovered assets but we have been assured that this will soon be forwarded to the President for assent into law.

21. Let me also state that in order to address the challenges of illicit financial flows internationally, there is need to enhance consensus building and multilateral approach in Africa and beyond to enable us combat the threat posed by illicit finance in our countries.

22. We can only achieve this by enacting relevant laws, trace and intercept the movement of illicit capital from our countries to “safe havens” and offshore financial centers.

23. It is my sincere expectation that the discussion of this important subjects at this conference by renowned and competent experts will unravel critical issues, elicit proactive discussions that will proffer a multi-faceted approach towards eliminating the increasing complexity connected with tackling IFF and challenges associated with Asset Recovery.

24. Ladies and Gentlemen, as I look forward to robust discussions and recommendations that would proceed from this Conference, I believe that the outcome of this conference will propel Nigeria into the much-anticipated economic growth and development.

25. I wish you fruitful deliberations during this conference. Thank you for your attention.

**Abubakar Malami, SAN**

Honourable Attorney General of the Federation and Minister of Justice

Federal Republic of Nigeria

Tuesday 18th May 2021



## Goodwill Message

by

**H.E. AMB. BANKOLE ADEOYE,**

African Union Commissioner for Political Affairs, Peace and Security

### Protocols

Let me first and foremost express that it is a great pleasure and honour to deliver this goodwill message, given the crucial global significance for the task of asset recovery and repatriation of illicit assets.

Illicit Financial Flows, continue to be challenging for Africa as billions of dollars are frittered away from our continental shores to traditional and newly developing tax havens and these safe havens are robbing Africa of hard-earned financial resources for development. It is therefore, imperative for us to collectively find ways of improving on the modalities and methodologies for the recovery of Africa's sovereign assets situated off-shore.

Distinguished Participants, collective action to address Africa's illicit financial outflows is vital to the continent's survival. This collective action is also vital to secure Africa's sustainable growth and development. Therefore, on behalf of the African Union and in my capacity as Commissioner, we remain committed to serve as institutional advocates for Asset Recovery. That is why the Common African Position on Asset Recovery is the latest tool for policy advocacy for combatting illicit financial flows.

Let me congratulate the Federal Government of Nigeria for its tireless efforts in leading the process which resulted in the adoption of the CAPAR by the African Union Assembly in February, 2020.

I wish to also commend the ICPC, the MoJ and MFA, African Union Advisory Board against Corruption (AUABC), as well as Coalition for Dialogue on Africa (CoDA) for organizing this conference and for being un-remitting in their efforts to promote greater awareness on CAPAR. We must continue to work together to address the most fundamental challenges to Africa, which is, IFFs and the recovery and return of our stolen assets that are kept in foreign jurisdictions.

Distinguished Ladies and Gentlemen, the fundamental first steps towards continental and global awareness campaign for the CAPAR must be accelerated. Consequently, we must strengthen our systems for the detection and identification of African assets in foreign jurisdictions. My key messages to this international conference on IFFs and Asset Recovery are as follows:



1. The AU urges to better analyse the interconnection between IFFs and Peace, Security, Good governance and sustainable development;
2. Advocacy for CAPAR must be multi-dimensional, championed by stakeholders and policy-makers in partnership with AU Commission, AUABC and CoDA, lastly,
3. The AU Commission holds itself in readiness to work closely with the Federal Government of Nigeria, through ICPC, to fully realize the objectives of CAPAR.

Finally, I have no doubt that our deliberations will offer more suggestions and proposals to help the AU in its approach to implementing the CAPAR.

I thank you all for your kind attention and wish you all fruitful reflections.



## **Goodwill Message**

by

**AMBASSADOR ZUBAIRU DADA**  
Minister of State for Foreign Affairs

### **Protocols**

It gives me a great pleasure to participate at this virtual conference on Illicit Financial Flows (IFFs) and Asset Recovery. At the outset, let me congratulate Professor Bolaji Owasanoye, Chairman ICPC, and his team for successfully organizing this seminar on illicit financial flows.

2. This event is particularly important now that the socio-economic consequences of the Covid19 pandemic have continued to be disproportionately felt in the economies, revenues, investments, household incomes, financial markets, and national budgets of developing countries. Conferences such as this must propel us to address existing structures that make it impossible for developing countries to generate and retain a sizeable chunk of their resources.

3. As has been mentioned by the Chairman of ICPC, illicit financial flows deny developing countries of vital resources that belong to them; resources that should have been spent on their development priorities. It reduces tax revenues, hinders development endeavours, undermine constituted authorities and threaten the stability and sustainable development of all affected States. IFF also provides the financial networks that support terrorist activities, fuels conflicts, and leads to internal displacement and refugees' conditions. Regardless of the form it manifests, (be it in the form of corruption, organized crime, illegal exploitation of natural resources, fraud in international trade and or harmful tax policies and practices), illicit financial flow diverts money from public priorities and hampers government efforts to mobilize domestic resources.

4. Every single dollar diverted means less money to spend on clean water, health, education, and other critical infrastructures. Accordingly, illicit financial flow poses significant threat to the objective of domestic resource mobilization, as enshrined in the Addis Ababa Action Agenda on Financing for Development, thus hindering progress in the implementation of the 2030 Agenda for Sustainable Development, which has the eradication of poverty, in all its forms and dimensions, as the overarching objective.

5. It is my view therefore, that we must continually interrogate the extent to which we, as a continent, are on the right path in our efforts to combat illicit financial flows. We must also review our strategies for influencing the decision and efforts of the international cooperation on this subject.



6. Let me also underscore that developing countries face enormous challenges in the recovery of illicit assets owing to, inter alia, differences in legal systems, the complexity of multijurisdictional investigation and prosecution, divergent interpretations of the provisions of the United Nations Convention against Corruption (UNCAC), lack of familiarity with mutual legal assistance procedures of other States parties and difficulties in identifying and exposing the flow of proceeds of corruption. We must therefore, endeavours to train and retrain our foot soldiers in this and other areas if we must decisively combat the scourge.

Excellencies,

Ladies and Gentlemen,

7. The Administration of H.E. President Muhammadu Buhari has observed that beyond strengthening domestic institutions to prevent our resources from flowing out illicitly, the most effective deterrent remains ensuring that the proceeds of illicit financial flows are recovered and returned to countries of origin. In other words, retrieving the stolen assets has the ability to deter perpetrators, rebuild the confidence of the citizenry, and compensate for the damage caused by such crimes.

8. It is for this reason that the Government of Nigeria will continue to call on leaders whose countries are the main destination for illicit financial flows to take concrete steps to prevent and stop the receipt of such funds into their countries, and to assist in tracing, freezing, seizing and returning illicit assets and its proceeds, already in their countries. Let me also add that any imposition of tough conditions for returning proceeds of illicit origin, in the face of the current financial difficulties and the economic hardship and recession occasioned by the rampaging impact of Covid19 pandemic, would be counter-productive. I therefore, encourage representatives of countries of destination to consider waiving, or reducing to the barest minimum, the processes and costs of such recovery.

9. Let me further emphasize at this point, that illicit financial flow is an international problem that must be addressed internationally. Member States, African Union, the United Nations system, the private sector, civil society organisations and the academia have roles to play in curtailing this menace. We, as representatives of member states and other critical stakeholders, must support the United Nations system, in particular, to step up and play its traditional overarching role by setting and enforcing clear rules on tax evasion and avoidance; safe havens and secrecy jurisdictions; and the confiscation and repatriation of stolen assets to countries of origin. The report of the Financial Accountability, Transparency and Integrity Panel (FACTI Panel) has set the stage for this effort and I request the international community to support the implementation of its recommendations.



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10. In concluding, let me assure you that Nigeria's Delegation will continue to initiate and negotiate, on behalf of all Developing Countries, resolutions on illicit financial flows resolution, with emphasis on asset recovery and return, within the United Nations system. Our Diplomats will remain bold and assertive in telling representatives of countries whose policies assist in harbouring proceeds of IFFs that their actions and or inactions affect the lives of millions of people and deprive developing countries of resources required to achieve the 2030 Agenda for sustainable development.

I thank you.



## **Goodwill Message**

by

**GABRIEL TANIMU ADUDA**

Permanent Secretary Ministry of Foreign Affairs

### **Protocols**

It gives me a great pleasure to participate at this virtual conference on Illicit Financial Flows (IFFs) and Asset Recovery. At the outset, let me congratulate Professor Bolaji Owasanoye, Chairman ICPC, and his team for successfully organizing this seminar on illicit financial flows. 2. This event is particularly important now that the socio-economic consequences of the Covid-19 pandemic have continued to be disproportionately felt in the economies, revenues, investments, household incomes, financial markets, and national budgets of nations. Conferences such as this must propel us to address existing structures that make it difficult for developing countries to generate and retain their resources. 3. Illicit financial flows deny developing countries of vital resources that belong to them; resources that should have been deployed to their development priorities. IFF reduces tax revenues, undermine constituted authorities and threaten the security, stability and sustainable development of affected States. IFF also provides the financial networks that support terrorist activities, fuels conflicts, and leads to internal displacement and refugees' conditions. Regardless of the form it manifests, (be it in the form of corruption, organized crime, illegal exploitation of natural resources, fraud in international trade and or harmful tax policies and practices), illicit financial flow diverts money from public priorities and hampers government efforts to mobilize domestic resources. 4. Every single dollar diverted means less money to spend on clean water, health, education, and other critical infrastructure. Accordingly, illicit financial flow poses significant threat to the objective of domestic resource mobilization, as enshrined in the Addis Ababa Action Agenda on Financing for Development, thus hindering progress in the implementation of the 2030 Agenda for Sustainable Development, which has the eradication of poverty as the overarching objective. 5. It is my view therefore, that we must continually interrogate the extent to which we, as a continent, are making efforts to combat illicit financial flows. We must also review our strategies for influencing the decision and efforts in international cooperation on this subject. 6. Let me also underscore that developing countries face enormous challenges in the recovery of illicit assets due to several factors, including differences in legal systems, the complexity of multi-jurisdictional investigation and prosecution, divergent interpretations of the provisions of the United Nations Convention against Corruption (UNCAC), lack of familiarity with mutual legal assistance procedures





of other States parties and difficulties in identifying and exposing the flow of proceeds of corruption. We must therefore, endeavours to train and retrain our foot soldiers in this and other areas if we must decisively combat the scourge. Excellencies, Ladies and Gentlemen, 7. Nigeria is working to strengthen institutions to prevent our resources from flowing out illegally. Nevertheless, by far, the most effective deterrent remains ensuring that the proceeds of illicit financial flows are traced, recovered and returned to countries of origin. In other words, ability to retrieve the stolen assets has the ability to deter perpetrators, rebuild the confidence of the citizenry, and compensate for the damage caused by such crimes. 8. It is for this reason that the Government of Nigeria will continue to call on leaders whose countries are the major destinations for illicit financial flows to take concrete steps to prevent and stop the receipt of such funds into their countries, and to assist in tracing, freezing, seizing and returning illicit assets and its proceeds, in their countries. Let me also add that any imposition of tough conditions for returning proceeds of illicit origin, in the face of the current financial difficulties and the economic hardship and recession occasioned by the rampaging impact of Covid-19 pandemic, would be counter-productive. I therefore, encourage representatives of countries of destination to consider waiving, or reducing to the barest minimum, the processes and costs of such recovery. 9. Let me further emphasize at this point, that illicit financial flow is an international problem that must be addressed globally. Member States, African Union, the United Nations system, the private sector, civil society organisations and the academia have roles to play in curtailing this menace. We, as representatives of member states and other critical stakeholders, must support the United Nations system, in particular, to step up and play its role by setting and enforcing clear rules on tax evasion and avoidance; dismantling safe havens and secrecy jurisdictions; and the confiscation and repatriation of stolen assets to countries of origin. The report of the Financial Accountability, Transparency and Integrity Panel (FACTI Panel) has set the stage for this effort and I request the international community to support the implementation of its recommendations. 10. Let me assure you that Nigeria will continue to support and negotiate resolutions on illicit financial flows, with emphasis on asset recovery and return, consistent with the United Nations Convention against Corruption and the African Common Position on IFF. We shall continue to urge and remind other nations, especially countries where proceeds of IFFs are located that their actions and or inactions affect the lives of millions of people and deprive developing countries of resources required to achieve the 2030 Agenda for Sustainable Development. 11. Finally, it should be noted that the fight against illicit financial flows is critical to the attainment of Goal 16 of 2030 Sustainable Development. I would therefore like to reiterate Nigeria's position and commitment to meaningful international cooperation in the prevention of corruption and the recovery of illicit proceeds towards the achievement of this Goal. 12. I thank you for your kind attention and wish you fruitful deliberations.



## Keynote Address

By

**MRS. (DR.) ZAINAB S. AHMED**

Honourable Minister of Finance, Budget, and National Planning

### Protocols

I am pleased to join you today to engage in a timely discussion on the urgent need to curb illicit financial flows, while also ramping up domestic and international efforts to ensure recovery of stolen assets.

2. Illicit Financial Flows (IFFs) unless checked, will continue to significantly erode domestic revenues, enable corruption, threaten economic stability and sustainable development, divert money from public priorities and hamper Government's efforts to mobilize domestic resources and recover better. In Nigeria and across the African continent, we continue to suffer various forms of IFFs, including tax evasion and other harmful tax practices, the illegal export of foreign exchange, abusive transfer pricing, trade mispricing, mis-invoicing of services, illegal exploitation and under-invoicing of natural resources, organized crimes, and corruption. The effects are being especially felt given the ongoing COVID-19 pandemic and the resultant deepening of fiscal constraints and public financing gaps.

3. In particular, commercial activities (particularly aggressive tax avoidance and tax evasion, through trade mispricing, abusive transfer pricing, profit shifting and tax arbitraging) account for approximately 65% of illicit financial flows across Africa. The resulting domestic revenue losses are significant, putting developing countries and the entire African region at risk of not achieving sustainable and inclusive development, especially in the wake of the coronavirus pandemic. Furthermore, we in Africa often find ourselves in a "race to the bottom" to attract foreign direct investments (FDIs), as a result of the current international tax practices and treaties.

4. With the recent United Nations Conference on Trade and Development (UNCTAD) report on the impact of illicit financial flows on African Development, we have a better appreciation for the scope and disproportionate impact of IFFs on African countries. Commercial tax evasion and other types of IFFs inevitably impact the allocation of already limited government funds, with disproportionate impact on public services benefiting women and youth. Consequently, curbing IFFS can lead to improvements in environmental, social, and economic development in Africa.



5. As one of the most affected countries, Nigeria has demonstrated strong commitment to addressing illicit financial flows through our participation in the Open Government Partnership and the significant progress made in the extractive industry. We have demonstrated that technology-enabled improvements in tax collection and compliance help deter tax crime and facilitate public trust. Also, the mainstreaming of transparency and anti-corruption measures into economic-policy-making processes significantly reduces crime. Similarly, establishing an accurate, up-to-date and public beneficial ownership register; and strengthening the automatic exchange of tax information; helps address the commercial components of illicit financial flows.

6. The establishment of the global Financial Accountability, Transparency and Integrity Panel (FACTI Panel) has been an important step towards ensuring accountability and coordination on financial illicit flows. There is a need however for multilateral organizations to develop specific rules and processes to manage and prevent illicit financial flows. Furthermore, eradication of the scourge requires sustained cooperation between Africa and multilateral organizations. We encourage the international community to explore and develop specific and targeted measures, including mutual legal assistance, to address barriers to international cooperation on this important matter.

7. Let me stress that political will and leadership are key, as is a whole-of-government approach. It is important that we strengthen governance structures and adopt policies that enable legitimate transactions, and address the abuse of tax practices. Africa must have a seat at the table and be well represented” during negotiations about illicit funds and their proceeds.”

8. It is also critical that countries that are the main destination for illicit financial flows and their proceeds take urgent steps to assist in combating this scourge, preventing the inflow of illicit funds, freezing or seizing assets already in the country, and by ensuring that illicit funds and any proceeds are repatriated.

9. Asset recovery is critical to domestic resource mobilisation, especially in the aftermath of the COVID-19 pandemic. Here in Nigeria, we have taken proactive steps towards the recovery of stolen assets, in part through (1) engagement with multilateral stakeholders; (2) bilateral agreements on the return of stolen assets with several critical destination countries including the United States and Switzerland; (3) and the establishment of an independent Financial Intelligence Unit within the Central Bank of Nigeria. More needs to be done across Africa to ensure the recovery of stolen assets, and there is need for enhanced support to African countries from the international community in building the capacity and systems necessary to ensure sustained and effective asset recovery.



10. Moving forward, it is important to deepen efforts and enhance cooperation within government, and with the domestic private sector, civil society, professional organizations, and trade unions. Furthermore, we must work within our countries and across the region as whole to build institutional capacity on international taxation issues.

11. Not only does the global tax system need reforming, we in Africa must take a lead in setting the agenda, given the disproportionate impact of IFFs on our collective economic and social development. Where necessary, efforts should be made by the international community to proactively ensure African representation in international tax bodies, potentially where there are barriers to entry that disproportionately impact the region.

12. Thank you.



### VOTE OF THANKS

Vote of thanks given by **MR. KAYODE ADEDAYO**, Director, ATRM, ICPC

Thanked distinguished guests and participants on behalf of the ICPC for their roles and participation at the *Opening Ceremony*. Expressed ICPC's specific appreciation to the AU and CoDA for collaborating with the Commission in organizing the Conference. He noted that the organizers will consider the recommendations in the speeches in the report of the Conference.

# **TECHNICAL SESSIONS**





**DAY 1: PLENARY SESSION 1**

**INTERNATIONAL ASSET RECOVERY: MILESTONES AND CHALLENGES**

**Moderator: PROFESSOR BOLAJI OWASANOYE, SAN, Chairman, ICPC**

**Lead Presentation: BARRISTER JULIET IBEBAKU-NWAGWU, SSA to the President on Justice Sector Reform**

**Discussant 1: SURAJ OLANREWAJU, Chairman, Human and Environment Development Agenda (HEDA)**

**Discussant 2: REV. DAVID UGOLOR, ED, Africa Network for Environment and Economic Justice (ANEEJ)**

**Lead Presentation by:  
BARRISTER JULIET IBEBAKU-NWAGWU**

**INTERNATIONAL ASSET RECOVERY REGIME:  
EFFECTIVENESS AND CHALLENGES**

**PRESENTATION  
BY  
JULIET IBEBAKU-NWAGWU**

**AT THE**

**INTERNATIONAL CONFERENCE ON ILLICIT FINANCIAL FLOWS (IFFS) AND ASSET RECOVERY  
ORGANIZED BY  
THE INDEPENDENT CORRUPT PRACTICES AND OTHER RELATED OFFENCES  
COMMISSION(ICPC) NIGERIA AND THE AFRICAN UNION**





Presentation will help us to have a better understanding of what has worked and what has not worked within the International Asset Recovery Regime.

Working Definition – ***Asset Recovery and Return is the process of identifying, restraining, seizing, and repatriating assets to countries from where they were originally stolen from – UNCAC 2003, Article, 2 and 51.***

UNCAC defines “Asset” as part of “Property” – used interchangeably to mean “assets of every kind whether corporeal or incorporeal, moveable or immovable, tangible or intangible and legal documents or instruments, evidencing title to or in interest in such cases”

The Presentation Outline:

- Definition of terms
- Introduction
- International and Regional Legal Regime on Anti-Corruption and Asset Recovery
- The Financial Action Task Force
- The United Nations Convention Against Corruption
- Effectiveness of the International Asset Recovery Regime: What Works and What Does Not?
- Case Study
- Challenges of Implementing International Asset Recovery Regime
- Conclusion

Other terms of interest which are defined in UNCAC Article 2, are Proceeds of Crime, Confiscation, Predicate offence, and Money Laundering in Article 23.

The term Illicit Financial Flow is used in this presentation as part of a predicate offence of money laundering.

# INTRODUCTION



- ❖ Corruption is an evil that must be tackled and cases of corruption involve vast quantities of assets which may constitute a substantial proportion of the resources of States that threaten the political stability and sustainable development of those states.  
**(UNCAC Preamble, and Davis Kevin, 2019)**
- ❖ There is no lack of efforts at the national and international level on how to tackle corruption. The challenge lies in measuring what has worked and what the international community can do to improve ongoing efforts



## **FIGHTING CORRUPTION AND TRANSNATIONAL BRIBERY**

❖ **Origin of International Anti-Corruption Movement** (Davis K., 2019, Rose Ackerman, and Paflika 2016, Wouters 2013)

- **The Foreign Corrupt Practices Act (FCPA) 1977.**

- Watergate Scandal and the US response with FCPA as the first domestic law to outlaw international bribery – restricted to US nationals – and in international business- amended in 1988 and 1998 to changes in global trends.

- **Organization for Economic Cooperation and Development (OECD Anti-bribery Convention) 1999**

- 44 members, including all the 37 OECD countries and seven non-EU members
- Led by the US to advance “multilateralism” and “level playing field” and “equivalence of measures”
- Restricted to “active bribery”, and international business,
- Provides for freezing and seizure measures but no provision on asset return

## **WHY DOES ASSET RECOVERY MATTER?**

1. The World Bank and the UNODC "bribes received by public officials in developing countries and countries in transition amount to USD 20 billion and USD 40 billion per year are hidden in foreign jurisdictions each year. "Much of the proceeds of corruption find "safe haven" in the offshore financial centers, and that these criminal flows are a drain on social services and economic development programs, contributing to the further impoverishment of the world's poorest countries- and the victims include children and patients in need of education and treatment" ( Fedetov Yury and Okonjo Iweala in Brun Jean Pierre et al. 2011, Preface to the "Asset Recovery Handbook: A Guide for Practitioners).
2. Findings of the High-Level Panel of the African Union in 2015 noted that – Illicit Financial Flows was growing at the rate of 20.2% annually in Africa with an estimated \$50billion lost annually
3. UNODC/STAR – 2015 – estimates that most stolen assets remain trapped in financial systems with only \$5billion recovered before 2011 – half attributed to Abacha – Add over \$700 million recovered by Nigeria from Abacha stolen assets from 2017 to 2020 and that gives you an idea of what was stolen just from one country in Africa.
4. The Third International Financing For Development Conference, and the Addis Ababa Action Agenda (AAAA) reveal the huge impact of illicit financial flows and the need for accelerated approach towards, recovering of stolen asset and illicit finance (16.4) to use it to achieve the targets of the Social Development Goals and 2030 Development Agenda.
5. Findings from the Financial, Accountability, Transparency and Integrity (FACTI) Panel (2021) set up by the 74<sup>th</sup> President of the UN General Assembly, and the 75<sup>th</sup> President of the UN Economic and Social Council reveal gaps and impediments in the international system that allow abuses and criminal flow of funds, and need to address them through effective anti-corruption, anti-money laundering and asset recovery measures.



