

Nigeria's Intervention at the First Meeting of the Intergovernmental Group of Experts on Financing for Development, 8 November, 2017

Session 2: Illicit Financial Flows from Developing Countries

At the outset, I want to express appreciation to the United Nations Conference on Trade and Development (UNCTAD) for organizing the First meeting of Intergovernmental Group of Experts on Financing for Development.

2. Financial hemorrhage occurring in any society is a grave phenomenon that deprives society of the capacity to meet its social and economic responsibilities and targets. Indeed, the inter-linkages between corruption and underdevelopment in developing countries and especially Africa is quite obvious now. For us in Nigeria, Illicit Financial Flows (IFF) can be linked to the recurrent challenges of mass migration and terrorism in the continent. Thus, addressing the twin issues of Illicit Financial Flows (IFFs) and Assets Recovery is crucial to harnessing domestic resources of finance for sustainable development.

3. Nigeria believes that IFF is a global challenge that requires global solution. We therefore stress the need for multilateral action including at the United Nations to address the menace. We urge the global community to promote international cooperation towards strengthening the mechanisms to dismantle safe havens ensure the recovery and return of stolen assets to their counties of origin.

4. In support of global efforts to address the challenges of IFFs, Nigeria hosted a Conference on Promoting International Cooperation to Combat Illicit Financial Flows (IFF) and Enhance Asset Recovery (AR) to Foster Sustainable Development held in Abuja from 5th - 7th June, 2017. Some key outcomes of this Conference germane to global efforts aimed at addressing the challenges of IFFs are:

- Development of strategic plan with clear objectives including the creation of an enabling environment to effectively combat IFF;
- Strengthening the capacity of tax collection systems and institutions;
- Prosecution of financial institutions that violate anti-corruption laws as well as imposition of sanctions against financial institutions;
- Strengthening of the whistle-blower regime;
- Stronger collaboration and partnership with relevant stakeholders to combat IFF, especially with regards to information sharing and capacity building;
- Need for source countries to dialogue with destination countries to remove conditionalities with regards to recovered illicit funds and assets; and
- Upgrading of the United Nations Committee of Experts on International Cooperation in Tax Matters to an intergovernmental subsidiary body of the United Nations Economic and Social Council (UN ECOSOC).

5. Nigeria is collaborating with like-minded countries to sustain this important issue on global agenda including through substantially building on the Resolution on **“Promotion of International Cooperation to Curb and Recover Illicit Financial Flows”** at the ongoing 72nd Session of the United Nations General Assembly (UNGA).

6. We are confident that the outcome of this meeting would not only enhance our knowledge and capacity to address the menace, but also support global efforts at bringing it under control.

7. I thank you.