### **INTERNATIONAL & REGIONAL LEGAL REGIME ON CORRUPTION AND ASSET RECOVERY**

- ❖ UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, (Vienna Convention) 1988
- ❖ The Transnational Organized Crime Convention, (Palermo Convention) 2000.
- ❖ UN Convention on the Suppression of Financing of Terrorism, 1999.
- ❖ UN Convention Against Corruption, (UNCAC), 2003
- ❖ Council of Europe (COE) Civil Law Convention on Corruption.
- ❖ Council of Europe (COE) Criminal Law Convention on Corruption.
- ❖ African Union Convention on Preventing and Combatting Corruption, 2003

### **THE FINANCIAL ACTION TASK FORCE (FATF)**

- ❖ The FATF is a global body that focuses on global anti-money laundering (AML) and countering terrorism (CTF) financing and proliferation of weapons of mass destruction. FATF has issued a set of internationally endorsed recommendations for the assessment of compliance of member states with the global AM/CFT standards. FATF considers confiscation of the proceeds of crime to be fundamental to the effectiveness of AML/CTF measures.
- ❖ The efforts by the FATF to ensure compliance with the Recommendations by including countries in the list of "non-cooperating countries" or the "blacklist" and what is now known as "high-risk jurisdictions" contributed in no little way to push for the development of a domestic legal framework on the criminalization of money laundering, bribery, international cooperation, mutual legal assistance and asset recovery, as well as on financial system reporting and monitoring in many countries. FATF's regime – though a "soft law" has been successful in compelling countries to comply with its Recommendations and has complemented the UN's effort by boosting the ratification of UNCAC in 187 member States.



### **THE UNITED NATIONS CONVENTION AGAINST CORRUPTION (UNCAC)**

- ❖ UNCAC's provisions on asset recovery, are set out in Articles 51 to 59. UNCAC has been described by various scholars as the "first truly global instrument to prevent and combat corruption – built on international consensus. UNCAC provisions aim to return assets to their rightful owners, including countries from which they had been taken illicitly.
- ❖ Another benefit of the asset return measures is underscored by the global efforts to link asset return to development and the need to finance the requirements of the Sustainable Development Goals (SDGs) with returned assets.
- ❖ Significant to the development in asset recovery is SDG 16.4 which states that "By 2030, the global community will significantly reduce all illicit financial arms flow, strengthen recovery and return of stolen assets and combat all forms of organized crime"

### **THE SCOPE OF CHAPTER V OF UNCAC COVERS THE FOLLOWING ELEMENTS:**

- Prevention and detection of transfers of proceeds of crime through financial institutions (Article 52).
- Measures for direct recovery of property by State Parties (Article 53).
- Mechanisms for recovery of property through international cooperation in confiscation and preservation of property which is proceeds of crime (Article 54).
- International cooperation for purposes of confiscation (Article 55).
- Special cooperation (Article 56).
- Return and disposal of assets (Article 57).
- Financial Intelligence Units (Article 58).
- Bilateral and multilateral agreements and arrangements (Article 59).



**EFFECTIVENESS OF THE INTERNATIONAL ASSET RECOVERY REGIME:  
WHAT WORKS AND WHAT DOES NOT?**

The effectiveness of the UNCAC regime can be assessed through three approaches:

- ❖ Work of the United Nations through the Conference of State Parties (COSP) established under Article 63 of UNCAC with Secretariat at UNODC, Vienna.
- ❖ The Work of some international organizations and non-governmental organizations.
- ❖ Measures put in place by State parties in its domestic laws and how this is implemented.

**EFFECTIVENESS OF THE INTERNATIONAL ASSET RECOVERY REGIME:  
WHAT WORKS AND WHAT DOES NOT? -2**

**1. Work of the United Nations through the Conference of State Parties (COSP)**

To be able to undertake international review of the extent of compliance by member States to the UNCAC, the COSP set up the International Review Mechanism in 2009 and also subsidiary bodies:

- The International Review Group
  - Responsible for developing a set of checklist for self-assessment by member states to track progress and review challenges
- The Working Group on Asset Recovery
  - Assist the COSP in accumulating knowledge in the area of asset recovery
  - Facilitating the exchange of information of information
  - Providing for good practices and ideast to State parties
  - Encouraging cooperation between requesting and requested States



**EFFECTIVENESS OF THE INTERNATIONAL ASSET RECOVERY REGIME:  
WHAT WORKS AND WHAT DOES NOT? -3**

**Summary of 2020 IRG Review Report on Compliance by 44 Member States  
with Asset Recovery Measures in UNCAC**

- This is the second cycle review and the first time the IRG is reviewing chapter 5: Brief highlights show that –Most States have ratified relevant multilateral and bilateral treaties while a reasonable number have developed domestic laws – using a single or multi-legislative approach –
- Most States are:
  - willing to cooperate either proactively or reactively
  - sharing information – but reluctantly
  - maintaining financial records to detect and prevent the transfer of illicit funds
  - have set up financial intelligence units
- Allow other member States to initiate civil actions in order to establish ownership or title in a property and compensation can be obtained in civil actions or through joint actions of States

**EFFECTIVENESS OF THE INTERNATIONAL ASSET RECOVERY REGIME:  
WHAT WORKS AND WHAT DOES NOT? -4**

**2. The Work of other International Organizations that support UNCAC Asset Recovery Regime**

- In particular the work of the World Bank in collaborating with the UNODC to initiate measures to enhance effectiveness at the national level,
- This initiative such as “ Stolen Assets Recovery” (STAR) has helped several developing countries and developed countries to develop capacity to trace, and recover assets as well as measures for returning assets to original owners
- It has increased expertise through publications of guidelines, training programs, and toolkits to promote transparent asset return
- It has online tracking of ongoing cases and has supported national capacity building globally
- The UNODC has also worked with the World Bank and several member States of UNCAC to develop the Global Forum on Asset Recovery Principles. Principles are aimed to guide States on the following key issues:
- Partnership, transparency, accountability between transferring and receiving countries, identification of beneficiaries and victims, administration and monitoring of funds and the inclusion of CSOs and non-state actors to foster transparency and accountability in the return of assets

Other efforts are channeled through bodies such as

UN Economic Council for Africa – Third Conference on Financing for Development, 2015

UN Social Development Goals – 16

Basel Institute for Governance, Switzerland develops training programs and toolkits such as the “Lausanne Guidelines on Asset Recovery”

FATF – Best Practices on Non-Conviction Based Approach in Asset Recovery

State Parties – UK efforts through the 2016 Summit on Anti-Corruption

AU – 2019 Summit – Addressed Asset Recovery as a major development issue and called for common position Asset Recovery by member States



## CASE STUDY

- ❖ Kazakhstan Recovery (1999) and the Abacha Criminal Organization (1993 to Date).
- The legal basis for asset recovery in 1998.
- Approaches on the use and monitoring of Returned Assets.
- **Lessons Learnt:**
- Concerns that funds may not be utilised appropriately due to lack of proper financial management systems in receiving countries
- -Lack of trust between developed and developing countries
- Developed countries not willing to address many of the existing legal hurdles that create obstacles to prompt and efficient recovery and return of assets in compliance with UNCAC provisions

## CHALLENGES OF IMPLEMENTING INTERNATIONAL ASSET RECOVERY REGIME

**According to the 2020 IRG/COSP Report some of challenges are as follows:**

- ❖ Most States are yet to adopt a non-conviction based approach while preservation of assets remains a challenge;
- ❖ Most States still do not have a legal mechanism or measures to cover compensation for alleged victims as well as enabling other States to be recognized as legitimate owners of an asset during confiscation proceedings.
- ❖ The report also noted the weak capacity of States regarding mutual legal assistance and execution of foreign requests or orders for seizure and freezing of assets.
- ❖ Issues related to dual criminality and lack of explicit filing requests still present a significant challenge in many of the reviewed States.
- ❖ While many States foresaw the need for the return of proceeds of corruption through asset sharing agreement, many were found not to have mechanisms for victim compensation, protection of bonafide third parties, the mandatory and unconditional return in cases of embezzlement. Instead, the return was often seen as the discretion of competent authorities.



## **CHALLENGES OF IMPLEMENTING INTERNATIONAL ASSET RECOVERY REGIME 2**

- ❖ Persuasive vs Mandatory Provisions of UNCAC.
- ❖ State parties may also ignore international treaties based on claims regarding its sovereignty – Article 4 of UNCAC
- ❖ Different legal proceedings as applicable in criminal and civil law countries
- ❖ No Procedure to Sanction Non-Complying Countries.
- ❖ Non-incorporation of CSOs in UNCAC International Review Measures.
- ❖ Tackling illicit financial flow –
  - weak capacity in tracking and using financial intelligence and technology to gather evidence of financial transactions across borders
  - Political contexts and unwillingness of some heads of States to engage on international cooperation for the return of stolen assets
  - Weak laws – weak definition of offences that are predicate offences of money laundering
  - Unwillingness to use UNCAC or AU Convention as the basis for cooperation so as to avoid “dual criminality” rules

## **CONCLUSION**

- ❖ As noted in the FfD3 report, “asset recovery is one of the greatest challenges of global anti-corruption agenda, and it is also essential that they are returned to the country of origin where they can be used for sustainable development goals in order to achieve goal 16.4 and 16.5”.
- ❖ UNCAC as a legal regime could not be effective without the efforts of the United Nations Office on Drugs and Crime, the World Bank, FATF, regional bodies, and civil society organizations. Therefore, the effectiveness of the international asset recovery regime will be based on the extent to which State parties are willing and able to cooperate with each other, implement and deploy the principles of the international asset legal regime within their domestic legal and political systems.
- ❖ The weakness in national systems can be addressed by enacting laws, continuous dialogue, training, exchanging information, and sharing best practices.
- ❖ The need for monitoring and sanctions cannot be overstated – Role of CSOs and non-state actors are key
- ❖ This research argues that asset recovery tools can also be used to tackle illicit financial flows and return them to countries of origin.





#### QUESTIONS?

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\*\*The author is an international legal expert on anti-money laundering, anti-corruption and asset recovery policy and enforcement measures. Her areas of expertise include law, governance and development. Her career path cuts across work with the UNODC, USAID, British Council/DFID, Commonwealth Secretariat and ECOWAS. She was the former Acting Director of the Nigerian Financial Intelligence Unit (NFIU) and currently the Special Assistant to the President of Nigeria on Justice Reform and International Relation at the Office of the Attorney General of the Federation, where she supports the Federal Ministry of Justice in negotiating international asset recovery and the development of relevant policies.

#### **Discussant 1: SURAJ OLANREWAJU,**

Chairman, Human and Environment Development Agenda (HEDA)

In his intervention, the Chairman of HEDA expressed his gratitude to the organizers of the Conference and stated that in combating Illicit Financial Flows (IFF), Civil Society Organizations (CSOs) and the Diasporas should be encouraged to place political pressure in the destinations of illicit funds and other safe havens. Also, tracing and locating illegally acquired assets are cumbersome because big multinationals and governments are part ownership of these companies that are collaborating in IFF. He highlighted:

- Combating IFF is not only limited to Legal and International Cooperation but also the 'Political Will' of the political leaders.
- Nigeria is the only country in the world with remarkable impact in identifying stolen assets.
- Government officials are collaborators in IFF and other corrupt practices.
- Some companies provide enabling environment in IFFs.
- The need for more collaboration between the Law Enforcement Agencies and the CSOs.
- Fighting corruption cost resources, money, time etc



He made the following recommendations:

- Fighting corruption should not be based only on Legal and International Cooperation but also the 'Political Will' of the government.
- The victim countries should always challenge the beneficiary of crimes of IFFs.
- Africans should start speaking like Africans since we are most times victims.
- Adequate sanctions should be imposed on individual and corrupt nations alike.
- Corrupt Politically Exposed Persons (PEP) should be placed on intense pressure in countries of Residency by CSOs.



**Discussant 2: REV. DAVID UGOLOR**

ED, Africa Network for Environment and Economic Justice (ANEJ)



## Global Framework for Asset Recovery

- The UNCAC provides a framework for countries to adapt both their civil and criminal laws in order to facilitate tracing, freezing, forfeiting, and returning of funds and other property obtained through corrupt activities
- Nigeria signed the Convention on 9 December 2003 and ratified it on 24 October 2004
- Chapter II covers of a set of preventive measures aimed at hindering corruption in the public and private sectors
- Chapter III of the Convention requires that countries criminalize – or consider criminalising – different corruption-related offences including Illicit enrichment (Article 20), Money laundering (Article 23)





## Global Framework for Asset Recovery

- Chapter IV of the United Nations Convention against Corruption (UNCAC) seeks to facilitate international cooperation and outlines States parties' obligations. Countries are required to provide official support to requests for extradition and mutual legal assistance (MLA)
- Chapter V is focused on asset recovery while Chapter VI is about technical assistance and information exchange
- Consequently, Nigeria has put in place some legal and institutional framework in the context of UNCAC implementation
- Dedicated authorities/agencies to fight corruption such as the ICPC, EFCC, Code of Conduct Bureau and police, DPP, the Attorney-General, the NFIU, the courts and other specialized law enforcement agencies
- The national anti-corruption has also been adopted

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## Global Framework for Asset Recovery

- Nigeria has also made commitments during London Anti-corruption summit and the Global Forum on Asset Recovery (GFAR), 2016 and 2017
- Nigeria is party to the AU Convention for Preventing and Combatting Corruption and the ECOWAS Protocol against Corruption, as well as the Inter-Governmental Action Group against Money Laundering in West Africa (GIABA)

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## Framework for Asset Recovery

- Mutual legal assistance (MLA) is one of the most decisive weapons that States have, to fight serious international crime
- In Nigeria, an Asset Recovery and Management Unit has been set within the FMOJ, with a guideline

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## MILESTONES

- Framework for international cooperation on asset recovery established
- Successful collaboration between Nigerian government and other jurisdiction – Swiss, UK, New Jersey, US etc
- Increasing involvement and inclusion of CSOs in the process
- Successful recoveries have been made and proceed being used for social investment programme, others
- 1988 - \$750M recovered by former Head of States, General Abdulsalami Abubakar from the Abacha family.
- 2000 - \$64M Abacha Loot returned by the government of Switzerland.
- 2002 - \$1.2Bn recovered through deal entered by former President Olusegun Obasanjo with the Abacha family
- 2003 - \$160M Abacha Loot repatriated from Jersey, British Isles

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## MILESTONES

- 2003 - \$88M Abacha Loot returned by the government of Switzerland
- 2005 - \$461M Abacha Loot returned by the government of Switzerland
- 2006 - \$44M Abacha Loot returned by the government of Switzerland
- 2014 - \$227M Abacha Loot returned from Liechtenstein
- 2018 – \$322.5M Abacha Loot returned by the government of Switzerland
- 2020 - \$311M Abacha Loot returned by the government of Switzerland
- 2012 – 5M pounds Alamiyeseigha loot was returned from the United Kingdom to Bayelsa State

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## Expected loots to be returned

- \$1M Alamiyeseigha loot to be returned from the United States to Bayelsa State
- 4.2M pounds Ibori loot to be returned

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## Challenges

- Non passage or delay in passage of POCA
- Misunderstanding and doubt as to whether recovered loot should be returned to its state of origin, like in the Ibori case
- Synergy amongst anti-corruption agencies (ACAs)

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## Recommendations

- The Proceeds of Crime Bill (POCA) should be considered and passed to give clear framework to avoid arguments when stolen funds are returned
- Sustained co-operation with international communities
- MANTRA model
- Synergy between anti-corruption agencies (ACAs)

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**THANK YOU**

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**DAY 1: PLENARY SESSION 2**  
**IFFS AND THE DEVELOPMENT DILEMMA**

**Moderator: PROFESSOR BOLAJI OWASANOYE**

**Lead Presentation:** *Professor Melvin Ayogu, Project IFFs Consultant*

**Discussant 1:** *Dr. Manorma Soeknandan, (CARICOM), Role of Enablers*

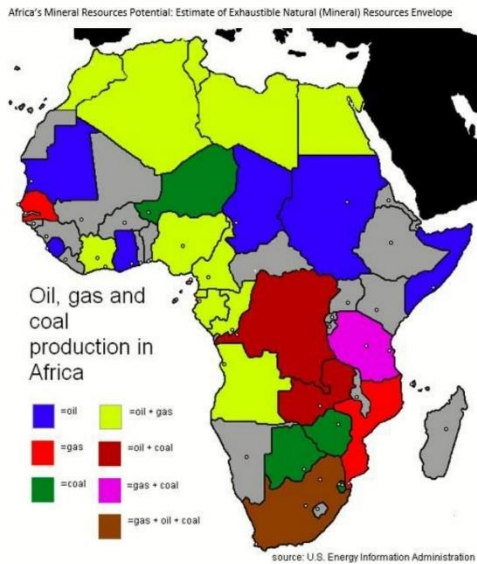
**Discussant 2:** *Thom Townsend, ED, Open Ownership, Beneficial Ownership*

**Lead Presentation: PROFESSOR MELVIN AYOGU,**  
Project IFFs Consultant





# What are the Development Dilemmas?



Poverty amidst Plenty: This cannot continue... this one is not a dilemma. It is an irony



## Many facets of the Dilemma

- Development Financing Gap AfDB on infrastructure =
- \$130-\$170bn annually
- Regional GDP: \$2600bn
- Growth 3.7%; Productivity less than 2%
- Gap \$68 - \$108bn
- IFF: 30 countries 49 years (1970-2018) = \$2000bn
- With interest \$2400bn
- External Debt \$720bn
- DAC-ODA 0.7% of GNI (24 giving to 55).

## Many facets of the Dilemma

- Africa loses \$88.6 bn annually IFF= 3.7% GDP
- And we are growing at 3.7%, little wonder we are standing still
- 17% of the \$90bn belong to Nigeria Development
- Not just the actual amount but the Much Smokes and Many Mirrors involved
- Of my Parent about the Mad Man



## Many facets of the Dilemma

- Weak Institutions leading to poor Governance.
- Need good governance to establish and nurture strong institutions, but strong institutions are necessary to ensure good governance.
- We are in a Catch<sup>-22</sup> of Development.

## Many facets of the Dilemma

- The IFFs weaken institutions necessary to secure a government that is calculated to look after its people.
- Get rid of the “resource curse” to refocus the minds of our pool of leaders and in the process become poor in attempting to develop and become rich?
- Cut my nose to spite my face?



## Noteworthy features of the Dilemmas

- Partner countries would like to assist in Africa's development
- Nonetheless they accept and condone IFFs
- But IFFs weaken institutions necessary to secure a government that is calculated to look after its people.
- Love us but like the benefits from things which hurt us...
- So, what to do?

## Ideas

- DRM + Tax Bouyancy
- Remittances, FDI, ODA, Other aid monies, External Debt
- Fiscal Prudence + Aid + Efficiency of Use (What to Fund and How?)
- Public-Private Partnership: Commitment and Transparency
- Invention and Innovation: Underwriting the risk elements

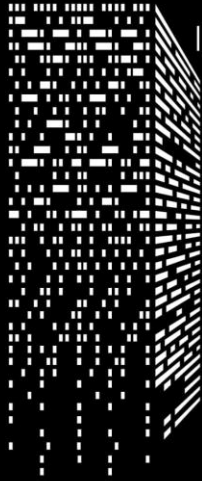


\$45,000,000,000	Hydrocarbon Revenue 2000-2013
≈\$4,000,000,000	Annual Hydrocarbon Revenue
\$9,238	3rd Highest GDP per capita on the Continent (2019)
138th/ 188 Countries	Human Development Index Ranking
#1	Gap between per capita wealth and human development progress

What is the disconnect?

### KLEPTOCRACY OF blah blah blah

<p><b>INSTITUTIONS</b> Legal, Political, Economic systems all exist for benefit of XYZ group</p> <p>Tools of governance - Fear mongering, kidnapping, indefinite detention, torture</p>	<p><b>FORMALECONOMY</b> Dominated by oil industry jobs</p> <p>Government officials grant business licenses and jobs only to those of XYZ inner circle</p>	<p><b>INFORMALECONOMY</b> Most citizens barred from formal economy</p> <p>Survive off of subsistence farming, live off of less than \$1 per day</p>

### INFRASTRUCTURE PROJECTS - EMBEZZLEMENT OF STATE REVENUES

**BUDGET**  
81% of annual budget from 2009-2013  
spent on large scale infrastructure projects  
≈ \$4.2 billion annually

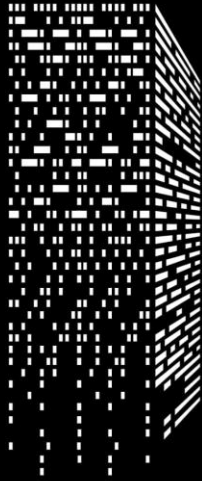
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**SELF DEALING - OWNERSHIP OF COMPANIES**  
Presidential family provide construction  
and material provision companies which  
they own with a limitless supply of  
government contracts

### INFLATION OF CONTRACTS & SHELL CORPORATIONS

“only existed on paper and had no real personnel or operations, did not have the ability to pave roads and therefore General Works had to complete projects for them. These work projects were a means for Minister ..... steal money from the XXX treasury” (ZZZ, 2017, p. 72).

“General Works provided kickbacks to... for various contracts, which were highly inflated at Minister direction.... For instance... if the real cost of a construction project was 2 million dollars, Minister .... would instruct General Works to prepare and submit a project invoice to the XXX government for 10 million dollars so that he could receive a ‘kick back’ of 8 million dollars.” (ZZZZ, 2017, p. 72).



### HEALTH AND EDUCATION BUDGET AT A GLANCE

**BUDGET**  
Compared to 80% of budget given to infrastructure, meager 2 to 3% given to health and education respectively (2009-13)

**COMPARISON TO OTHER COUNTRIES**  
Countries with similar GDP per capita spend around 14% of expenditure on health, 14% on education

XXX is the sole country to consistently spend less than 5% of budget expenditure on either category





### EFFECT OF CORRUPTION ON HEALTH OUTCOMES

99% → 65% → 35%	Newborn Tuberculosis vaccination rate 1999, 2014, 2015
<50 Years	Average Life Expectancy
60%	% Deaths caused by preventable/malnutrition related illness
25%	% Children stunted by malnutrition
66% / 50%	% of anemic children / women

### EFFECT OF CORRUPTION ON EDUCATION OUTCOMES

42%	% of primary school aged children not in school
#7	Worst primary school enrollment rate in the world
<25%	% Children that enroll in middle school
>50%	% of primary school teachers without adequate professional training

“Teachers with political connections but no experience or accreditation were hired, even though they seldom appeared at the classes they purportedly taught” (Open Society, 2010, p. 5)



## IF NOT HUMAN DEVELOPMENT OUTCOMES, WHERE HAVE REVENUES GONE?



ANOTHER RESOURCE RICH ONE...

03



\$5,600,000,000	Oil Revenue for 2018
\$2,011	14th Highest GDP per capita on the Continent (2019)
139th / 188 Countries	Human Development Index Ranking
70%	Civilians living below the poverty line
33%	Civilians living on less than \$2 a day

What is the disconnect?

“Oil has brought poverty among our people. Oil has brought corruption, hate, and arrogance. Oil is at the base of our misery.”


– FORMER NATIONAL TREASURER



## “REVOLVING DOOR OF DEBT”

**CAPITAL FLIGHT IN ...**  
Debt-fueled capital flight is extremely common


Explains how heavily indebted countries in Africa become net creditors



**WHAT DOES IT MEAN?**  
Debt taken out in the name of a “public good” (i.e. education/health)


Diverted into accounts of those that orchestrated the deal

Then, moved out of the country and NEVER used for public goods




**IMPACTS?**  
Each dollar spent on this type of debt results in 0.29 less dollars spent on healthcare

In yyy, estimated to have increased infant mortality rates by 2.5%



## EDUCATION AND HEALTH OUTCOMES IN THE REPUBLIC OF CONGO



**EDUCATION**

- 87% enrolled in primary educ.; 44% in secondary education
- 25% enrolled in 1st grade will not finish primary school
- Suffers from insufficient distribution of teachers and limited reception capacities
- High avg. class size and student-to-teacher ratio (83:1)

**HEALTH**

- High infant mortality rate: 96 per 1,000 live births
- High-alert maternal mortality rate: 410 per 100,000 births
- Declining child immunization rates: down to 65%
- Severe levels of malnutrition: affecting 14% of the pop.
- Lack of medical professionals
- 0.28 physicians per 10,000 people
- 1.91 nurses/midwives per 10,000 people



## NIGERIA AND DANGOTE INDUSTRIES – CASE STUDY

04

### DANGOTE AS A CRONY

- Strong personal relationship with Nigerian govt for whole career
- Started in 1970's as an importer of goods, largely cement
- Importation required license, which were given out infrequently and with clear favouritism
- Encouraged specific govt policies such as backward integration, removing foreign rivals, when moving to production



## CAN CORRUPTION BE GOOD?

- It can act as “grease on the wheels”
- This translates to an easing of risks and transaction costs
- There is some evidence for higher growth in countries with corruption, in very specific circumstances (CEMAC Countries being an example)

## DANGOTE’S POSITIVE EFFECTS

- † Created a productive industry where there was not one before. Employs more than 25 000 people
- † Nigerian production of cement increased from 2.17 million tonnes to 22.25 million tonnes from 2001 to 2014
- † Encouraged creation of useful infrastructure, such as roads
- † Directly built gas lines, mines and energy production facilities to enhance production, relieves stress on Nigerian grid



Report of the International Conference on  
Illicit Financial Flows and Asset Recovery

'If after 50 years of our cement business in Nigeria we could not get it right and under 5 years Dangote has gotten it, we have to support him'.

Nigerian ex president Obasanjo on the government relationship with Dangote



## CONCLUSIONS

05

### THE WHOLE PICTURE?

Corruption *may* have specific positive effects, especially in GDP per capita. However, GDP per capita is not necessarily a good measure of development, and corruption has been largely detrimental to health and education outcomes.





**Discussant 1: Dr. Manorma Soeknandan, (CARICOM)**  
The Role of Enablers

International Conference on IFFs and  
Asset Recovery, 18<sup>th</sup> & 19<sup>th</sup> May, 2021

*IFFs and the development Dilemma*

*Role of the Enablers*

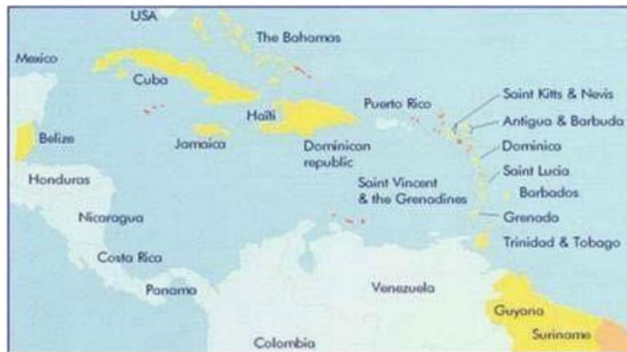
*Manorma Soeknandan*

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CARICOM MEMBER STATES



# Report of the International Conference on Illicit Financial Flows and Asset Recovery

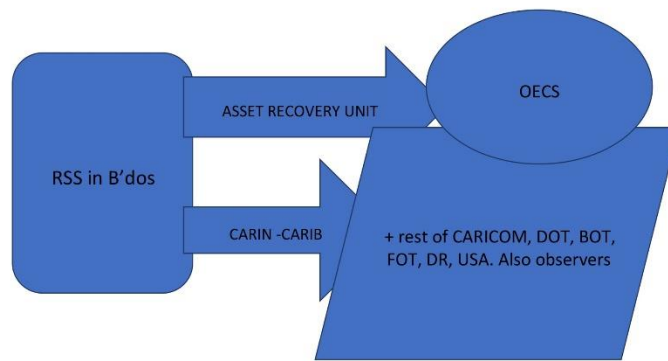


The Caribbean Community consists of 3 continental Member States: Guyana, Suriname and Belize, 11 English speaking island Member States, Haiti, and 5 Associate Member States (British Overseas Territories).

## CARICOM Framework for The Management of Crime and Security



Caribbean Entities:



## RSS Asset recovery Unit (ARU) 2015

- To tackle serious organized crime in the Caribbean Common Law jurisdictions, through partnership and the robust application of proceeds of crime and money laundering legislation;
- Works closely with Caribbean Financial Action Task Force (CFATF);
- Regional and international partners include US, UK, UNODC, OAS, OECS, CARICOM, CFTATF, IMPACS
- **Between Nov. 2015 – 2018:**
  - US\$ 26.8 million of criminal assets identified and restrained;
  - Add. US\$ 7.5 million (civil) forfeited by the courts using cash seizure provisions;



- Add. US\$ 4.5 million seized and in court process;
- 85pp charged with money laundering offences;
- **In 2020**: another few millions of cash seizures, etc. confiscated and forfeited assets.

### ARIN- CARIB (2017): has a larger membership

- Aim: to increase the effectiveness of members' efforts in **depriving criminals of their illicit profits** on a multi-agency basis by establishing itself as the center of professionals' network in tackling the proceeds of crime (targets **illegally obtained criminal wealth** in the Caribbean) • In 2019: nearly 100 million US\$ in cash was forfeited in Jamaica and went to the Gov't coffers (Consolidated Fund).

### Legal construct (obligations and rights): for the Caribbean Community:

- Signed several conventions;
- Signed treaties and agreements;
- Model legislation;
- National legislation (e.g., Trinidad & Tobago, Jamaica, St. Vincent & the Grenadines, etc.).



## Enablers: not the hard-core criminals as per normal definition, but

- The ones in suites and ties and **most** of them highly educated (accountants, lawyers, politicians, bankers, etc.) and we also have the legal/financial (cross border) service providers. They cross all jurisdictions. The ones who know the loopholes, the people and the culture /mindset of people and also who have the budget to calculate the “corruptive practices” ...

## After a few discussions and after some desk research, left with a confused mindset:

1. in the Caribbean several agencies are conducting the same work, funded by the same IDP's who among themselves are competing or funding and have their own agenda, and who gets caught in it and who benefits?? We are still being grey and blacklisted...
2. there is a plethora of signed and ratified legal documents, protocols, standards etc. becomes very confusing, time consuming, but who benefits?? A superfluous question;
3. how to solve IFF's in small developing countries in e.g., the extracting industries, whereby those who are in power are directly / indirectly involved in conducting / facilitating the activities?
4. millions are going into the consolidated Funds of Member States (recovered assets) Q: where is this money going, how is it spent and how is it possible that the regional agency is not receiving any contributions. Should accountability and transparency not require that the destiny of these monies be published?



## UNFACTI PANEL Recommendations:

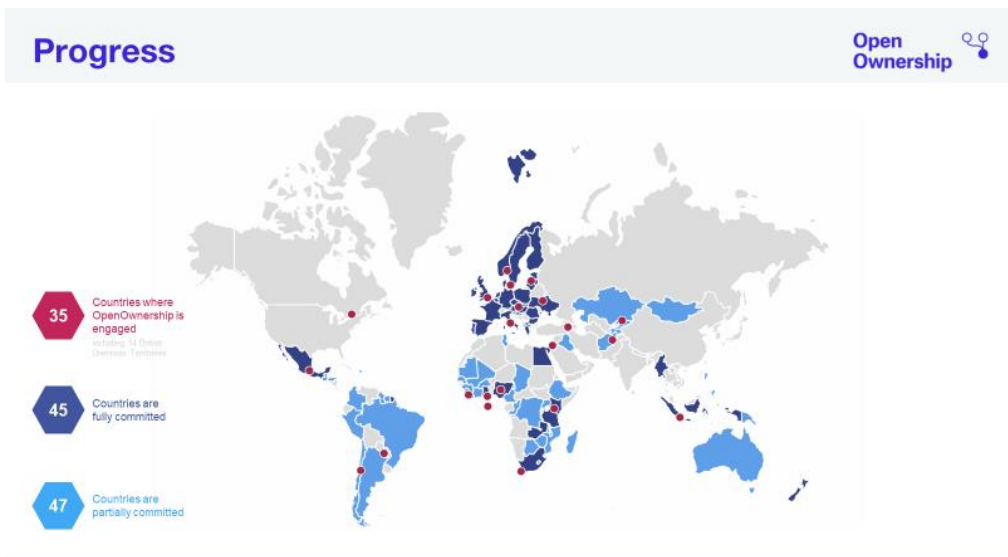
- With the afore-mentioned, I hope you do understand why the Panel has recommendations dealing with:
- A. centralisation of legislation, standards etc. under the umbrella of the UN;
- B. Accountability, transparency, integrity (we need a cultural mind shift, these have to become an integral part of the way we think at all levels);
- C. where to get the monies for achieving the SDG's. (e.g. asset recovered cash 100 million US\$ in 1 year, and population is less 3 million, ???).

Thank you!





**Discussant 2: THOM TOWNSEND, ED, Open Ownership,  
Beneficial Ownership**





## International Overview

Open  
Ownership 

- 112 countries have now committed to some form of beneficial ownership disclosure and transparency
- United States has (finally) legislated for a federal closed register of company ownership and full public disclosure of the beneficial owners of companies in receipt of federal contracts above USD\$500,000
- Canada committed to a central, public federal register of beneficial ownership in April 2021



Open  
Ownership 

## Key trends





## Key trends

Open  
Ownership 

- **Growing awareness outside of FIU's/Treasury that beneficial ownership data is critical and useful to a range of government operations**
- **Beneficial ownership disclosure for public contracts is growing in significance, helping to build awareness across government agencies of the data's value.**

**Integrity in IMF  
COVID-19 financing:**  
Did countries deliver on their  
procurement & beneficial  
ownership transparency  
commitments?

Summary report, April 2021

OPEN  
CONTRACTING  
PARTNERSHIP

Open  
Ownership 

- **In jurisdictions with little existing work on beneficial ownership, these commitments were critical in growing understanding of the issue inside and outside of government**



Open  
Ownership



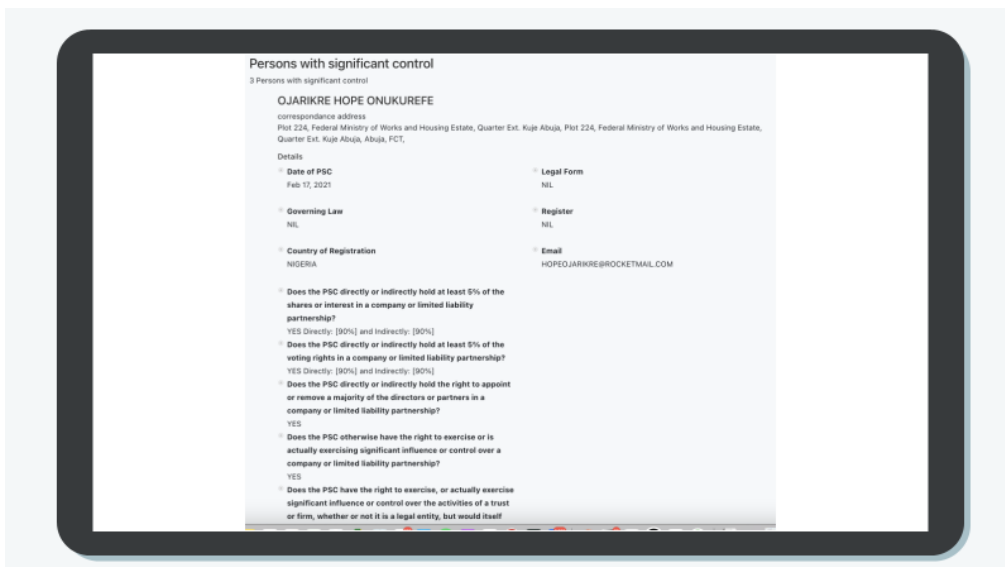
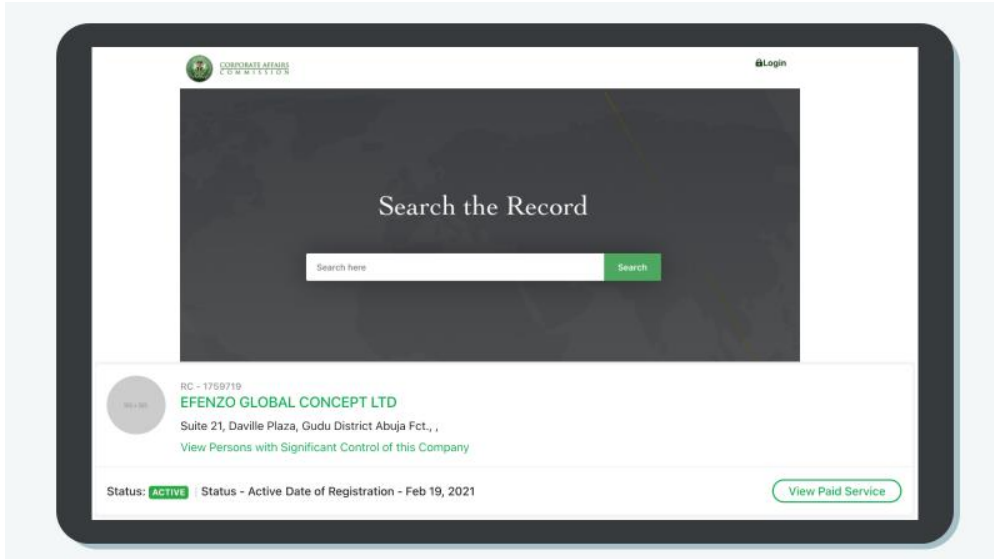
# Nigeria

## Nigeria

Open  
Ownership



- Full economy disclosure of beneficial owners became mandatory in January 2021.
- Some beneficial ownership data is now available from the CAC on companies registered since CAMA came into force





## Next steps



**Working alongside the Open Government Partnership, World Bank we're supporting the CAC to deliver v.2 of the register focussing on:**

- **full structured machine-readable data compliant with the Beneficial Ownership Data Standard**
- **Effective data integration with other GoN agencies - tax and procurement authorities in particular**

## Goals



- **Remove all technical and usability barriers to effective compliance**
- **Ensure usable and used data by agencies, business and civil society**
- **Effective integration with other beneficial ownership disclosures e.g. NEITI via the Opening Extractives programme (OO and EITI partnership)**



Open  
Ownership



# Recommendations

## Key recommendations

Open  
Ownership



- 1. Draw on growing diversity of international best practice - OO has significant amounts of this and can support you to find the right information quickly (CAC is doing this particularly around BO verification)**
- 2. Integrate discussion about BO disclosure into other policy areas to grow awareness and popularise the issue of disclosure of true company ownership information**



**DAY 2: PLENARY SESSION 1**  
**COMMON AFRICAN POSITION ON ASSET RECOVERY (CAPAR)**

**Moderator: BRIAN KAGORO**, Programme Support Division Director of the Africa Regional Office of the Open Society Foundation

**Lead Presentation: MISS SOUAD ADEN-OSMAN**, Executive Director of the CoDA, Addis Ababa

**Discussant 1: HON. LOUIS ANDRIAMIFIDY**, *Chairman, African Union Advisory Board Against Corruption*

**Discussant 2: HON. FRANCIS BEN KAIFALA**, *Commissioner, Anti-Corruption Commission of the Republic of Sierra Leone*

**Opening Remarks: PROFESSOR BOLAJI OWASANOYE, SAN (Chairman, ICPC):** Good morning, distinguished ladies and gentlemen. My name is Bolaji Owasanoye. I'm the Chairman of the Independent Corrupt Practices and Other Related Offences Commission; ICPC for short. Let me thank you all for finding time to join us on this second day of the virtual *International Conference on Illicit Financial Flows and Assets Recovery*. Let me start by thanking all of our Panelist who have joined the conversation for this morning and those who will be having the second Session. Our first one- or two-house cleaning issues: We have facilities for interpretation into four languages; English, French, Portuguese and Arabic, so, our colleagues who have joined from other parts of Africa and other parts of the world would have this choice or option. I want to use this opportunity to acknowledge and thank the interpreters for the excellent job that they did yesterday.

This morning, our first Session is focusing on the Common African Position on Asset Recovery, the political document adopted by the African Union Heads of government in February 2020 that prescribes five pillars about what we ought to do in order to have assets recovered. Interestingly, yesterday, Nigeria announced the recovery of another £4 Million from the UK, making it the fourth international recovery under this administration. Nigeria has had some experience, part of that which we shared yesterday in the conversation in the first Panel on *International Asset Recover: Milestones and Challenges*.

To moderate this morning's Session, is somebody who is very familiar with the subject matter, Mr. Brian Kagoro of the Open Society Foundation. He is based in South Africa. I will be handing over to him very shortly. I also want to recognize our Speakers; and the Lead Presentation would be given by Ms. Souad Aden-Osman, the Head of the Coalition for Dialogue on Africa. They are partnering



with us in this particular Conference. I am going to use the opportunity to say thank you to them and to the AU.

The first Discussant is the Chairman of the African Union Advisory Board Against Corruption, Honourable Louis Andriamifidy. He joins us from Madagascar. The second distinguished Discussant is our friend and brother, Honourable Francis Ben Kaifala, the Commissioner and the Head of the Anti-corruption Commission in the Republic of Sierra Leone. I want to recognize the presence within the Meeting Room, of the member of the High-Level Panel otherwise known as the Thabo Mbeki Panel, Ambassador Segun Akpata. We recognize you Sir. We thank you for the role that you have been playing and the leadership that you have been providing in supporting this process. Without *Much Ado*, I want to hand over now to Brian to take over and moderate the Session. Over to you Brian.

**BRIAN KAGORO:** Thank you Professor Bolaji. Excellencies, distinguished participants! Our Lead Presenter will speak for 20 minutes and the Discussants will have 8 to 9 minutes each. Just a little word. The CAPAR is concerned primarily with identification, repatriation and management of assets, artifacts and resources, which is money, African resources that have been taken out of the continent. When the Heads of State adopted CAPAR in February 2020, they gave the mandate for its implementation to CoDA and the AU-ABC, and we are glad that in this particular Panel, we'll have the two key implementation organs and they will work closely with the African Union Commission, the ADB and the ECA. I don't want to pre-empt what the Lead Panelist or Lead Presenter is going to say. Miss Souad Aden-Osman has already been introduced. She's the Head of the Coalition for Dialogue on Africa (CoDA). I'll invite Souad to make the presentation and soon after I'll come to Honourable Louis. Please note Souad, you have a generous 20 minutes and hopefully you'll do it in 16. Thank you so much.

**SOUAD ADEN-OSMAN:** Thank you very much Brian. Good morning everyone. I am Souad Aden-Osman. I work for CoDA; I am not the Head of CoDA. CoDA is a platform for dialogue and debate. It is governed by its body and is currently led by President Olusegun Obasanjo, former President of the Federal Republic of Nigeria. It is a platform of eminent Africans and non-Africans. So, I only work at the level of the Secretariat. I am also in this Conference actually speaking on behalf of another group, that is, the High-Level Panel on Illicit Financial Flows [the Mbeki Panel]. I am glad that Ambassador Olusegun Akpata has been introduced. He is the High-Level Panel member that is present today. The other one would have been our moderator, Barrister Akere Muna, who could not be with us. So, I will make the presentation and I will be guided and probably stopped or corrected by Ambassador Segun if I am not really reflecting the thinking, the spirit and the letter that brought about the Common African Position.



So, in the views of the High-Level Panels on Illicit Financial Flows, which Coalition for Dialogue on Africa supports, it is now widely recognized and established, particularly from the African perspective, that in order to eradicate underdevelopment and poverty, as well as to address the Sustainable Development Goals and Agenda 2063, the matter of domestic resource mobilization is most crucial, and a critical element of mobilizing the resources is the curtailment of illicit financial outflows from the continent. Failure to do this threatens the possibility of achieving the SDGs; and this is a problem that is now compounded by COVID-19 pandemic on the continent.

The levels of poverty and underdevelopment on the continent is increasing due to the pandemic and is expected that this will result in decline in Africa's GDP, and according to a [study], we're talking about 3.5%. That is why effort to stem illicit financial flows from the continent are now more critical than ever. So, one of these aforementioned continental efforts is the Common African Position on Asset Recovery, which was unanimously adopted by Heads of State and Governments of the African Union at the 33<sup>rd</sup> Ordinary Session of the Assembly, held at Addis Ababa in February 2020. It is important to underline that the adoption of the Common African Position [on Asset Recovery] indicates the continued support of the African leaders to anti-corruption and anti-IFFs agenda. The support came about following release of the African Union and ECA High-Level Panel on Illicit Financial Flows from Africa, also known as Mbeki Report. The report recommended that African countries take actions to track, stop and get back illicit financial outflows. It was in view of getting back or recovering these IFFs that the African Union Declaration on the African Anti-Corruption Day in 2018 called for basically two things, and I wanted to insist on this because yesterday at some point the conversation was departing from the spirit that brought about the CAPAR.

I wanted really to insist that whether the High-Level Panel Report or the AU Special Session which led to an AU Special Declaration on Illicit Financial Flows in 2015, or the follow up decisions that were made, the most important one for the CAPAR is the 2018. The Declaration called for basically two things from the African perspective. It's about efficient recovery and unconditional return of those stolen assets to Africa with due respect for the sovereignty of our state and their national interest. We really need to accept, secure, nurture, protect and defend that position of Africa. So, all the steps, in effect, [that] led to the development of the CAPAR were guided by these two pillars and principles. Let us establish that because we see, and particularly when we hear Civil Society, that sometimes we seem to be departing and wanting to accept stands that may basically invites non-state actors into even budgeting processes of sovereign nations. We have to be very careful how we talk about these things in response to the declaration of the African anti-corruption here. The government of the Federal Republic of Nigeria, the African Union Commission, the African Union and the African Advisory Board on Corruption, together with the Secretariat of





the High-Level Panel and other members of the Consortium to Stem Illicit Financial Flows from Africa and other members of Africa worked together to develop the CAPAR.

Since then, it has been adopted by African leaders and several efforts have been undertaken to position it at national and regional level and I want again to insist on another concern. When we decide or we work our institutions to bring about a concrete solution and instrument, it takes us longer to convince ourselves than it takes to convince others. So, when Africa speaks with one voice -and what I'm saying is that at global level as at today, the CAPAR has already been discussed and brought forward in various forums by Permanent Representatives of the United Nations and others. This highlights its importance. So, we will ensure that whether it's on the continent, at regional level, sub-regional level or national level, the same level of importance is given to this instrument. CoDA and the High-Level Panel will make sure that recognizing importance of CAPAR in a global level is also acknowledged, properly and adequately, also at global level by the United Nations General Assembly as a concrete tool for the implementation of the IFFs agenda.

The CAPAR is to us essentially the bedrock for our continent's legal instruments and technical framework for negotiating the return of our stolen assets and funds taken illicitly from the continent and hosted in foreign jurisdictions. Its aim is to assist African Union member states, to identify, repatriate, as Brian was saying, and effectively manage these assets in a manner that respects the sovereignty of these member states. The CAPAR was developed on the basis that illicit financial flows, and the illicit consignment of African assets to foreign jurisdictions, have and will continue to undermine Africa's development goals and aspirations unless acted against by the global community as well as the African Union and its member states. It maintains that all these stakeholders must speak with one voice and act in unity to ensure that Africa's voice is heard and is fully recognized in efforts to shape the global ecosystem of asset recovery. This policy instrument outlines Africa's priority for asset recovery and groups them into four pillars.

**The first** of these pillars is the detection and identification of stolen assets. It should be highlighted that the identification of African assets is usually technically complex and inherently political. Legal, taxation, financial and justice systems, as well as transparency, protection of whistleblowers, enabling the roles of media and Civil Society, are all critical to the detection and the identification process, but are not adequately addressed by current institutional and legislative policy frameworks. In order to address these and similar challenges, the CAPAR makes several recommendations to member states, including the development and implementation of regional best practice guidelines for asset declaration through the assistance of existing institutions such as the AU-ABC -and I am glad that the next speaker is the Chair of the Board



of the AU-ABC, as well as prioritizing the regulation and protection of whistleblowers.

The **second pillar** which entails the recovery and return of these assets was highlighted as a top priority by the continent in the High-Level Panel's Report on IFFs from Africa. This is because such recovered assets must be applied towards the useful development agenda. The CAPAR indicates that in considering strategies for recovery and return of the assets, AU member states should remain mindful that identified assets is at the risk of being retransferred unless frozen and seized expeditiously by authorities in destination and source countries [and it requires destination and source countries to] coordinate and engage in the recovery and return process in harmony. The current situation we have seen is that the destination countries keep these identified African assets in their jurisdictions during the lengthy processes involving the recovery processes... This results in source countries losing out on the potential monetization, use and enjoyment of such assets to the detriment of Africa's development. In response to this, the CAPAR recommends implementing strategies to ensure the simplification of technical and legal processes involved in assets recovery as well as prioritizing the recovery of African assets, including artworks and artifacts that were taken out of Africa before, during, and even after colonization.

The management of the recovered asset is the **3<sup>rd</sup> pillar** of the CAPAR. It stresses that the use and disposal of recovered and returned African assets is the sovereign rights of individual member states which are entitled to use assets for the common goods of citizens in accordance with Africa's development agenda, domestic laws and other legitimate government purposes. The management of assets must include the power to invest returned assets, dispose of assets and pay proceeds into assets recovery accounts, manage ongoing processes and generally adopt profitable and economically effective and efficient assets management standard in the interests of member states and their people.

The **4<sup>th</sup> and last pillar** focuses on corporation and partnerships. It has been noted in the High-Level Panel Report and in the CAPAR that, successful asset recovery and repatriation cannot occur in a vacuum but can only be the result of effective and efficient cooperation between various actors. These actors include member states, regional bodies, the global community, investigative bodies, law enforcement agencies and financial intelligence institutions. In this regard, regional and international cooperation plays a key role in curbing illicit financial flows as well as detect, identify, recover, return and effectively manage African assets located in foreign jurisdictions. This is particularly important because IFFs are Africa's problem with global solution, and this is evident in the manner the recovery of our assets has been handled so far in recent meetings of the global FACTI Panel and other international stakeholders.



The High-Level Panel continuously called for the establishment of a strong inclusive global financial architecture. The Panel has also expressed the need to bridge the focus of the source countries and destination countries. The focus of the former is on the money leaving the continent and the destination countries actually focusing on their taxes that are not paid. We do have our perspectives and where the money is actually held comes from a different perspective. So, the difference in focus is obvious on one side. It will usually will have a name of a corrupt individual who took money away from the continent while on the other side the names of the banks that are actually welcoming this money knowing that this money is tainted; 80% of the cases they know that the money cannot be clean money, [and yet] they give themselves the right to hold this money much longer than is required. There is therefore an obvious reason needed to bring about an approach to harmonize the process of recovery; and that is why we found the CAPAR to be a useful solution to it.

Further to the 4<sup>th</sup> pillar, several issues that we found are **cross-cutting**. These include the need to strengthen domestic, regional and international systems; the need for mutual support and inclusion between member states given the variants in their capacities to engage in a complex process like the one that they need to engage in for asset recovery and repatriation, as well as the need for member states and other stakeholders to create an enabling environment for the implementation of the CAPAR. I will stop here...If have to answer questions, I will be able to take questions.

Thank you very much.

**BRIAN KAGORO:** Thank you so much Souad for abiding by the time that we allocated. I will perhaps defer questions towards the end. With your permission, I am going to ask Honourable Louis Andriamifidy, who is the Chairperson of the African Union Advisory Board Against Corruption. Sir, you have a very generous 10 minutes... We welcome you to make your intervention Sir.

**HONOURABLE LOUIS ANDRIAMIFIDY: FRENCH**

**BRAIN KAGORO:** Honourable Louis Andriamifidy, you are an example of future management of time in Africa. You stopped way before the clock and you put the timekeeper to shame because you left the timekeeper unemployed, we have to recover that watch which is their asset. This leaves us with our brother Francis Ben Kiafala. You have listened to the continental ambition. You have listened to the AU-ABC and the identification as Honourable Louis has said of several challenges. He has raised questions of blanket secrecy jurisdiction; He has looked at the possibilities of sovereignty not as an asset and also sovereignty as a hindrance to achieving the common objectives; he has looked at several difficulties and challenges as we try and map a way forward. The lack of harmonization in our legal systems, the lack of common legal framework that would enable ease of implementation of CAPAR, and, in particular within the context of a legal system, he has looked at the court systems, rules of evidence



and admissibility of evidence and general procedure questions as well as the larger question he raised of choice of law, which law do you apply given the different laws that he clearly stated, the need for an assessment, they have set up the assessment team and the dialogue going forward. In his presentation, he essentially was complimenting something that has been said with respect to the four pillars... by Souad Aden-Osman, in detection and identification, recovery and management of asset and the critical role of national, regional and international corporation. [S]o it will be interesting to hear from a national perspective. Over to you Sir.

**HONOURABLE FRANCIS BEN KIAFALA:** Thank you very much Brian. Nice to see all of you, eminent personalities from across the planet discussing such an important issue as asset recovery for the benefit of Africa particularly from illicit financial flow and corruption. I am grateful for the Speakers before me. Firstly, I am grateful to the ICPC organizing this. I think it is really important that we keep this conversation going so that we can move political and policy declarations and try and move them towards actions. I am also grateful to the three speakers before me. They have really laid out the issue starting with the 1<sup>st</sup> Speaker; but of course my Chairman, Honourable Andriamifidy has also laid out the policy position of the Africa Union Advisory Board on Corruption and really brought out the issue concerning the difficulties, as you Brian has rightly elucidated. So, I will take it more from the country perspective when it comes to the local difficulties that we face, when it comes to asset recovery and maybe also in regional perspective since I am also the Head of NACIWA (Network of Anti-Corruption in West Africa).

Generally, asset recovery issues are very complex; you have to take into consideration that the conversation around it is usually very political and sometimes you have to look at it also from the point of view from the different cultures that we all operate from. For example, In West Africa, particularly in areas where we are, like Sierra Leone, we have a situation whereby there is this saying that; *“you did not investigate my poverty, why are you investigating my wealth?”* This comes from a culture that glamorizes wealth and it is usually frowned upon when people are trying to go after people who they believe got illicit wealth. So, there is this cultural dimension which ties into what the Honourable Andriamifidy was saying. There has to be some form of uniformity but where do we draw the line? In French-speaking West Africa, for example, asset recovery issues have not taken root as much as it has taken root in Nigeria or in Kenya or even in Sierra Leone. From our perspective, in recent times, we have put a lot of emphasis on asset recovery and there was a serious shift in the fight against corruption in Sierra Leone when I became Commissioner because our actions were more of *cut base* and not *cut leg*. We all know that in Africa, we discuss this at the African Union Dialogue about the difficulties and challenges we are facing with the Judiciary, and we have to admit to ourselves that the Judiciary is a difficult problem when it comes to really addressing issues of



corruption in West Africa. So, if our policies and plans are mostly cost led, it becomes difficult for us to recover assets. In Sierra Leone, for example, when I became Commissioner, we proposed an amendment of the law that allowed us to engage very seriously on non-conviction-based asset recovery where we go after assets without having to go to court because the power of the fight against corruption has to lie with the institution that is fighting corruption. If that power is shifted and vested in an institution like the judiciary, mostly as we have in most African countries, and then if that institution has issues of trust, have issues of difficulties for themselves in administering justice, then there will be difficulty.

So, for asset recovery, we have to develop a common position in Africa. There are best practices happening. Kenya, Nigeria and some other countries are well advanced when it comes to issues of asset recovery but there are some other countries which are lagging behind, which need to step up. In Sierra Leone, for example, in 2 years for a small country we are able to recover over \$3 Million in cash from the corrupt. That recovery in 3 years is more than what had been recovered for 18 years of the existence of the Anti-corruption Commission in Sierra Leone and that does not include houses that we have recovered, vehicles of politicians...When there is a change of government, politicians will sell vehicles, we [had to go to] Guinea [to] recover [vehicles belonging to politicians] and bring them to Sierra Leone and then those involved will [be tried] in Sierra Leone for their crimes.

But we need to develop a common policy that takes into consideration issues of mutual legal assistance. Some countries don't even understand well how to go about the mutual legal assistance. The challenges, the difficulties, [for example] we have tried one in England. The question that we have is the need of how to recruit a lawyer in England and pay the lawyer, the resources that have to be committed in going after the assets. Sometimes some countries are not willing to do that because maybe they believe it is throwing good money after bad money because money that is stolen is considered to be bad money and when you go after it and then have to pay another \$100,000 to lawyers in UK and other places. So generally, Africa has to develop a policy, but we all have to work together and that is where the African Union Advisory Board comes in.

We all have to come together to train our experts so that they can have the bargaining power to sit on the table and also to develop a pressure system on international bodies to review some of the challenges and difficulties. We have to streamline the policies on asset declaration and we should also increase our work on borderless investigation for example. For example, I just made reference to the fact that we; in Sierra Leone went in to Guinea to recover vehicles that were stolen by members of the previous government and then brought them back to Sierra Leone. That had to include borderless investigation. We have done work with Nigeria. For example, in trying to investigate things, we



have to make sure that it is streamlined; of course, as I have told you. For example, in Mali, I was speaking with the Head of Anti-corruption in Mali once and he said that in Mali they cannot even understand the concept of you going to recover assets that have been stolen from somebody because the person is rich *"he is rich, why are you going after him?"*. So, we have to organize a Conference in Mali under the Network of Anti-corruption Institution in West Africa specifically designed to convince them that this is the best practice in Africa and it is do-able. Therefore, we have to streamline that and do it, we have to draw on good practices. The good practices in Nigeria, the good practices in Kenya, we have to draw them beyond the declaration and try to have all the African countries to develop them so that it is easy when Sierra Leone contacts Nigeria for example. For example, in Sierra Leone now, we have discovered that a lot of people who steal asset in Sierra Leone are taking them to places like Gambia, to Ghana, so they are not going to the traditional places they used to go before, but because the mutual legal assistance regime between the two countries are not really developed well, it is difficult for us to move forward with those investigations.

We also have to improve on the mutual legal assistance to make sure that we do what we ought to do. I think as the Chairman of the African Union Advisory Board said, we have to develop a proper framework for the recovery and disposal of assets. So, for example, in Nigeria, we woke up to the news yesterday and this morning of the return of \$5.8 million due to the James Ibori investigation that was happening and that has been going on since 2012. All of us have been following that. It is a good thing, so we in Sierra Leone can learn from Nigeria how they went about this. This is important for us. How can institutions that facilitate this on the continent help facilitate conversations like they are having to ensure that Botswana learns from this? That Madagascar learns from this? That Mali learns from this? That Cape Verde learns from this? This is really important. Therefore, we have to make sure that these declarations do not just remain on paper, that we bring them on the table, we ensure that going after assets overseas with a common African position is well informed, that we are well organized continentally, that we move as an organized body and then we will be a force to be reckoned with when we face other people.

It has worked in other places. In the EU, it is working very well for them. Why shouldn't it work for us in Africa? We just need to organize ourselves and move forward. Thank you very much...

**BRIAN KAGORO:** Thank you so much Honorable Francis. I noted from your presentation that you said that the thieves have become Pan-Africanist. They are no longer going to the traditional jurisdictions, they are now stealing from one African country and going to Ghana, going to elsewhere and I think that is one take away as we get into questioning the following key things. Mutual legal assistance to avoid or minimize the costs of recovering stolen money so that we're not throwing good money after bad; and the *compendium of good or*



*scalable practices so that countries are not always starting from zero of the mutual legal assistance and mutual learning, so that we are constantly improving what we're doing by learning from each other. Also, the proper framework of disposal of assets, going beyond being paper tigers and making declarations like CAPAR. We need to take united practical action. I like the point that you made about culture and the fact that if you have a cut-leg solution it's going to have complications if the judiciary is captured, compromised or suffers from trust deficit. When we're dealing with uniformity, we need to be creative. Congratulations for recovering SR\$3,000,000 in cash and notably this is more than what has been recovered in the last 18 years.*

### Questions (Chat)

**BRIAN KAGORO:** I want to open up for questions and in opening up for questions, I note that there were already some preliminary questions which perhaps we could start off by fielding.

Idris had posted his question on the chat which is: "Hello, what do you define today as stolen assets to be recovered? If we agree according to UNCAC, Tax Justice Network, and even the FACTI Panel that the concept is dynamic and integrates both licit and illicit flows as far as countries are losing resources for development." So, he's asking for clarification on the definition. I think that as we take other questions, we'll give this question to the owner of the Chair, Honorable Louis, to answer, but I think you have the other two Panelist, you're also free to answer.

Esa Onoja, Esa had raised: "There are multiple frameworks for asset recovery including UNCAC. What makes CAPAR unique?" I think that Souad and the Honourable Francis you could look at that.

What we will then do with the guidance on site we're going to see if we can ask them to answer.

Sarah Rager or Ruger has asked two questions once directly. Do you want to quickly, Panelist, just respond to those two questions? I'll start with the Honourable Louis.

**HONOURABLE LOUIS:** French

**BRIAN KAGORO:** Thank you very much Louis. Professor Bolaji, I'd like him to maybe have a go then we go to Souad and the Honourable Francis.

**PROFESSOR BOLAJI OWASANOYE SAN:** Thank you very much...I also saw Idris' chat question about "how CAPAR fits into the global architecture". I think somebody else asked that question. First of all, I think what we should understand is that CAPAR offers the framework and that framework itself aligns with UNCAC. So, for example, CAPAR suggests that African countries that do not



have laws, for example, non-conviction-based recovery, as most of the laws for the recoveries that they have are chained towards confiscation which is often a consequence of a criminal prosecution. UNCAC Chapter 5 makes recovery a major component of the fight against corruption and as an enforcement measure, and, because recovery just as Ben Kaifala of Sierra Leone had said, some African countries are wondering why recovery is being done? Such countries believe that you should only prosecute and if you succeed with prosecution the outcome should also be confiscation of asset. We all know that prosecutions can take forever and where the people who are at wrong, the corrupt people, have captured the state too, the ability of the state to even enforce the law is already weakened. So, you have the corrupt people in political positions, they have influenced both the executive and the legislature. It will be impossible for the states to do anything, so asset recovery is then a major outlet for dealing with corruption.

Since many people do not understand how to deal with it, the CAPAR gives a framework about tracing, about management, about detection and that framework is based on best practices. It also advises that a lot of these have to be subject to local legal framework. Honourable Kaifala mentioned about the need to have legislation on the use of recovered assets, and I agree with him absolutely, because it helps to make clear the use of recovered assets which remains a sticky point generally. The other point someone raised is about what is unique to CAPAR because of all these other frameworks. I have already said that:

1. **CAPAR fits into the global framework.**
2. **It is a statement by Africa-** *don't forget that Africa which is the biggest victim of illicit financial flows, we are the biggest victim.* Yesterday, one of the presentations showed that if you evaluate the amounts that have been lost to IFFs and corruption against what we are owing, Africa is a net creditor to the world. They are owing us, we can say "okay fine, from all the money you have taken out of our continent remove what we borrowed, all the 54 African countries, take away what we have borrowed and give us the change". There will still be a substantial amount to be returned to Africa. So, it is important to understand that Africa being the biggest victim of this, we need to understand that we need to put our best foot forward and we need to make our voice heard.
3. **This is an issue that has assumed global importance.** The world has met several times to discuss how to meet the Sustainable Development Goals. Part of the solution is improving equality, enhanced domestic resource mobilization. One of the ways to do this is to stop stolen money from going out and what has gone out to be brought back. This is already captured in the *Addis Ababa Action Agenda* about not only stopping IFFs but also recovering what has been taken out. So even though we are





saying that this is a *Common African Position on Asset Recovery* as a political statement to make our voices heard, it is not contrary to existing international global frameworks. It actually supplements them and it also shows the seriousness of Africa in this regard.

- 4. The Thabo Mbeki Panel Report has been globally acclaimed.** Nobody has been able to fault it or to challenge the principles that it has proffered and it has given a whole range of solutions towards dealing with this issue. One of those solution, -I noticed somebody threw in the chat- is the use of escrow accounts. Now it is important to understand why this escrow account is crucial. When money moves from Africa to any country, and let's say Sierra Leone, Nigeria or Uganda or any country traces say 1 billion dollars of their money to any developed country, the conversation about returning that money can take 20 years. While that conversation is going on, somebody wants us to believe the money is lying idle somewhere not adding value. We know that is false, okay? So, if the money, the \$1 billion is placed in an escrow account in a regional development bank, they will invest the money so that when they finally agree about how the assets will be returned ten years later or whenever, (We hope that the conversation will help reduce the timing) it will be returned with interest because regional development banks are already conversant with managing this sort of funds. Many governments give funds to regional development banks for development projects and they manage them very well not at a deficit. So, the whole idea is that since there is no globally accepted or agreed framework and timetable for asset return..., while we were discussing, Kaifala used the Ibori money that was just returned to Nigeria yesterday and as he rightly said (*this is a matter that has been going on for over 10 years*), it is what was traced that was returned. Britain cannot tell us that they did not invest the money and that they just left it somewhere in a safe. So, if we had a framework for keeping such funds in an escrow investment account, Nigeria will be getting more than 5 point something and don't forget, the requested country will still take out of the money in the name of administrative charges. In other words, whatever is being returned from Britain now is less that what was actually recovered. The British government would have deducted the cost of prosecution, the cost of investigation and we don't control the amount that they charge. They will just say "*this is how much it costs and this is the change and that's what we collect*". So, these are important issues that need to be understood, that all African countries need to have an understanding that this framework is critical towards our development ultimately. Thank you very much Brian.

**BRIAN KAGORO:** Thanks Prof. I'm going to start with you Honourable Francis and then go back to our sister Souad. Souad, it's because I would like you to



answer somebody in the queue and he says: “Why would Africa not have a synergy of anti-corruption agencies and have a database of all corrupt persons or suspects so that they are known the same way you have a database?”. I think brother Francis, you can also answer the same question. So, we will start with you and then go to Souad.

**HONOURABLE FRANCIS KAIFALA:** Thank you. I think the question of what makes CAPAR unique, really, I think Prof has laid it out very well. It draws from the African experience and circumstances and creates positions on issues of this nature that are contextualized within the African experience and when I read the CAPAR particularly the draft that was developed by Nigeria, which was tabled, you can see that it is really an African based position, and that is what unique is about. It’s about what fits me not what fits UNCAC. UNCAC is a global body, it has many countries; we have Brazil, India, Djibouti. These are all different countries, different context, but this one really takes into consideration our experience with asset recovery; and I particularly like the pillars upon which it is drawn.

Detection and identification of assets- we all know how that difficult is for Africa. Recovery and return of assets-of course we know that historically that has been a difficulty. The management of recovered assets, how do we handle it? For example, I was reading that in Nigeria, on the Ibori money, there is now conversation as to how it should be applied. Should you take it back to Delta where it was taken? Should they build a bridge between Anambra and Delta? Should it benefit the people of Lagos as well since its Nigeria at the end of the day? So, these are things that this particular document takes into consideration and I’m very happy with it. I think that the last aspect is the co-operation and partnership. We in Africa, because of all these thefts that has been happening, need other people to support us in this work.

So, a framework that takes that into consideration is also significant. The uniqueness about the African context and a paper that is produced to suit the African situation historically, and of course how we can base on the African anti-corruption aspect, I think they have made effort in that regard. Egypt has been leading where we have an association of African and anti-corruption institutions. We have had Conferences and we are trying to work on it, we just need to move it forward. I think the regional bodies are doing very well in that regard. For example, in West Africa, we have the Network of Anti-Corruption Institutions in West Africa of which I am the current President and we meet, we share ideas, we support ourselves in trainings and of course we will facilitate investigations... ECOWAS is helping us to be able to function in terms of providing key financials and I think that is happening for East Africa as well as Southern Africa. We just need now to make it an African issue and when it comes to issues of the database for criminals in Africa, that is an important thing which we could take on in the next conversation when we are meeting next on the dialogue on Anti-Corruption in Africa. I will leave that to my Chairman, Honourable Andriamifidy to take it



up. but I think that the African body on that, I think it's called AAAA, which is really about a continental based Africa institutional approach to fighting corruption and that is already in existence. Thank you very much.

**BRIAN:** Thank you so much. Souad as you answer, somebody in the chat said - Olayinka Akintunde. Olayinka says: "Given the resistance to return of African assets by some of the major museums in the world, how will CAPAR change this status quo?" -so as you answer the other questions maybe you can also answer this one.

**SOUAD ADEN-OSMAN:** Thank you Brian, I think both Prof Bolaji and my brother Francis attended by and large to the questions of what makes CAPAR a unique instrument. It's our own, we don't have the same perspectives. It's bringing our perspective. One thing that maybe has not been said is that there are three principal challenges that have been hindering the whole process of recovering assets, and that is the weaknesses of many of our African countries, that we will attend to that in the implementation, because we're going to go about implementation in a very systemic way but whether we like it or not we can have ten African countries today going to the same small European country. I don't want to name anyone... [They do not give proper responses when you are tracing these assets] CAPAR will provide us that framework that says when we are engaging, we will be engaging as a group. CAPAR will help us strengthen the capacity of the African Union and its instruments like the African Union Anti-Corruption Board to accompany African countries in doing so that they don't have to be doing it on their own. That is a uniqueness that will not be brought by an instrument developed under UNCAC for example.

The other thing that we should accept that we need is that we broker. We need to come up with our partners on the other side, outside of our shores and to the point to agree to come to the table so that we establish a global mechanism which will ensure that all of us are there to the implementation of the principles that are basically accepted. Already, illicit financial flows is now commonly accepted, not only as a framework as it seems. There are lots of decisions to be taken at the various level by institutions as to how they want to define it, but those debates can carry on whether we like it or not. As far as Africa is concerned, we have already defined it and that's what we want to see and that's the context in which we want to discuss these concepts.

It is very important for us to stick to what we say. The unconditionality of return, the efficiency of the processes of the recovery. Escrow account as Prof Bolaji was saying will make sure that the monetization part is attended to; but it's also a deterrent to these banks because we cannot continue to just finger point at corrupt individuals on the African side when we never in the same conversation talk about those who receive the same money. They are culprits same way as far as we are concerned and worse in the management of those frozen or stolen assets they become managers. Basically, someone who is helping you to steal the



money and take it out is now elected into someone who will determine whether and when and through which process you're going to return the money. We are in an imbalanced conversation with the receiving end of these funds, we are the source, they are the destination we need to know that these destination banks do not exist on their own. They are in their jurisdictions that wanted to give lessons to others; so when we come at the global level when you have an instrument like CAPAR you basically do have something that you will be able to use to come up with a proper legal instrument and technical framework to negotiate, and you don't have to be a super big country to do that; you're African, and you do have that instrument under the African Union, and it's instrumented to use. So it's very important that we understand it and that we unpack what it means.

As Francis was saying, that what...it means, really, [is] to use it at national level, at regional level and certainly at the global level now. We went about the CAPAR from the perspective of the illicit financial flows and the outcome of the Report of Thabo Mbeki's study. We have not necessarily yet properly attended to the artifacts on the other side and what it will mean and how; but to us, it's the same level of resistance, the same imbalance, the same conversation, the same refusal to recognize that something that was not supposed to end in their museums are in their museums and returning it. We will go through it in a proper conversation. We will need to come up with a framework to attempt to [do] that particularly; but we have not unpacked the CAPAR yet from that perspective and it is certainly something that needs to be done at continental level. We have started a number of things and I think Brian, you're in a better place than me to say that you are one of those pioneers who have been after this path of the imbalanced conversation of why we have to make sure that what belongs to us is returned to the continent. Thank you very much Brian. I hope I attended to the few questions to complement what was already said by others.

**BRIAN KAGORO:** So, we have in this Panel looked at the global architecture to recover stolen asset. We have looked at the imperative of national, regional and continental cooperation. We have looked at the critical role that financial institutions, investigatory arms, anti-corruption Commissions and citizens play. I have one question and we have less than five minutes to wrap up this and I would like a response...Here is my question:

What all of you have said is CAPAR is important because not only was our past and our history and our culture stolen through artifacts and historical resources, our future is being stolen with respect to money that these people are refusing to bring. So, to what extent are we willing to put together the collective African legal, financial, statistical or other intelligence so that... country by country [we can] to recover them? To what extent are we willing to dramatize this?

(2) If there's one thing that African citizens can do to build the political visibility and political weight of this issue by citizens, I mean African private sector,



African academics and African CSOs rules and social movements, what is that one thing or two things that you would encourage or you would call upon them to do right? By citizens I also mean parliamentarians, anybody who can do something about this. This obviously has to be run like a campaign and the campaign needs to be dramatized as a source of struggle. So, I will start with you Professor Bolaji... and will end with your Souad.

**PROFESSOR BOLAJI OWASANOYE, SAN:** Alright thank you Brian. The first question is *“to what extent is Africa willing to work the talk?”* One of the plans of CAPAR is actually cooperation. I think Souad mentioned that not only for information sharing but for capacity building and technical assistance within ourselves. So, one of the things that this Conference is intended to achieve, which Ben had actually zeroed in on, is to share also the experience. Nigeria has had some experience and I dare say in Africa, within the past five-six years we got four international returns. But it didn't come in easy. It came with a lot of nightmare, a lot of studying and evaluation. Just like Francis also said, there are costs. We don't know how to make the cost; the cost of pursuing the asset itself becomes a discouragement and you just let it go. So, peer-learning is one of the things that we also need to do. This is where the work of the AU-ABC is important. The work of CoDA is also important. Things need to be done in a coordinated manner as the coordination will facilitate the coming together and uniting as a force. At this Conference, for example, we put a whole Session on CAPAR and we have another one on the FACTI Panel Report which follows this one. The essence and the reason for that is for African countries to learn what is contained in these documents and what we need to do together. What is the critical thing that needs to be done? The first stage is awareness. I think that a number of African countries are probably still not fully aware of what the opportunities are and the options that are available. We need to create that awareness not just across technocrats, policymakers, politicians, but the media and Civil Society as well, so that everybody knows what this is all about and why it is in our interest to prevent the net outflow of resources and to encourage the return of assets back to our continent. So, this will be my intervention.

**BRIAN:** Thank you Professor. Honourable Louis, are you still online?

**HONOURABLE LOUIS ANDRIAMIFIDY:** French

**BRIAN:** Thank you Honourable Louis. Our brother Francis.

**HONOURABLE FRANCIS:** Thank you. I think, *to what extent are we willing to go –(is your question)- to ensure that we take this forward?* I think that Africa really has to take a position that sends a message that we are partners, that we do have bargaining power and that we are ready to take steps to ensure that that which is ours is returned to us. At the risk of sounding very ambitious, I would say that Africa should consider actions that convey this kind of message including sanctions against countries that become impediments to ensuring that Africa



gets what is really its. Sanctions may not be the first step but if things really continue to be complicated, the legal and regulatory frameworks are limiting the cost of going after the money are repugnant to good conscience and sometimes, they affect the country's acceptability of the need to even go after the money anyway. I think Africa should be in the position to take some position that sends the right message so that we can have some bargaining power in that regard, and when it comes to what one thinks we all can do in order to have our stolen asset returned; it is just for us to speak collectively with one voice. We have to be unified in our approach to going after what belongs to Africa. It does not matter whether it's Nigeria that's the beneficiary or it is Zimbabwe that is the beneficiary or Sierra Leone that is the beneficiary; it's that one voice that say what belongs to the continent must come to the continent. We all need to stand behind..., we all need to speak about it and we all need to pursue it. Thank you very much Brian.

**BRIAN KAGORO:** Thank you so much our sister Souad you have final word.

**SOUAD ADEN-OSMAN:** Thank you Brian. Well, considering the magnitude of the resources we're talking about, as far as CoDA is concerned, we need to work it under the AU and AU-ABC. So, AU-ABC takes the front with the whole weight of the African Union behind. That's the only way to go about this whether we like it or not. We can continue to deplore and condemn the level of hypocrisy that has been characterizing this field of our work, but unless and until we get to proposing a set of concrete interventions to move away from making this a moral issue to the rest of the world, we will not get to the fixing of this issue. So, to move it from talking about the sensitization on ... is fine, but unless we put out what it is that can no longer get away with for foreign banks. For example, it is just not acceptable, it is just not valid to say that I will welcome dirty money, I will keep it when it is considered now and recognize that it is stolen and frozen asset and I will manage it. You can't do that. So, escrow account will have to be imposed eventually; we will need to get to the point where we name and shame those who will stop this kind of processes from going forward and getting to the finish line. What is really encouraging for those of us who were there yesterday with the message that Ambassador Bankole Adeoye, the Commissioner, Political Affairs, Peace and Security, confirmed the renewed commitment of the African Union on this. So, the focus on CAPAR and its implementation is certainly a priority for CoDA and for the department of the African Union Commission that is responsible for it and we will be doing it in the context of the work of the African Union Anti-Corruption Board. Thank you very much, Brian.

**BRIAN:** In all our villages, from Nigeria to Djibouti to Sierra Leone to Zimbabwe and Lesotho there is a saying "*if you are a lizard in your own backyard, you can't be a crocodile elsewhere*" This meeting is to ensure that CAPAR doesn't end up with a "K" at the end which is "CAPARK" like many important African decisions that it becomes "parked". There is a commitment by those gathered here that we



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want to take this matter beyond a moral issue because not only has our past been stolen, our future and our present are being stolen and our capacity to recover from COVID-19 let alone achieve Sustainable Development Goals is threatened by our inability to address the very focus of CAPAR as Professor Bolaji said. I thank you for the privilege of moderating this eminent Panel and I also thank you all for participating. I now hand back to Professor Bolaji. I would like to thank our Panelists. Thank you, our sister Souad Aden-Osman from CoDA, Honourable Louis Andriamifidy from AU-ABC, our brother Francis Ben Kaifala who is the Commissioner of the Republic of Sierra Leone Anti-Corruption Commission. As the famous Pan-Africanist and former Secretary-General of the global Pan-African movement, Kwame Nkrumah like to say, “*let’s organize, let’s not agonize*”, I thank you.



## DAY 2: PLENARY SESSION 2

### OPENING REMARKS

#### PROFESSOR BOLAJI OWASANOYE

Thank you very much, Brian, for an excellent job for moderating ... Session 1. We're very grateful indeed. Without much ado, we'll go to the next Panel, which is closely related to this. I'm going to just be inviting the Moderator, and I'll introduce briefly; the Panelist. The moderator is Dr. Yemi Dipeolu, the Chairman of the *Inter-agency Committee on Stopping IFFs in Nigeria*, and the implementation of the Thabo Mbeki Panel Report; and is also a Special Adviser to the President of the country on economic matters. Dr. Dipeolu is very familiar with the Thabo Mbeki Report, having been very central to its preparation; so he knows what the issues are. He's going to be moderating this Session.

We are honoured to have with us Honorable Irene Ovonji-Odida. Ugandan by nationality, former legislator in that country, a member of the Thabo Mbeki Panel and also a member of the FACTI Panel... [She] is going to lead the discussion on *Financing Sustainable Development by Stemming IFFs* and what the FACTI Panel has said so far in this regard. She is the Lead Speaker.

We have three Discussants. They are: Don Deya, the Chief Executive Officer of Pan African Lawyers Union. We also have Alvin Mosioma, who is the Director of Tax Justice Network Africa. And finally, we have Fiakre Kakpo, who is a Reporter and a journalist from Togo.

You're all welcome. Without much ado, I will hand over to Dr. Dipeolu to coordinate affairs.

## DAY 2: PLENARY SESSION 2

### FINANCING SUSTAINABLE DEVELOPMENT BY STEMMING IFFS: THE FACTI PANEL REPORT IN PERSPECTIVE

**Moderator:** *DR. ADEYEMI DIPEOLU, CHAIRMAN, Inter-Agency Committee on Stopping IFFs from Nigeria and Special Adviser to the President on Economic Matters*

**Lead Presentation:** *HONOURABLE IRENE OVONJI-ODIDA, FACTI Panelist*

**Discussant 1:** *DON DEYA-Pan African Lawyers Union (PALU)*

**Discussant 2:** *ALVIN MOSIOMA- ED, Tax Justice Network Africa*





**DR. ADEYEMI DIPEOLU:** Thank you very much, Chairman... Good morning to everybody participating, and of course, our very distinguished panel. We will start with Honourable Irene Ovonji-Odida ... and then the other discussants will follow... So, without much ado, I'll hand over to Honourable Irene Ovonji-Odida to speak to us on the topic of this session, which is "Financing Sustainable Development by Stemming IFFs: The FACTI Panel Report in Perspective". She was of course, a member of the FACTI Panel. Welcome Irene.

**HONOURABLE IRENE OVONJI-ODIDA:** Thank you very much, Chairman and thank you as well, to Professor Bolaji... I was asked to talk about the connection between *Illicit Financial Flows and the Relevance of The FACTI Panel*. The first thing I'd want to say just upfront, is that I'm hoping that at the end of this really important meeting, there will be increased understanding of the situation and the relevance of the issues of illicit financial flows for Africa. In this Conference, each of you has a key role to play, either as a head of an institution, or in some other body, which has a role to play in Nigeria, or in Africa in relation to ending illicit financial flows. So, I'm hoping that there will be clear understanding of the issues to do with IFFs and why it's important. Secondly, I'm hoping that there will be commitment to action, because as has been said, on previous Panels, we need to move beyond agonizing on these issues and organizing to stop them.

The first Panel that talked about the growing global spotlight on illicit financial flows; and this forms a background to the FACTI Panel. Total global wealth today is about \$360 Trillion, Africa's share of that is only about \$4.1 trillion. This for me; just highlights-*if you juxtapose that against a slide that was presented yesterday by one of the Panelists who was talking about the development dilemma, showing the great wealth of resources in Africa, actually, if you updated that slide-*every single country in Africa is blessed with an extravagance of natural resources, every single country, there isn't a single country in Africa that doesn't have that. But we have this situation where Africa is portrayed and seen as a poor continent. So, this IFFs issue is not an academic one. It is really about shifting Africa's position from one that currently is not respected, and is not powerful or viewed as powerful globally, to one that really reflects the wealth of resources that we have, including the human capital. So, there's a growing global spotlight on IFFs and more focus on illicit financial flows in the past decade or so both by Civil Society-we're part of the global Tax Justice community, you know-through research, through advocacy and, and so on, but also inter-governmental bodies.

This focus has highlighted the nature, the scale, the growth and the impact of IFFs. One example outside of Africa was the OECD process, really referred to as the BEPS process of base erosion and profit shifting process. For the OECD, which is a club of rich nations, they set up this process after the financial crisis in 2008-2009 amid growing fiscal deficits, and the rapid expansion of tax avoidance and evasion, both by wealthy individuals and groups and



corporations, particularly multinational corporations, enabled by digitalization and globalization. Africa itself took a major step in this and a number of us who were part of that process are here today, including the Chair of this Panel. So, the Council of [African] Finance Ministers set up the Panel referred to as the Mbeki Panel, which was tasked to look at the nature, scale and growth and impact of ideas for Africa as continent. One of the very important findings and conclusions of the Panel, which I just want to highlight, was identifying the **three drivers of illicit financial flows** as *illicit financial practices by commercial entities, organized crime, practices related to outright criminal activities, including money laundering, trafficking, smuggling and so on*, but also *looting of public funds by public officials*. Among those three, what was very clear to our Panel was that **commercial IFFs were the major and most important aspect because those accounted and do continue to account for about 65%**-Two-thirds of the outflows from Africa and they're quite critical because the global architecture does not adequately deal with them. Also, many of those practices such as the BEPS practices that the OECD was trying to address are sometimes legal. That creates a difficulty to follow up; but it also highlights the importance of development of legal instruments to reflect the changes in practices and patterns of IFFs.

The **other thing** that the Mbeki Panel highlighted was around **the role of enablers** and the complexity of the issue because of its highly technical nature, but also his political economy. So the kind of vested interest invested in maintaining the status quo; and really important outcomes of the Mbeki Panel included the *AU Special Declaration on Illicit Financial Flows From Africa 2015*, as a continental policy and framework for action. The setting up of the Consortium that has been talked about already, as well as external advocacy and influence which contributed to establishment of global commitments around illicit financial flows, including in the *Addis Ababa Action Agenda*, a recognition of IFFs importance and the need to deal with them. There's very strong recognition that domestic resource mobilization is core to development, and the domestic public revenues are at the heart of development for every country and also in terms of external global commitments, the establishment of SDG 16.4.

Coming to the FACTI Panel-the FACTI Panel was set up last year by the President of the General Assembly, who by then was from Nigeria, and the President of the ECOSOC from Norway. So together with the two of those leaders within the UN, just showing the importance of the issue, set up this Panel with a mandate to review the global financial system, look at gaps in the architecture and propose solutions for Global Financial Integrity. The Panel was regionally diverse. We were 17 members from every region of the world, but appointed in our independent capacity, and we were given a year to make these proposals.

So on time, in spite of the challenges around COVID, we were able to carry out consultations to carry out research and present to the UN in February of this



year, our Report, in my view, the FACTI Panel, which is thought was really a step taken at the global level within the UN system as a multilateral body is really important because it's an opportunity for UN members who represent the greater majority of countries in the world to concretely position, work against IFF's at the global level, in an inclusive multilateral forum. So unlike, say, the OECD, which, you know, has fewer of the developing countries, within the UN, you have almost all countries of the world represented. So, this is an opportunity for some concrete action against IFFs, taking those global commitments forward in specific recommendations.

In the process itself, from my own understanding, one of the things that was really critical for our process was political support of key UN members, and key UN groups and within the Africa group, here in New York, where I'm currently based, played a quite a crucial role in providing that kind of support to build momentum for this process within the UN. Another thing that was really critical for us was the close engagement of experts, including from the Tax Justice community, from Civil Society, from researchers and so on, from inter-governmental institutions working on issues related to IFFs. This was quite critical for the process itself, for the Report, for the kind of recommendations or just to ensure that we had an ambitious report that looks at the breadth of issues relating to IFFs.

And also, moving forward, this kind of support will be critical to achieve reform of the global financial system through adoption of the recommendations. What we envisage as a Panel is that within the UN processes, they would key processes, including some that are upcoming like the General Assembly in New York later this year. Earlier on, we had the financing for development cycle. So, it will be really important that recommendations made by a Panel picked up by countries within the UN, and put forward as resolutions in order to get a concrete step forward and adopt some of those recommendations.

In order for us to appreciate why this is important; that these recommendations are taken forward concretely, we need to just take a moment to look at the scale, the cost of financial integrity gaps that the FACTI Panel is looking at. These are some of the figures in the Report. One of them talks about \$1.6 Trillion lost, which represents 2.7% of global GDP, lost through money laundering by criminals. Another figure was \$500 to \$600 Billion parked in tax havens by corporations, through the base erosion and profit shifting practice. A number of Panelists talked about these issues and how resources are taken out from Africa through those kinds of practices by corporations. So that kind of money is parked in pavements, many of which are in major global financial centers. Another figure was about \$20 to 40 Billion lost in bribes to public officials in developing and transitional countries, and \$7 trillion of private wealth hidden, taken out through banking secrecy into havens. And as I said, many of these are in advanced countries. A recent study looking at where and how much multinational corporations pay in income taxes, that was using OECD data from



2016, found that multinational corporations shifted \$1 Trillion in profits through base erosion and profit shifting through BEPS, which represented over \$200 billion in tax revenues from the countries where they operate and actually take the profit into tax havens. This was in 2016. And that's a tiny problem that lower income countries suffer most losses from those sorts of practices. One of the things I would want to emphasize here is that for many people, when we talk about tax havens, we tend to think about, the global narrative, they tend to think that these havens are in Caribbean countries and that sort of thing. Many of these havens are in major industrial countries, in major financial markets and that is an issue. Countries like the Netherlands, the UK and its overseas territories have a network of havens as well, that is information that does not often get into the global narrative.

We will look at the effect of the Financial Integrity gap created/brought about by IFFs and BEPS. As I mentioned, all countries are impacted by illicit financial flows and all countries actually lose corporate tax revenues from these kinds of BEPS practices. So, it is a problem for all regions. Africa is particularly affected. But every single region in the world has countries that are losing money to these sorts of practices, and an estimate from 2015 say that ... BEPS practices represent about 1% of global GDP. However, what is also clear is that the cost of losses, the effect of BEPS practices, is higher for low income countries. It has been put by that same study at 1 to 2% of the revenues of developing countries, of the GDP of developing countries. And for Sub-Saharan Africa, that represents about 18 to 36 billion, or 6 to 13% of total government revenues.

Another way to look at it is to compare it to the ODA received by Sub-Saharan Africa and these losses represented about 33 to 67% of the total ODA from the OECD. So, IFFs is a huge problem, and as the Mbeki Report found, it's a growing problem as well. So, while in 2015, in the Mbeki Report, we found IFFs from Africa at about 50 to \$60 Billion Dollars per annum, by 2020, in another study by UNCTAD, we found that this had grown to almost \$89 Billion per year. So, it is still a growing problem signifying that the current measures to stop it are not effective. And the effect of this, I think, for all of us in Africa, especially policymakers, if we put our minds to it, we can appreciate that it has severe debilitating effects on development at a national level, and at a global level, at a national level, from economic to social impacts. And at a time, like this year where we've had a global pandemic that's still going on, we can see the kind of effect reduced domestic revenues have on investment in public goods via government's fiscal deficit and regressive taxation. All these are some of the kinds of effects that we see from IFFs, as well as effects related to governance, weakening public trusts, weakening rule of law and the ability of countries to build up the capacities to deal with things like asset recovery. But at a global level, something which IFFs really contribute to is inequality between countries. So why it creates inequality within countries at a national level, it also contributes to inequality between countries as some of the practices such as the holding on of resources in the receiving countries that were talked about earlier



on, some of those things that contributes to that inequality, from an economic and financial perspective, as well as eventually politically. And so, IFFs do contribute to a toxic financial ecosystem as well, which has been talked about by many different writers in terms of the offshore system.

We'll go to... what this mean for Nigeria, being the host for this meeting. So, there's a study by a Tax Justice Network, and another by the Nigeria Extractive Industries Transparency Initiative, which showed the kind of impacts that these practices have in Nigeria. So, this is something that you'll find is replicated in different African countries. There are losses to revenue, costs to the investment in public goods-in this case, the TJN study was looking at what the losses for Nigeria represent as it lost investment in public health, and also that oil and gas sector losses cost over 90% of IFFs from Nigeria annually, and this has implications for health, it has implications for gender, as well as just the ability of the country to plan and actually implement its development plan.

Now, because the FACTI Panel was looking at Global Financial Integrity as a system, kinds of issues at a global level that are related to the lack of transparency, of accountability and integrity in the global financial system. So, we found that there are systemic gaps in Global Financial Integrity. These are not just individual practices that happened, but there are systems that support them, there are systems that enabled them and [we] concluded as a Panel that illicit finance and tax abuse are at the heart of the global financial system. The global financial system is a complex web of instruments, rules, international institutions, and actors, economic actors, closely linked. It is closely linked to the governance of the global economy, and illicit finance and tax abuse are really at the heart of that. We also found, through the various consultations and so on, that currently, one of the challenges is we have archaic norms and very old norms and rules which govern this system. Those norms and rules reflect the historical interests of powerful countries that were there at the time when those rules were being discussed and agreed on. For example, rules relating to international tax and taxation of corporations, as well as interests of powerful institutions and actors, some of those actors are non-state actors. In that system, in that architecture, low-income countries have limited inclusion and limited influence in the system sometimes, but also in that governance or in the rulemaking. So, for example, very few developing countries are part of OECD and while a number of them have joined the BEPS inclusive framework, they were not there when the initial agreements had been made. Also, from studies... for example, we found that while they are there, they actually have very limited influence in defining the rules and setting the agenda of that process but also in other spaces and forums like the EU which has quite an impact on the taxation norms, where our countries obviously are not members at all. Same goes for international finance institutions as well as (and this one is important) professional industries and sectors like banking and law, where you often have at a global level rules and standards that are set. Once again, you find the



developing countries practitioners, like lawyers from the global south often do not have much say, in the kind of principles or norms emerging in those sorts of sectors that have an impact on the global financial system and how it works, defining for example, what is legal and what is illegal.

So, the other thing we found is that there's this toxic, secretive ecosystem that drives inequality between or within countries and this is leveraged through different kinds of processes. So we see this in international tax, we see in trade, in commerce, even issues like foreign investment that has an impact on rules relating to the global financial system, sovereign debt; there was a reference yesterday, I believe, to state foreign relations and commercial diplomacy, particularly, but also to development aid. A number of you, I'm sure may have heard of stories, you know, where countries are negotiating, you know, developing countries or African countries and negotiating in global forums, on specific issues, it might be around the BEPS process or something else, or the WTO. They will be approached, sometimes by representatives from rich country governments and reminded, that if you take a strong stance on this issue, this may impact on your benefits under AGOA, or this may impact on the aid that you are going to get bilaterally between my country and yours. So all of these arenas contribute to shape the power relations and the ecosystem that impacts ultimately on Financial Integrity.

Still on the on the systemic gaps-We found that there are loopholes, there are systemic loopholes within the global financial system that enable illicit financial flows by corporations, by the wealthy and by their enablers. And those related to what has been referred to as the ABC, I think following the recommendations of the Mbeki Panel, as the ABC of taxation. So things like automatic exchange of information, beneficial ownership and country by country reporting of gaps in relation to those issues, which then connect and enable the offshore system to thrive. In our report, we characterize it as an offshore maze, a network of secrecy havens, and different sorts of instruments that enable flows of resources out of countries where the profits are made. Then we found that some reforms have been done over time, there have been processes including under the OECD, FACTI and many others, trying to reform the system. But overall, our conclusion was that many of the reforms are weak. I guess one would say, looking at how IFFs continue to grow year on year, that itself is evidence that the reforms are not consistently fit for purpose and that the rules that exists especially around global taxation, and issues like asset recovery, still are unfit for the era of globalization, and digitalization, as well as the change in models of multinational corporations. So, in addition to not being fit for purpose in the context of globalization, and digitalization, many of these rules are also not fair to low income countries. and they are asymmetries due to things such as non-inclusive governance, which i made reference to or due to vested interests. Some of those



areas include tax cooperation, information sharing, asset recovery and dispute settlement. And overall, that is a lack of inclusive global governance, and is a continuation of secrecy systems, whether in banking, secrecy in beneficial ownership and so on, which hinder achieving financial integrity.

And so what the FACTI is proposing is a new approach, which we looked at as a global pact on Financial Integrity for Development that call on all countries of the world to commit to- *and this would be a global pact with a unified aim to create Financial Integrity-* with universal standards of state accountability. So currently, you have a system where some states will get blacklisted or gray listed, but others which might have worst practices are not, because they belong to some of the forums which are doing the blacklisting. So, with this, what we're calling for, is universal standards of state accountability applied to all states, and also standards for regulation of international business dealings. This is in line with recognizing that many of the challenges in this area of global financial integrity come from practices of corporations, which in our current models of development, are not regulated, or quite often not regulated sufficiently by states. We recommend that in this global pact, this pact should aim at plugging global architecture gaps by redesigning the global financial policies and institutions guided by a coherent set of principles based on values. **We identified four values of accountability, transparency, legitimacy and fairness, as critical.** Those values should be the bedrock on which the policies and institutions of the global financial system are redesigned and evaluated, and recommended that this issue should be looked at as an entire ecosystem, not in separate poly silos. So there needs to be more collaboration across the different sectors. So, between, say, taxation, corruption and money laundering, they should be looked at concurrently and in relation to each other. For example, more cooperation between tax authorities and financial supervision agencies and not dealing with the issues in silos, because they're often quite interconnected. Finally, that there should be comprehensive action to align economic and financial activities with the spirit and the content of legitimate financial rules that support financial development.

So, in summary, the recommendations by FACTI-and I'll try to run through them quickly...

**First** of all, really critical for us in Africa is that the FACTI Report framed its analysis on illicit financial flows. So that's the framing of the Report of the analysis and not the recommendations, which is an affirmation of the approach taken by the Mbeki Panel and the position taken by African Union through the Special Declaration. And, **secondly**, it looked at the issues in terms of the need, overall, to ensure that there's a fair inclusive system of global governance that is essential in order to end secrecy and put a stop to the growth of the offshore system. **In terms of policies**, specifically, the recommendations provide or propose a policy platform based on the ABC of tax transparency, including



greater transparency in company ownership, and accounts, as well as transparency in public spending. So, around procurement-and this is an issue that's come to the fore even more in the context of COVID, with studies showing how COVID funds, for example, have not been properly applied, or properly allocated to public spending transparency, as well as transparency in exchange of information [on] beneficial ownership and country by country reporting. We also recommend more transparency and exchange of data. So, information to enable countries to tackle the enablers and the vested interest that benefit from criminal and abusive practices that may not necessarily be criminal. Taking into account the role of Civil Society in this and from the Tax Justice Committee and others, recommended a more robust role. I think this was in recommendation seven; a more robust role for Civil Society in international policymaking, to take advantage of the expertise that they bring, but also minimum standards of protection for civic actors, including the media; and I'm sure many of us are familiar with things like the tax leaks, the various leaks, the Panama Papers leaks, the Lux leaks and so on, that international media have played a major role in highlighting the IFFs and highlighting the reality around it and the role of enablers within that. So there's more protection for them and for whistleblowers to ensure that they can continue to do this kind of work without losing their lives or losing their businesses and so on.

[We] next ... look at the recommendations on the global architecture; and this is important because this has been a major push by the African group and African Union for a long time but also for the G77. One would say for G77, going right back to the 70s, that has been the consistent position. So the FACTI recommended an overhaul of international tax laws and institutions. And it also laid out a corporate tax vision including reforms. transparency, cooperation and the division or allocation of taxing rights that should be negotiated in the UN, which is the inclusive and more transparent or legitimate forum than, say, the OECD with these new tax norms that would have to be negotiated by countries designed in a way that's relevant to the needs of all countries, including developing countries. So currently, one of the challenges that our countries face is in how taxing rights are allocated between countries in a way that tends to benefit resident countries, or where multinationals come from, as opposed to host countries of foreign investment, which tend to be developing countries. We also propose an international minimum corporate tax, and the taxing of digital giants, as proposed, for example, in digital services, taxation options, discussed by the UN Committee of experts on tax and a UN tax convention, an inter-governmental body to address the shortcomings of the international tax system.

The... recommendations we had around governance. We...[looked] at recognizing that these issues have to be dealt with at national and international level and that the systemic gaps that we talked about as the problem contributing to lack of financial integrity occur not only at a global level, but also occur at a national level. So around good national governance, we recommend





that domestic structures, laws and enforcement mechanisms should be reformed in order to increase transparency at the national level, and to increase robust and inclusive national governance in order to achieve accountability. There are some specific issues we highlight there in the Report, including the need for cooperation between different kinds of bodies at a national level, so that you have a whole of government approach towards building financial integrity at a national level. At regional level and international, we call for more cooperation, and improved coordination of the various parts of the international system, including building inclusive governance, and building capacity for more dynamic response to emerging risks; and recognize that capacity building is something that needs to be supported for regions and for countries. So cooperation should support more capacity building at those levels as well.

Conclusions-the consensus of the FACTI process, of the FACTI Panel itself. For me, this is quite important, considering that the 17 of us came from all regions, including the global north, and a range of kinds of institutions and backgrounds, including Central Banks and so on. Our consensus on the Panel was really that there is a major problem of global financial integrity as I have laid out, and the position that we finally came to really affirms the position of the Africa group and G.77 consistently over decades, that illicit financial flows come from gaps in global governance, and from secrecy systems. So this is really an affirmation that the kind of positions advanced by developing countries are correct and on the right track.

However, the success of this process must be measured from two perspectives. One of them was around what sorts of Reports would come out? Would we have a Report that was ambitious enough and progressive to reflect the actual reality? and I believe on that part we were able to deliver. But the second and most important is, will these reforms be implemented, and that is now up to countries, up to governments, up to states within the UN system. So the uptake of these recommendations is a major part of measuring the success of that FACTI process. To what extent in the UN processes are concrete reforms going to be taken up? Based on the recommendations that we made, three, four things I want to say around this. One is that there was broad support for this process from key regions. As I mentioned, the Africa group, and developing countries played a major role in providing political support, and also from the Tax Justice community, from civil society, and so on. However, there also has been significant resistance right from before the Panel was launched, obviously, from those who currently benefit from the system that enables illicit financial flows. So it's important for those different developing countries and Africa, as part of that, to map out states, the regional blocs, the institutions and the interests connected to illicit financial flows. Who benefit from the status quo? Who benefits from the lack of financial integrity at a global level? and who are those that can be part of coalition's for change and coalition for reform? Fortunately, in other regions, there are some countries as well. Norway, for example, supported this process and Finland teamed up and supported it within the EU context.



There are countries outside of Africa, who are also supportive of reform. So it's important for Africa to look at building coalitions within G.77 and beyond that, looking at countries in the global north, who currently have more political economic power, which of these can be brought on board to support this. What are the benefits that, and part of the narrative that we need to take is for all countries to understand, that almost all countries lose from this system, from illicit flows. There may be interests within a country that benefits, but at a broader level of the national economies, all countries ultimately lose as a result of IFFs.

So taking this forward, lastly, I'll say that there are three levels at which action needs to happen at the global level. And I've mentioned, the forums like the UN, ideally would be the arena where much of this needs to happen. But we do know that there are actions going on at the OECD and the BEPS process as well. So to what extent do countries and regions like ours that have an interest in achieving change in reform go to get more inclusive governance and better rules that work for us as well? To what extent to reconnect to those processes, and influence those processes so that our interests are advanced within them? This will take strategic leadership, and the strategic leadership not only to track... and others, but also to influence those processes, strategic leadership that can raise resolutions within those processes. And I put here a timeline 2021 to 2023, because they are upcoming processes... We must look at this broadly as a 20 to 50 year frame. And I'll say just two last things... The AU needs to really step up and play a leadership role in ensuring a coordinated strategy by Africa and to find champions. Nigeria has been a champion, we need more African champions. South Africa has been, Ghana has been, and we need more. Lastly, to look at the different places where the AU has their Africa groups; so we have Africa group in New York, we have in Paris, we have in different places, Geneva; how does the AU contribute to helping them coordinate? And I'll just stop by saying the national level actions are really vital. And that needs coordination. I could maybe speak more to this when it's time for questions on what sort of national level actions we need to see. Thank you.

**DR. ADEYEMI DIPEOLU:** Thank you. Thank you very much. I'm sure you can hear the virtual applause for your very able presentation... I'm not going to attempt to summarize what was a very clear presentation. And the reason I let you go on was because I think it was important to frame all the issues together in one place before we go on to discuss them. I'm going to invite the... Discussants. I'm not going to be as generous with time as I was for Irene. So, Don Deya Chief Executive Officer of the Pan African Lawyers Union...

**DON DEYA:** I mean, that is very fine Chair. I just apologize. I think my colleague Alvin Mosioma, had requested if he could go first, because he has to jump off and somewhere else...

**DR. ADEYEMI DIPEOLU:** Absolutely. Alvin, you have the floor.



**ALVIN MOSIOMA:** Thank you. Thank you very much Adeyemi... First, I'll thank the organizers... for the invitation to share our perspective on this meeting. Building upon the last points that Irene was making in terms of recognizing, I think the leadership, the strategic leadership role that Nigeria has taken both at the continental level and globally, in terms of giving voice to African positions on these very, very important agenda. I'll try to be brief. I think the first point to recognize is that, despite the fact that the challenges that are linked to IFFs have been in the economic space for a long time, what we notice is that the problem is growing. As Irene was saying, The Mbeki Panel put these figures at \$50 Billion, the recent UNCTAD Report put these figures at \$85 Billion. We saw a momentum that has been created by the High-Level Panel in terms of the political commitment to implement the recommendations waning over time, since 2015. We see very few countries actually translating their high-level commitments into concrete policy reforms at the national level. The pace at which the policy implementation is happening is not corresponding to the urgency and the magnitude of the illicit financial problem within the continent. And I think there's really need to have a conversation of what needs to be done to hasten the pace in terms of recommendations, not that we don't know what the problem is, there has been an over-analysis of what the issues are.

We know what the solutions are, but we lack- *I think, the biggest problem is really*-the political will to translate the commitments into concrete policy and legislation. There are no clear structures in place, even to track the progress. So we're in a situation where sometimes the left hand does not know what the right hand is doing. Few countries are introducing, for example, legislation around what I was talking about. The ABC of tax when you talk of the country by country reporting the beneficial ownership and others. There are few countries that are making pace, but we don't have a system in place that can be able to track those. And I hope that a key recommendation out of this conversation, will be putting in place at the continental level a mechanism for tracking the implementation of efforts to curb illicit financial flows from the continent. The FACTI Panel, I think, was a response to what Mbeki said in IFFs being a global problem with an African face. The African continent has done its assignment and I think at the global level, there was really need to have this conversation on a round table in terms of at the global level, what needs to be done. We are cognizant that the 14 recommendations that Irene captured provides a good summary and part of it, really glad to note, that they are building up on the recommendation that had already been made earlier in the Mbeki Panel, the question of political will still remain in terms of what needs to be done to address the IFF phenomenon. In my own perspective, the key highlight out of the FACTI Report is their cognition of the lack of coherent global tax coordination mechanism, and a call for the redesign of the international financial architecture through the establishment of a universal global tax body. It's important to recognize also that although the IFFs problem, as Irene was saying, is affecting all countries, the impact it's



having, particularly on poor countries is quite significant, comparatively, the famous quote is that *we might be facing the same storm but we are definitely not on the same boat*. Particularly when it comes... to Africa, the political support and commitment by all countries, particularly the OECD countries that have continuously blocked any effort for international reforms towards the UN and UN led process, we don't have an accountability mechanism. So you have a situation where there is continuous political commitment and political pronouncements, but there's no political accountability mechanism to hold the leaders accountable, both globally and nationally in terms of implementing some of these recommendations.

There have been commitments that have been made particularly by the rich countries in terms of providing support, financial support and technical support to increase capacity of developing countries and many of these under the Addis Ababa Action commitment. And many of these commitments are not... being honoured.

Lastly, as I get to the tail end of my brief submission, I think it's really important to recognize that illicit financial flows have winners and losers. That the global north is the lead recipient of illicit financial flows; taxes in countries that are providing a safe haven for illicit financial flows. The OECD that has a soft role of the global leadership and of course, the role that multinational companies and the intermediaries, including banks, accounting firms, and the legal fraternity that have played the role of enablers. As Civil Society Organizations, we have partnered together with a number of regional Civil Society Organizations organized under the *stop bleeding campaign* with the need to mobilize different constituents, including trade unions, students and other groups to create that kind of political pressure from below, because we recognize that the response will come out of pressure on the political elite. Our work is critical in terms of raising the awareness on the importance... for African countries to organize themselves in terms of providing a voice in the global process.

In conclusion, there are two I think, takeaways that I would like to speak to. One, I think, the push for a global tax body is critical in terms of ensuring that the solutions that are being provided are cognizant of the challenges that are specifically affecting developing countries. And lastly, I think, as Irene was saying, solutions for these will come out of political pressure, because the beneficiaries of illicit financial flows, both at the national level and also at the global level, are not going to implement solutions that are effective so the need for organizing. That need folks, particularly Civil Society Organizations coming together, putting the necessary political pressure, I think, will be one of the key ingredients that will contribute to creating that political momentum out of this FACTI Panel process. Thank you.

**DR. ADEYEMI DIPEOLU:** Thank you very much... We'll just go straight to Don...

**DON DEYA:** Thank you very much Chair. I'll try my best not to repeat anything that Irene Ovonjo-Odida, or my brother, Alvin Mosioma has already said...At the Pan African Lawyers Union, and the key Coalitions we work with, ...the *Stop the*



*Bleeding Consortium* that Alvin has just referred to, and also the Financial Transparency Coalition, we engaged the Mbeki Panel and its Secretariat comprehensively at every stage from its inception. In fact, literally from when the Chairs of the UN, ECOSOC and the UN General Assembly set up the process to create FACTI, we were afraid that the Panel might not get the sufficient political assets and diplomatic assets it required to make a strong report with strong recommendations. But they did and we are glad. I'd also just like to reiterate what Alvin has just said that for us, FACTI is an ideal complement at the global level to the AU High-Level Panel on Illicit Financial Flows from Africa and to the AU Assembly Declaration that endorsed the Report and the recommendations of the High-Level Panel.

Indeed... implementation of the recommendations of the AU High-Level Panel around global engagement and it is a step towards reform...[I]n respect to IFFs, FACTI went a step further, and said we should not only *stop it, track it and get it*, but we should also deploy it for the UN Sustainable Development Goals. I would add there that we should also deploy it for AU Agenda 2063 as well. The most important point I will make, I think, is one that anyway has already been made by both Irene and Alvin, is that sustaining political will, political commitment and fortitude is key. As I said, we tracked the FACTI process and engaged in it throughout and we comprehensively engaged both the African group in New York and the group of 77 states, the G.77. And we witnessed and experienced first-hand, the pressures that the delegations faced from the other blocks from other institutions and other interests. It was quite a bit of pressure and some states cracked. Others of course, remained resolute, such as Nigeria. Therefore, we will need to keep our governments strong, and we'll need to ensure that the momentum for reform of the international financial norms, the international financial rules, and the international financial institutions is kept on track, especially towards the UN tax body, maximum pressure will need to be generated. We also need to keep our government strong to domesticate and implement AU policies, AU principles and AU standards. Of course, both the AU Assembly Declaration of 2015 on IFFs, and most recently, the Common African Position on Asset Recovery (CAPAR). This, partnerships will be key, which is why for instance, for PALU, we engage with the STB, the *Stop the Bleeding Consortium* and also the *Financial Transparency Coalition*. We also take very seriously our inclusion in AU processes such as the Consortium, led by His Excellency, President Thabo Mbeki to stem IFFs from Africa, and its independent working group, the IWG, and the Coalition for Dialogue on Africa, which is a major plank in the implementation. We also, again, highlight the importance of other precious people that can help us put pressure, especially in investigative journalism, and also whistleblowers. We call for protection of these: laws, rules and institutions that will ensure that we protect and preserve investigative journalism and also whistleblower. We note that sacrifices will have to be made. For instance, more robust regulation of enablers, including the legal profession, will require sacrifices. We have seen the immediate response of the



International Bar Association which opposed those recommendations of the FACTI Panel that call for more intrusive regulation of the enabling professions, bankers, lawyers, accountants, and others that are emerging such as real estate agents and so on. We appreciate the concern that the IBA around their risks for advocate client confidentiality, especially in the context of non-democratic regimes that may use this regulation and manipulate it to stop legitimate democratic activity.

However, unlike the IBA, we do not reject the recommendations, we support them fully and we call for a more nuanced approach whereby professionals such as the legal profession and others will take into account evolution of international law and evolution of national law in order to curb IFFs, and we'll act accordingly. So in conclusion, I will say that we and our colleagues will continue working with the African Union, we'll continue working with the Consortium, we'll continue working with the Independent Working Group, and the member states in reforming international law, reforming international institutions, and much more importantly, reforming national laws and regulations, especially in the extractive sector, the financial sector and also the IT sector in terms of digitalization. We will work with our members, regional lawyers' associations and national lawyers associations, to adjust the regulations for the legal profession to be in tandem with the evolving international law and especially national laws and regulations. Thank you very much.

**DR. ADEYEMI DIPEOLU:** Thank you very much. May I now call on the third Discussant. **MR. FIAKRE KAKPO...**

**FIAKRE KAKPO:** SPOKE IN FRENCH

**DR. ADEYEMI DIPEOLU:** Thank you very much... I wanted us to finish in time so that we could take some questions from the audience. I don't know whether the Secretariat has some of the questions...

**PROFESSOR BOLAJI OWASANOYE:** So far, there is nothing in the Chat group for Q and A.

**DR. ADEYEMI DIPEOLU:** Prof., you want to ask some questions yourself? To kick off?

**PROFESSOR BOLAJI OWASANOYE:** I have no question to ask. We'll allow others if they need clarification on anything.

**DR. ADEYEMI DIPEOLU:** Okay.

**HONOURABLE IRENE OVOJI-ODIDA:** So, I could add one or two issues related to the national level if there are no questions...

**DR. ADEYEMI DIPEOLU:** Yes. Okay. Fair enough.



**HONOURABLE IRENE OVOJI-ODIDA:** Thank you very much. I was just saying on the national level issue...the insights around an effective anti-IFFs strategy at national level is-and this I take really from Civil Society Organizations-working on these issues in Africa and working with governments-that you need to have three levels of [action] for things to happen. So, one of the most important is the policy direction, from policy making institutions and there is a challenge around that, partly because of a lack of coordination among them, across the different sectors, within accountability sector, to the justice level, or the sector and so on, but also because of external drivers. External drivers, including their lack of policy space, because they have to respond to external demands, whether they may be pulled from fatigue or from other areas. So that's been one of the challenges, they may not have time, or they may be tied in by a global instrument, and not able to make policies that relate to the national needs around dealing with IFFs. So that is one thing that needs to be dealt with.

Secondly, at the next level for an effective IFFs' strategy is that they need to also have the regulatory bodies. So, the policy direction, from the policymaking institutions, which has to be coordinated across different institutions, and then the role of the regulatory bodies to regulate the actors in the system, which may include banks, for example, or other financial institutions. Those three levels and the lack of coordination between them have been identified as one of the gaps that we have. It's compounded by the fact that many of the economic actors in our systems at a national level are external, they're multinational big corporates and that has been mentioned by the third Discussant, they are external, including law firms. You'll often find that the larger ones are connected to global law firms. So their accountabilities are external, and that contributes to the fragmentation in coordination, but also in national interest. This is something that I think for policymakers, we need to really think about. How do we ensure that policy bodies are given the direction, and that direction is coordinated against the different kinds of bodies? For example, Ministry of Finance; to what extent are they working with Foreign Affairs in looking at IFFs together? or Justice? That was one thing I think was really important, because many of the participants here I think are from government agencies.

**DR. ADEYEMI DIPEOLU**

Thank you. Thank you very much, Irene. I'm going to ask a question and my question is: *(I apologize, I've read; the FACTI Report, at least the summary, I haven't read every line)*. "Capacities", I didn't hear enough about capacities because some of the things you have said also rely on capacity. So sometimes you may even get the global architecture right but yet, you don't have the capacity to utilize the opportunities that have been created. So, it's one thing to be able to negotiate at the global level. You send your best people, you get good results, but also ultimately, if you're not able to even collect the data that helps you, you're not even able to understand the intricacies and you have a challenge because you don't have the numbers, you don't have the resources, which some



people that you are dealing with have, to be able to address these issues. Sometimes the top lawyers, the top accountants in any country, go to the private firms, and then you are left with people who are struggling to manage a very wide gamut of issues and very limited resources available to them. Are there any thoughts on those issues from you? And then from Donald, Mr. Kakpo?...

Souad, you want to say something?

**SOUAD ADEN OSMAN**

Yes, I want to ask one question. If it's possible

**DR. ADEYEMI DIPEOLU**

Okay, ask your question and we'll collect three questions, and then we'll go to the Panelists to respond to all.

**SOUAD ADEN OSMAN**

Very good, thank you very much Chair and thank you very much, Honourable Owoji-Odida, Don and Alvin who has already left. We have been approached, because we have been driving the coordination, so to speak, and struggling through the coordination even on our continent for recommendations that we have our own Panel made in 2015. My concern is that as much as we do accept and understand, it is our very good news that the FACTI Report or the FACTI process until now remain very much an African concern and with a push back staging it at global level. But we must also admit that we are struggling to even get ourselves organized and structured. So to jump on to something that is, in terms of an of narrative, not completely anchored in even the institution that is triggering this, which is the UN to say that the meager resources we have will be devoted, or we have to start coordinating something that is complimentary, we have not gotten to the fundamentals organized on the continent for us to even properly coordinate.

I mean, the conversation is very much at the regional level and hasn't trickled to the national level. And implementation is a national matter. So when we continuously jump on the new train that is leaving a station, I am afraid that we will continue to be on the losing end of this conversation, because when we hear that the FACTI Panel took it further, only to add that we should attend to the SDGs and you say what did they add? If we are in the same situation, and we are defining this as being, this issue has been beaten, it has been analyzed, it has been defined, the solutions for this continent are known to us. Implementation has, is and will continue to lack the resources we have as Africans. I was approached by the Secretariat of the FACTI that is saying we should be looking for a special declaration for the FACTI Report on the continent. How? Why would that be an important thing to be done if we are supposed to step away from talking about this issue and get into the fixing of it at the national level? Where is





the focus of the Africans on these things? Is it the next conversation at global level? Or is it the fixing of the issue at national level? And if we have to do that, who does it? How we go about it? So, we do have fundamental questions, as Don was talking about, in the consortium, in the IWG of the new set of recommendations that should be coming next, that we all should put our efforts and make sure that they are implemented in a timeframe that is realistic for our countries. As Yemi was saying; capacity is an issue, to make sure that we do implement and while we accept and understand that we have to be part of discussions and going back and revisiting and reanalyze what is already better. We need absolutely to know where the focus is in this continent and what the consortium is supposed to be doing on illicit financial flows. At the end of the day, we're talking about the same issue. Thank you very much.

**DR. ADEYEMI DIPEOLU**

Okay, thank you. I don't know whether there is somebody asking a Nigeria specific question, on the question and answer?

**PROFESSOR BOLAJI OWASANOYE**

It has been answered by Don Deya

Don has answered that question.

**DR. ADEYEMI DIPEOLU**

Okay, excellent. So, we'll just go back now to the Panel. We'll start with Honourable Ovonji-Odida, then we'll go to Don Deya then Mr. Fiakri Kakpo. You have each two, two minutes to respond, because I intend to keep to the time.

**HONOURABLE IRENE OVONJI-ODIDA**

Thank you

The capacity issue-I think both questions are around capacity and added to that, therefore, where should the focus be? The starting point on the capacity, the recommendations that we've made, recognizes the need to invest in building capacity, especially for developing countries, and that this investment needs to be both at national and regional levels. Addition to that is that a lot of this is around issues to do with information, data, for example, on tax on BEPS, that sort of thing. Additionally, we recommended that the UN needs to play a stronger coordinating role, because many of the current institutions that collect data are not multilateral. So, you'll find that the OECD for example, has got a lot of information but that information is not necessarily shared equally, with countries that are non-OECD countries, so a stronger role for the UN, in collection of data. That that data then can be made available universally to different countries to support their needs. Also that the issue of capacity is tied, there are two dimensions to it. One of them is just lack of resources, you know,



coming from illicit flows itself causing the lack of resources. But the other dimension to it is that sometimes what is seen as a capacity issue is actually a problem that the architecture or the rules are not relevant to the needs of a particular country or region. So dealing with both ends of this, the architecture needs to be redesigned, to be fit for purpose and to be ready to be applicable to different contexts and different priorities. Secondly, the capacity gap that exists, need to be supported through better global coordination led by the UN. So that was the way in which we looked at it. And just connected to the question are raised by my sister Souad, that even with the Mbeki Panel, we recognize that it is, is the global problem. So it affects Africa. But it's a problem that is not just emanating from Africa, it's about something to do with cross-border practices, and that the solution to life, not only from what Africa does, but that there is a need for the international community to also act, the role of the region is really critical. I'll just end on that by saying that the role of the AU in coordinating the Africa group countries, at the different centers, including here in New York, in Paris, with the OECD is for example, in Geneva, you know, with WTO is, is really critical. More leadership is needed to strengthen to strengthen that. It's been 2015 to 2021-it's been quite some time. for Africa, we in the African Union at the regional level, it's important that we have the instruments, but that we use those instruments and actually apply them and recognize that the solutions on IFFs will not come from those who benefit from it. So we need to be guided by what is in our own instrument, which is the special declaration and this alignment between what is being recommended in the FACTI recommendation, then, actually lift those recommendations to a global level. So, there isn't a contradiction between what we're calling for in the FACTI. We are saying that the global community needs to be part of that solution, but with very specific means to it, and also recognizing resistance will exist and therefore, regionally, we need to organize.

**DR. ADEYEMI DIPEOLU:** Alright, Thank you very much. Don Deya?

**DON DEYA:** Thank you very much. And I just note that in the Q and A box, there's a question that was asked which Ambassador Segun Apata was willing to answer live.... With regard to your question Chair, on capacity, I endorse the answers given by Irene Ovonji-Odida that indeed it's a big issue. In fact, the only thing I would add is that we challenge ourselves. Governmental institutions, inter-governmental institutions, non-governmental institutions that we need to have a range of actors that are proactively contributing to building capacities, especially at the national level. I really like in this regard the model of... the Africa Tax Administration Forum, and how they very proactively engaged revenue authorities, but also policymakers in the revenue space. In the last two years, we as *The Stop the Bleeding Consortium*, ... Justice Network, PALU and others, have begun engaging the AU specialized Technical Committee on Finance and the Economy. And we're very, very shocked the way there's extremely little citizen activity around it. Very few professionals, economists, economy schools,



faculties of economics and finance, we're engaging around it. So, there's a huge challenge for us there to be dynamic and robust in our engagement, not just the governmental bodies, but also other actors that can help to build capacity. I would say the same also with regard to my big sisters Souad Aden-Osman that I endorse what she has said. It is indeed a huge challenge, implementing our own policies, our own strategies, our own common positions, and also endorsed what Irene has said that a big part of our problem in IFFs is the global financial architecture and the global financial institutions and rules. So we just have to find a way of multitasking, engaging the global architecture while also building our own. Again, I would urge that we spend more time, more focus on building the demand side, especially amongst our citizens; we need to have our citizens the right holders, generating and projecting a lot of demand towards our own leadership, the duty bearers. So we need many more people engaging on the demand side, we need a critical mass of actors on the demand side, where upon then we can have a division of labor. So, we see who engages at our capitals, who engages in Addis, who engages in New York, even who engages in Geneva with regard to the human rights aspects of IFFs especially on economic rights, social rights and cultural rights. Thank you, Chair.

**DR. ADEYEMI DIPEOLU:** Thank you very much, Mr. Kapko first, then, I will pass the floor to Ambassador Apata to respond to the question that was posed.

**FIAKRE KAKPO :** SPOKE IN FRENCH

**DR. ADEYEMI DIPEOLU:** Thank you very much. Ambassador Apata, you wanted to intervene as well, please take the floor, Sir.

**AMBASSADOR SEGUN APATA:** Thank you. I probably maybe didn't want to speak during this Conference, but I feel personally insulted when we talk about lack of capacity on the African continent. We've moved away from that. There is no African country that cannot boast of capacity in every field of endeavour. Africans are all over Belgium, France, Germany, UK, Australia, Canada, US. Why are they there? Provide an environment for these Africans to return to their country of origin and contribute to the national development. So we cannot be talking about capacity, 55 years after independence, come on, we need to raise this capacity out of the continent. That is what we need to address. Thank you, Sir.

**DR. ADEYEMI DIPEOLU:** Thank you, Sir. Actually, I didn't give you the floor for that purpose. But since you have challenged me, I will respond, because I asked the question on capacities. The question is that is it available to you even if you have the brightest physicist in the world, if he's working in MIT, he's not working for you. He may be available to you, but he's not working for you. And then there's the whole issue of institutional capacity. So the fact that you have institutions doesn't mean that they're functioning at their optimum. So with all due respect, you may have individuals who are brilliant, but they are not



working in the system. For the purposes that identifying there is a capacity gap and governance capacities or gaps in governance, is also a capacity gap. If you're not governing as you should govern, then there's a capacity gap there. So maybe we can debate this offline, since I have direct access to you. The point really, is that the structures are not in place, the institutions are not functioning as they should. Maybe you're using the word in the context of capacity building. Maybe training of people with capacities for me is in ability to implement the way you desire a policy to be implemented. That's my own understanding of capacity. Sir, it's in your Report, in your Mbeki Report; capacities were highlighted very strongly as part of the challenge.

Alright, thank you very much for the Session. I'll hand over back. I thank our participants, Honourable Irene Ovonji-Odida, Advocate Don Deya, Mr. Fiakri Kapko for the very incisive interventions. I am not going to try to summarize the whole process, but just to say that there's agreement that IFFs remain a problem; they are huge and increasing; that there is a very key issue around the role and motivation of the more powerful actors in the space of IFFs. It's important for African countries to remain focused on the issue, because the solutions will not come from those who benefit. I think there was also emphasis on the need for political action to translate recommendations at the regional and global level into resolutions that can work for developing countries; Africa included. I think that there was also general agreement that it is key to restructure the global architecture. First, as a way of bringing all the elements of IFFs together under one regime and also in particular, the international tax architecture would need to be reformed and revitalized, to serve the purposes that they're meant to serve. Then of course, there was the whole issue of domesticating the requirements of the various recommendations into national law. With that, I hand over back to Professor Bolaji Owasanoye. Thank you very much, and a virtual applause to all our participants. Thank you.

**PROFESSOR BOLAJI OWASANOYE:** Thank you very much, Dr. Dipeolu for a job well done. Again, thank you to all of our Panelists, for very insightful comments that they have made. This is a debate that we have to keep on going because one of the gaps is the understanding even on the African continent itself, of what is going on. If you, experts and technocrats, know that this is how we are bleeding and wherefrom, but many of the people who need to take decisions for us are not aware, I think that one of the values that we're bringing to bear is the public education and civic engagement.

So, many thanks to all those who have been a part of this process; this conversation since yesterday, especially to our partners, the AU- ABC and CoDA. I want to again, thank all those who have joined, including Ambassador Segun Apata, and all the ministers who joined yesterday, and our Panelists from all over the world. On our part at ICPC, as I said yesterday, we are following the conversation very closely to see what we can do to close gaps. One of the gaps



that we intend to close which has come out, is teaching people how to negotiate because some of the things that lead to IFFs are based on agreements, and our people willingly sign on to them. So, we tell them what to look out for, and how to challenge those things. We also intensified the conversation to the point that recently, Nigeria's National Assembly has taken up the mantle of IFFs and has actually set up a public hearing. They have requested submissions from so many key stakeholders, including ourselves, and we're going to be responding to that. That's one of the values that we have. We're getting the legislature to put this in the front burner and to debate it, they have invited the ministers and stuff like that. So, this is very important, the conversation is picking up. Those who take decisions for us know what is going on and we expect that there should be an improvement in the way that they take decisions.

The other thing that we've decided to do is to review legacy transactions, especially in oil and gas, in tax, in investment that we use here in in Nigeria, as an example and to find some of those loopholes in them that facilitate IFFs. For example, confidentiality clauses, that prevent government from disclosing what it is paying out when it is our money that is paid out and yet you have a confidentiality clause, in contracts in loan agreements, in trade agreements, in oil and gas contracts. And through those confidentiality clauses, a lot of damage can be done. If you prohibit confidentiality clauses by law, the investor either wants to do business or doesn't want to do business. This way, you prevent an unscrupulous politician from using that avenue to take resources out. The use of waivers- these are also examples that we can come up with. Without wasting much more time, I just want to thank everybody that has been a part of this conversation.

Thank you very much. God bless you.

Bye-Bye.



## DAY 2: LEAD PRESENTATIONS

### **Presentation of the Common African Position for Asset Recovery (CAPAR) to the ICPC – CoDA International Conference on IFFs & Asset Recovery by Ms Souad Aden-Osman, Executive Director, Coalition for Dialogue on Africa (CoDA) and Coordinator, Secretariat of the AU High Level Panel on IFFs from Africa**

1. In order to eradicate underdevelopment and poverty as well as to address the Sustainable Development Goals, the matter of Domestic Resource Mobilization is most crucial. And a critical element of mobilizing these resources is the curtailment of the financial outflows from the continent. Failure to do this threatens the possibility of achieving the SDGs and this is problem that is now further compounded by the CoVID-19 pandemic on the continent. The levels of poverty and under-development on the continent are increasing due to the pandemic and it is expected that this will result in a decline in Africa's GDP by 3.5% according to the AfDB and the ECA. That is why continental efforts to stem illicit financial outflows from the continent are even now more critical than ever.

2. One of these aforementioned continental efforts is the Common African Position on Asset Recovery (CAPAR) which was unanimously adopted by the Heads of State and Government of the African Union at their 33rd Ordinary Assembly held in Addis Ababa in February, 2020. It is important to underline that the adoption of the CAPAR indicates the continued support of African leaders to the anti-corruption and anti-IFF agenda. This support came about following the release of the report of the African Union/ECA High-Level Panel on Illicit Financial Flows from Africa also known as the Mbeki Report. The report recommended that African countries take actions to track, stop and get back illicit financial outflows. It was in view of getting back or recovering these IFFs that the AU Declaration on the African Anti-Corruption Year in 2018 called for the efficient recovery and return of stolen assets to Africa with due respect for the sovereignty of States and their national interests. All these steps are in effect what led to the development of the CAPAR.

3. In response to the Declaration on the African Anti-Corruption Year, the Government of the Federal Republic of Nigeria, the African Union Commission and the African Union Advisory Board on Corruption together with the support of the Secretariat of the High Level Panel and other members of the Consortium to Stem Illicit Financial Flows (IFFs) from Africa worked enthusiastically to develop the CAPAR. Since then, it has been adopted by African leaders and several efforts have been undertaken to position it at national and regional levels. At global level, the CAPAR has already been discussed and brought forward in various forums by the African Permanent Representatives to the UN. This highlights its importance since the implementation of the CAPAR ties in



directly with the work of the High Level Panel and should accordingly be acknowledged by the UN General Assembly as a tool for the concrete implementation of the IFF agenda.

4. The CAPAR is essentially the bedrock for our continent's legal instrument and technical framework for negotiating the return of our stolen assets and funds, taken illicitly from the continent and hosted in foreign jurisdictions. It is aimed at assisting African Union Member States to identify, repatriate and effectively manage these assets in a manner that respects the sovereignty of these Member States. The CAPAR was also developed on the basis that Illicit financial outflows and the illicit consignment of African assets to foreign jurisdictions have and will continue to undermine Africa's development goals and aspirations, unless acted against by the global community, as well as the African Union and its Member States. It maintains that all these stakeholders must speak with one voice and act in unity to ensure that Africa's voice is heard and is fully recognized in efforts to shape the global ecosystem of asset recovery.

5. This policy instrument outlines Africa's priorities for asset recovery and groups them into four pillars. The first of these pillars is the detection and identification of stolen assets. It should be highlighted that the identification of African assets is usually technically complex and inherently political. Legal, taxation, financial and justice systems, as well as transparency, protection of whistle-blowers and enabling the roles of media and civil society are critical to the detection and identification process, but are not adequately addressed by current institutional, legislative and policy frameworks. In order to address these and similar challenges the CAPAR makes several recommendations to Member States including the development and implementation of regional best practice guidelines for asset declaration through the assistance of existing institutions, such as the AUABC as well as prioritizing the regulation and protection of whistle-blowers.

6. The second pillar which entails the recovery and return of these assets was highlighted as a top priority for the continent in the High Level Panel Report on IFFs from Africa. This is because such recovered assets can be to be applied towards Africa's development agenda. The CAPAR indicates that in considering strategies for the recovery and return of African assets, AU Member States should remain mindful that identified assets remain at risk of being retransferred unless frozen or seized expeditiously while authorities in destination and source countries coordinate and engage in the recovery and return process. The current situation we have seen is that destination countries keep these identified African assets in their jurisdictions during the lengthy processes involved in recover. This results in source countries losing out on the potential monetization, use and enjoyment of such assets to the detriment of Africa's development. In response to this, the CAPAR recommends implementing



strategies to ensure the simplification of technical and legal processes involved in asset recovery as well as prioritizing the recovery of African assets including artworks and artefacts that were taken out of Africa before, during and after colonization.

7. The management of recovered assets is the third pillar of the CAPAR. It stresses that the use and disposal of recovered and returned African assets, is the sovereign right of individual Member States, which are entitled to use assets for the common good of citizens in accordance with Africa's development agenda, domestic laws and other legitimate government purposes. The Management of assets must include the power to invest returned assets, dispose of assets and pay proceeds into asset recovery accounts, manage going concerns and generally adopt profitable and economically effective and efficient asset management standards in the interests of the Member States and their peoples.

8. The fourth and final pillar focuses on cooperation and partnerships. It has been noted in the High Level Panel Report and in the CAPAR that successful asset recovery and repatriation cannot occur in a vacuum but can only be the result of effective and efficient cooperation between various actors. These actors include member states; regional bodies; the global community; investigative bodies; law enforcement agencies and financial intelligence institutions. In this regard, regional and international cooperation plays a key role in curbing illicit financial flows as well as detection, identification, recovery, return and effective management of African assets located in foreign jurisdictions. This is particularly important because IFFs are an African problem with a global solution and this is evident in the matter of asset recovery. In its recent meetings with the Global FACTI Panel and other international stakeholders, the High Level Panel has continuously called for the establishment of a strong and inclusive global financial architecture. The Panel has also expressed it's the need to bridge the focus of the source countries and destination countries. The focus of the former is on the money leaving the continent and the destination countries actually focus on where the taxes are not being paid. This difference in focus is obvious as on one side it is about the names of individuals who take money away from our continent, while on the other side it is the names of Banks. There is therefore an obvious need to bring about an approach to harmonize the process of recovery which is where the CAPAR will prove itself a useful solution.

9. Further to the four pillars are several issues which cut across all of them. These include the need to strengthen domestic, regional and international systems; the need for mutual support and inclusion between Member States given the variance in their capacities to engage in the complex process of asset recovery and repatriation as well as the need for Member States and other stakeholders to create an enabling environment for the implementation of the CAPAR.

10. In the same vein, three principal challenges have always been highlighted by the Panel in the effort to address IFFs from the African continent including asset recovery. The first is the need to strengthen the capacity of the African Union





and its relevant agencies such as the AUABC. Second is the need to establish a global coherence of what has been agreed by African and non-African countries on efforts to curtail IFFs. The third is the need to develop the global mechanism which will ensure complete adherence to the implementation of these agreements. Addressing these challenges is critical in the achievement of the SDGs and further emphasized by the negative impact of CoVID-19.

11. Addressing these challenges and implementing the CAPAR are why the next steps of the AUABC and the CAPAR Working Group are to actively sensitize national, regional, continental and international stakeholders on the CAPAR in view of their full support and adherence to its implementation. In the coming year, the CAPAR which represent Africa’s collective voice on the recovery of its stolen assets will be put forward in all relevant arenas and forums in view of building coherent and fair action in the repatriation of what is rightfully ours.

**Lead Presentation: HON. IRENE OVONJI-ODIDA, UN FACTI Panel**

Financing Sustainable Development by Stemming Illicit Financial Flows: The FACTI Panel Report in Perspective.

The slide features a purple and blue color scheme. At the top left is the logo for 'FINANCIAL ACCOUNTABILITY TRANSPARENCY & INTEGRITY' (FACTI), which consists of a 3D cube made of smaller cubes. Below the logo, the title 'FINANCING SUSTAINABLE DEVELOPMENT BY STEMMING ILLICIT FINANCIAL FLOWS: THE FACTI PANEL REPORT IN PERSPECTIVE.' is written in blue. Underneath the title, it says 'Presented by Hon. Irene Ovonji-Odida, Member UN FACTI Panel at ICPC Conference, Abuja, May 2021'. The bottom of the slide is a purple banner containing ten small, rounded square images arranged in two rows of five. The images depict various scenes: hands holding rice, a classroom, a close-up of a metal object, a building, scientists in a lab, stacks of money, hands on a laptop, hands holding water, a young girl, and a wind turbine.



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## GROWING GLOBAL SPOTLIGHT ON IFFS

- More focus on IFFs by global tax justice community, Inter-governmental bodies on nature, scale, growth & impact.
- OECD BEPS process after 2008-9 global financial crisis, fiscal deficits, rapid expansion of tax avoidance & evasion by individuals/MNCs due to digitalization, globalization.
- AU Mbeki Panel: 3 drivers of IFFs ie illicit financial practices by commercial entities, organized crime, looting of public funds. Commercial IFFs is 65%, with many practices legal. Role of enablers, complexity & political economy.
- Outcomes included 2015 AU Special Declaration as continental policy. IWG consortium set up. Advocacy for global commitment -> G7, FfD3 outcome AAAA: DRM core to development, IFFs harm SDGs. SDG 16.4.





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## FACTI Panel Background

- PGA & PECOSOC set up regionally diverse, independent Panel, to propose solutions for global financial integrity in 1 year, with consultations & research.
- Opportunity for UN members to concretely position anti-IFFs at global level in inclusive, multilateral forum.
- Political support of key UN members & Groups, close engagement of tax justice community & other experts critical for process, report & reform of global financial system by adoption of recommendations.
- Key upcoming processes: UNGA New York- UNCTAD Geneva.



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## Cost Of Financial Integrity Gaps

- FACTI: \$1.6 TR/ 2.7% global GDP in money laundering by criminals. \$500-600 BN to tax havens by MNCs BEPS practice. \$20-40 BN in bribes to public officials in developing countries. \$7 TR private wealth hidden by banking secrecy, many in advanced countries. 10% world GDP in offshore financial assets.
- Recent study of where/ how much MNCs pay income taxes using OECD 2016 data found MNCs shifted \$1TR in profits- over \$200 BN tax revenues - from countries of operation to tax havens in 2016. Lower income countries suffer most losses from BEPS practices: many havens in or controlled by major financial markets, few benefits to smaller havens' real economies.





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## Effect of Financial Integrity Gap, IFFs and BEPS

- All countries lose corporate tax revenues from BEPS: 2015 estimate is 1% global GDP.
- Higher BEPS revenue cost to low income countries: 1-2% developing countries' GDP; for SSA \$18-36 BN or 6-13 % total govt revenue or 33-67% total 2014 ODA from OECD.
- IFFs problem growing: in 2015 IFFs from Africa at \$50-60 BN, in 2020 nearly \$89 billion per year.
- Effect of corporate tax avoidance, tax evasion, corruption, financial crimes by the wealthy & corporates:
  - National: reduced DRM, public goods; fiscal deficits, regressive taxation, criminality; low public trust, weakens rule of law, governance, & equality within & between countries.
  - Global: toxic financial eco-system (offshore system).



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- 2020 Total annual tax loss of Nigeria USD 10.8 billion or 472.87% Nigeria's public health expenditure (TJN).
- Oil & gas sector costs over 90 per cent of IFFs from annually (NEITI).
- Estimated tax loss could buy 576 million more cylinders for universal access to essential services for the most vulnerable, a priority in Nigeria's Voluntary National Review 2020 relating to SDG-3 health and well being, in addition to 331,000 cylinders with Burners for women in 15 states at about USD 6.2 million in 2021 budget. *Gender & health impact*





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## Systemic Gaps in Global Financial Integrity

- Illicit finance & tax abuse at heart of global financial system: complex web of instruments, rules, international institutions & actors closely linked to governance of global economy.
- Archaic norms & rules reflect historical interests of powerful countries, institutions & actors. Low income countries have limited inclusion or influence in global governance or rule-making eg in OECD, EU, IFIs or industries like banking, law.
- Toxic secret eco-system driving inequality between or within countries is leveraged in international tax, trade & commerce, foreign investment, sovereign debt, foreign relations & commercial diplomacy & development aid.



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## Systemic Gaps cont.

- Systemic loopholes enable IFFs by MNCs, wealthy & their enablers: ABC of tax, offshore maze, secrecy havens (many in big financial markets).
- Existing reforms are weak, archaic rules unfit for globalization, digitalization, changing MNC models or unfair to low income States.
- Asymmetries due to non-inclusive governance or interests eg tax cooperation, information sharing, asset recovery, dispute settlement.
- Lack of inclusive global governance + secrecy systems hinder achieving financial integrity.





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## New Approach: Global Pact on Financial Integrity for Development

- A Global Pact with the unified aim to create financial integrity.
- Universal standards of State accountability & for regulation of international business dealings.
- Plug global architecture gaps by redesigning global financial policies & institutions in guided by a coherent set of principles based on values of accountability, transparency, legitimacy & fairness.
- Global cooperation on taxation, corruption & money laundering as 'entire eco-system' not in separate policy siloes.
- Comprehensive action to align economic & financial activities with spirit & content of legitimate financial rules that support sustainable development.



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## Summary of FACTI Recommendations

- FACTI HLP: framing on IFFs, fair, inclusive system of global governance + end secrecy/ offshore maze.
- Policy platform ABC of tax transparency including greater transparency in company ownership & accounts, plus public spending transparency (procurement).
- Bolster transparency & data exchange to tackle enablers/ vested interests that benefit from criminal/ abusive practices.
- More robust CSO role in international policy & minimum standards of protection for civic actors including media.





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## **FACTI Recommendations: Global architecture reforms on tax**

- An overhaul in international tax norms & institutions, plus a corporate tax vision including
  - reforms on transparency, cooperation & the division of tax rights, negotiated in the UN as a more inclusive, transparent, legitimate forum than the OECD, with the new tax norms designed relevant to needs of all including developing countries.
  - an international minimum corporate tax & the taxing of digital giants, as proposed in digital services taxation options in discussion by UN Committee of Experts on Tax.
  - a UN Tax Convention & inter-governmental body to address shortcomings of the international tax system.



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## **FACTI Recommendations: National Governance & International Cooperation**

- Domestic structures, laws & enforcement mechanisms to be reformed, transparency increased at the national level, & robust, inclusive national governance promoted for accountability.
- More international & regional cooperation & improved coordination of the various parts of the international system, including building inclusive governance & more dynamic response to emerging risks.





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## Conclusion

- FACTI HLP consensus: affirms Africa Group, G77 -> IFFs from global governance, secrecy systems. Success: progressive report & reforms implemented.
- Broad support & resistance: IFF winners/losers -> Map States, blocs, institutions, interests. Coalitions?
- Global: forums UN vs OECD, strategic leadership to track UN processes 2021-2023++ (20-50 year frame).
- AU: IFF Special Declaration, need coordinated strategy, champions, allies.
- National: issue reduced/fragmented policy space, global drivers. Need Policy direction, regulatory oversight/ enforcement, economic actors compliance.







## APPENDIX

### A. Webinar Organising Committee

- |  |      |
|--|------|
| 1. Professor Bolaji Owasanoye, Chairman, | ICPC |
| 2. Dr. Esa Onoja                         | ICPC |
| 3. Mr. Kayode Adedayo                    | ICPC |
| 4. Joy Mbang Esu                         | ICPC |

### B. Rapporteurs

Lead: Dr. Esa Onoja

1. Anike Adeshina
2. Adebayo Opoade
3. Adetayo Adegboyega
4. Oluwaseun Oshinyemi
5. Yetunde Mosunmola

### C. List Of Participants

- |   |  |
|---|--|
| 1. Oladipo Johnson  | 23. Prof. Bolaji Owasanoye                             |
| 2. Esa Onoja  | 24. Jorge Uamusse                                      |
| 3. Ben Akabueze   | 25. G Aduda  |
| 4. Daniel Zandamela   | 26. Rev.David Ugolor                                   |
| 5. Louis Andriamifidy   | 27. Davide Ecoute Adams                                |
| 6. Olanrewaju Suraju  | 28. Tsitsi Chakonza                                    |
| 7. Melvin Ayogu   | 29. Mohammed Abdullahi                                 |
| 8. Adeyemi Dipeolu  | 30. Abdullahi Mohammed                                 |
| 9. Chibuke Alu  | 31. Paul Banoba  |
| 10. Edem Glitse   | 32. Adeoye Joshua Adediran                             |
| 11. Timothy Odokpoe   | 33. Okpah Chinye Nichole                               |
| 12. Juliet Ibekaku-Nwagwu   | 34. Akeem Oyetunji,                                    |
| 13. Townsend Thom   | 35. Adah Ojoma   |
| 14. Azuka Ogugua  | 36. Elizabeth Oyeneyin                                 |
| 15. Niyi Ojomo  | 37. الورغي, 'الورغي', 'عل'<br>(Orghi, 'El Orghi,' Ali) |
| 16. Muteba Kasanga  | 38. Amefula Agwu                                       |
| 17. Guyana Bennacer   | 39. Uchenna Nwachukwu                                  |
| 18. Mbang Joy Esu   | 40. Louisa Chinedu                                     |
| 19. Sahar Ragaa   | 41. Matthew Mamman                                     |
| 20. Souad Aden-Osman  | 42. Idriss Linge                                       |
| 21. Jean Cham   | 43. Segun Apata  |
| 22. Independent Corrupt<br>Practices and Other Related<br>Offences Commission | 44. Tayo Ososipe                                       |
|   | 45. Raufu Mumini Alabi                                 |



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46. Chinomso Osim
47. Constantine Harrison
48. Hon. Attorney-General  
Katsina State
49. Uche Ihediwa
50. Okwaraebo Prisca
51. Susan Enada Ogabidu
52. Mathias Okwe
53. Ndu Okparaibea
54. Young LeadersClub
55. Nnenna Obi
56. Emeka Odo
57. Ukuku John Okam
58. Thami Madinane
59. Imeoria Kelechi
60. Temidayo Omoju
61. Ben Akabueze
62. Olaolu Adegbite
63. François J. Godbout
64. James Matthew
65. Karabo Rajuli
66. Benedict Anikwe
67. Attorney-General Nasarawa  
State
68. Umaru Raymond Anzaku
69. Bulama Ahmed Suleiman
70. Fabiano Angelico
71. Svenja Wanner
72. Hon. Grace Chinda
73. Akeem Lawal
74. Musa Alkali
75. Fatima Kere-Ahmed
76. John Mutombene
77. Olubisi Ajomale
78. Daniel Zandamela
79. ICPC Kogi
80. Dapo Okubadejo
81. Nuru Nurudeen
82. Wincate Muthini
83. Philip Azaranchi
84. Okoro Ulu
85. Ashenafi Tesfaye
86. Daniel Dado
87. Chinedu Bassey
88. Sheila Sheilhananala
89. Adetokunbo Fakeye
90. Danlami Nmodu
91. J. U. Amadi ESQ
92. Shehu Yahaya
93. Murtala Bankanu
94. Gad Bako,Gad
95. Nasir Umar
96. Andriamifidy Jean Louis
97. Umar Maiwada
98. Ronald Adamolekun
99. Mukhtar Na Allah
100. Wellington Jah
101. Halima Baba Ahmad
102. Michael Enzekwe
103. Adedoyin Shobowale
104. Robert Tonde
105. Enosa Omoghibo
106. Sunusi Shaza Sulaiman
107. Kelechukwu Okezie
108. Yahuza Igyuse
109. Olusegun Idowu
110. Mohamed Sultan
111. Veronica Adelekan
112. Taraba State Internal  
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113. Olanrewaju Suraju
114. Emmanuel Duniya
115. Japhet Udeani
116. Alli Yusuf
117. Bukar Galadima
118. Christopher Ahanonu
119. Kazeem Ugbodaga
120. Mothae Anthony,Mothae
121. Awinja Wameyo
122. Matthew Ogune
123. Sylvester Ogar
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125. Thialy Faye
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127. Mohamed Traore
128. Anike Adeshina
129. Mozambique Central
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143. Admassu Tadesse
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146. Kazeem Akintunde
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148. Yesmin Salako
149. Shintema Binga
150. Mohammed Sabiu Baba
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169. Brown Tari
170. Michael Agboro
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172. Idris Mohammed
173. Uwais Idres
174. Boaz Nimpe
175. Prince Hassan Mohammed
176. Abdulkaki Muhammad
177. Adeyemi Dipeolu
178. Ikeobasi Moleku
179. Abomaye Ushaka
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184. Prof. Sadiq Isah Radda
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186. Babangida Umaru
187. Leo Wonoskou
188. Kehinde Adetoye
189. Mr Shittu Abideen Adeniyi
190. Lukman Abolade
191. Hamdou Raby
192. Hilda Suka-Mafudze
193. Godwin Yacham Kwasau
194. Princess Chifiero
195. Jennifer Ode
196. Biodun Dare
197. Chukwuma Nwude
198. Sokan Temitope
199. Victor Okorafor
200. Chief Ombudsman of  
Rwanda
201. Pamela Pratt
202. Edidiong Sambo
203. Titilayo Oreh
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206. Samuel Asimi
207. Jibrin Mahmoud Aminu
208. Tope Fasua
209. Makwe Samuel Victor
210. Adamu Mohammed
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212. Abdulhaleem Ahmad
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214. Briggs Bomba
215. Innocent Ofili
216. Kudu Adamu
217. Haile Kibret



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229. Linus Gubbi
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238. Barr. Yakubu Bello Kirfi
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240. Moyosore Onigbanjo
241. Adebayo Sunday
242. Godwin Okpene
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249. Atodo Michael
250. Daniel Gudi Johnson
251. Ganiu Jenmi
252. Adugna Haile
253. Timothy Wodokpoe
254. Mansur Ahmed
255. Zainab Adejo
256. Asmau Dahiru Maibe
257. Aghogho Agbahor
258. Abdulfatahu Mohammed
259. Bala Aminu
260. Idriss Njutapvoui
261. Mohammed Lawal Adamu
262. Juliet Ibekaku-Nwagwu
263. Miletus Eze
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265. Maha Abo Wedn
266. Abdullatif Sheikh
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393. Muftahu Bala



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422. Dalhatu Bangaje
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440. Friday John
441. Aminou Akadiri
442. Philomina Attah
443. Ezech Anselm
444. Anas Kolo
445. Khadijah Kontagora
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453. Obaje Daniels
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465. Tajudeen Mahmud
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474. Bukunmi Akanbi
475. A.A.Hasemann
476. Adetayo Okeleye
477. Saidu Yahaya
478. James Udom
479. Willie Emmanuel
480. Sam Ekwueme
481. Okoko Paul



482. Salihu Ali
483. Dali Markson
484. Petson Olanrewaju Awogbemi
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486. Olugbemi Osanoto
487. Noble Wordu
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490. Henry Ushie
491. Jorge Uamusse
492. Basse Udo
493. Nkiruka Okonkwo
494. Enemaku Ojochegbe
495. Denham Aida
496. Ayeni Victoria
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499. Temidayo Opeoluwa Sokunbi
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502. Punarimam Fehintola
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505. Mojeed Jamiu
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515. Alie Tarawally
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521. Baba Alaro Shuaib
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523. James Koryor
524. Bimpe Abodunde
525. Remi Olugbemi
526. Odunayo Igbaoyinbo
527. Chinwendu Uruakpa
528. Ifeoma Igwebuike
529. Abba Dzikwi
530. Aniekan Akpan
531. Aniekan Akpan
532. Kunle Falayi
533. Olusegun Idowu
534. Nnadozie Ihezue
535. Charles Afeku
536. Olubukola Olugasa
537. Odo Remigius
538. Victoria Sowunmi
539. Ken Robinson
540. Fatima Muktar
541. Adelani Adepegba
542. Tony Olaleye
543. Secretary to the Government of Enugu State
544. PERM SEC, MFA
545. Abbia Udofia
546. Chukwuma Ikeoha
547. Dapo Olorunyomi
548. Helen Obochi
549. Ekere Usiere
550. Zayyana Danmusa
551. Peace Benson
552. Hassan Hafiz Mohammed
553. Dodo Yapou Philippe
554. Bala Muhammed
555. Ebhotemen Kennedy
556. Adebayo Sunday O.
557. Okpara Idam
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560. Akinsola Olakunle
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562. Femi Lanre Oke
563. Nkechi Chiemelu
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565. Kingsley Nwezeh
566. Darcio Sualige



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573. Hannatu Mohammed
574. Emmanuel Ujah
575. Wonderful Ezra
576. Francis Kairu
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578. Joseph Kalu
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581. Odunola Oduwaiye
582. Jamilu Sani
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584. Nirere Madeleine
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589. Abiodun Muritala
590. Enimiebi Mary Ebize
591. Tsitsi Chakonza
592. Ibrahima Aidara