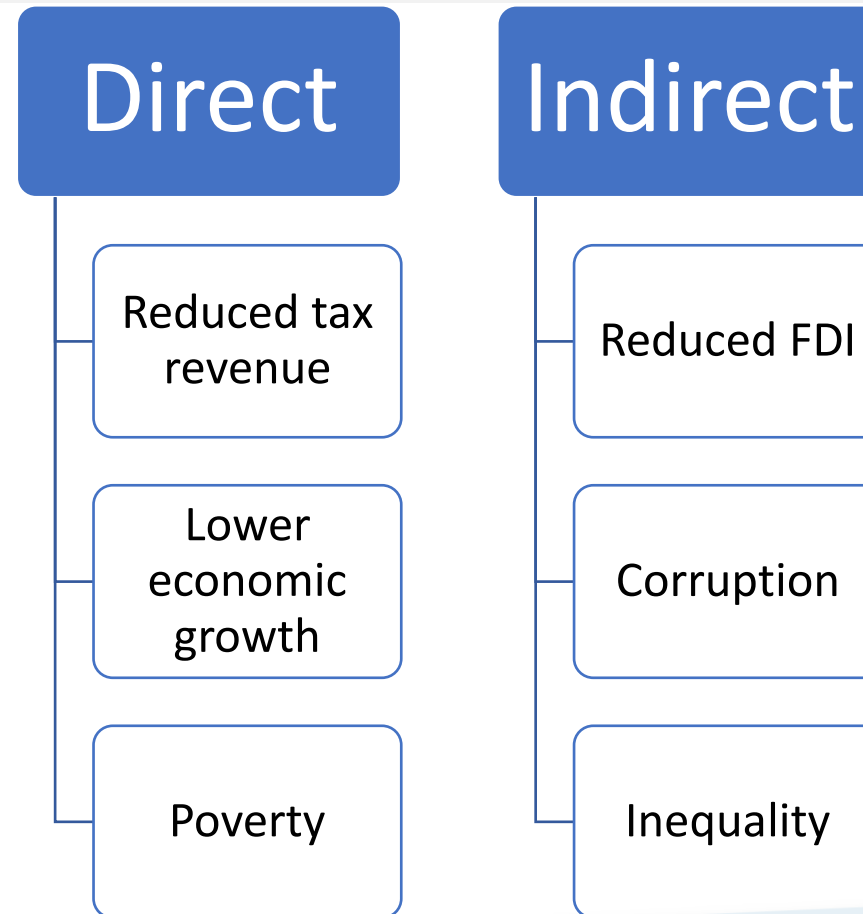


IFF measurement implications for FfD Kyrgyzstan

Anastasia Maga, consultant, ESCAP



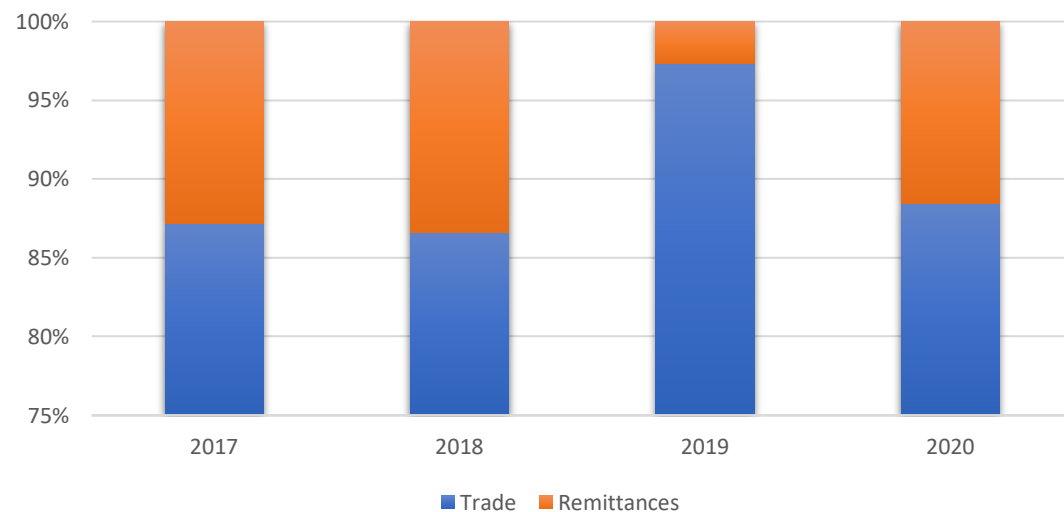
Possible IFF implications for FfD



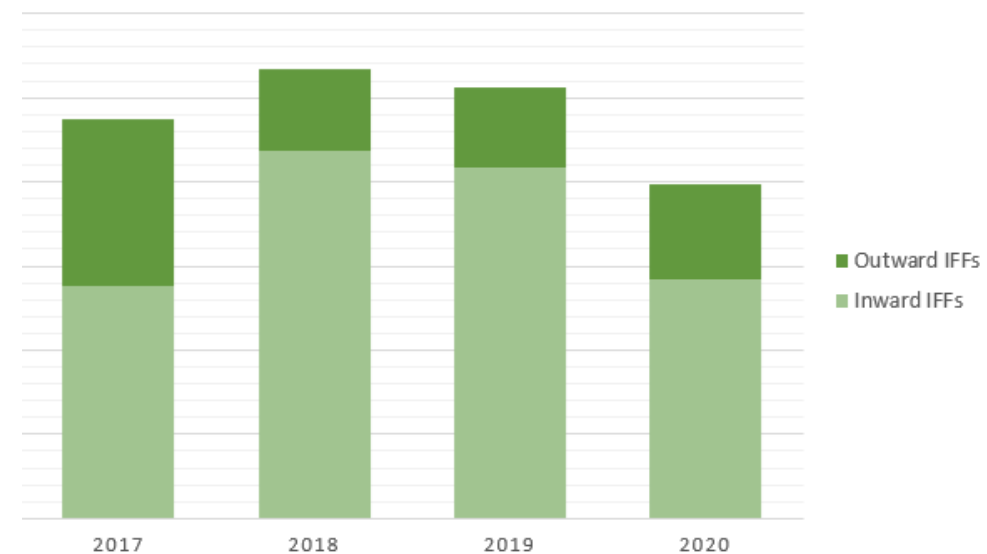
Sources of IFFs in Kyrgyzstan

Sources

Main IFF sources in Kyrgyzstan, 2017-2020



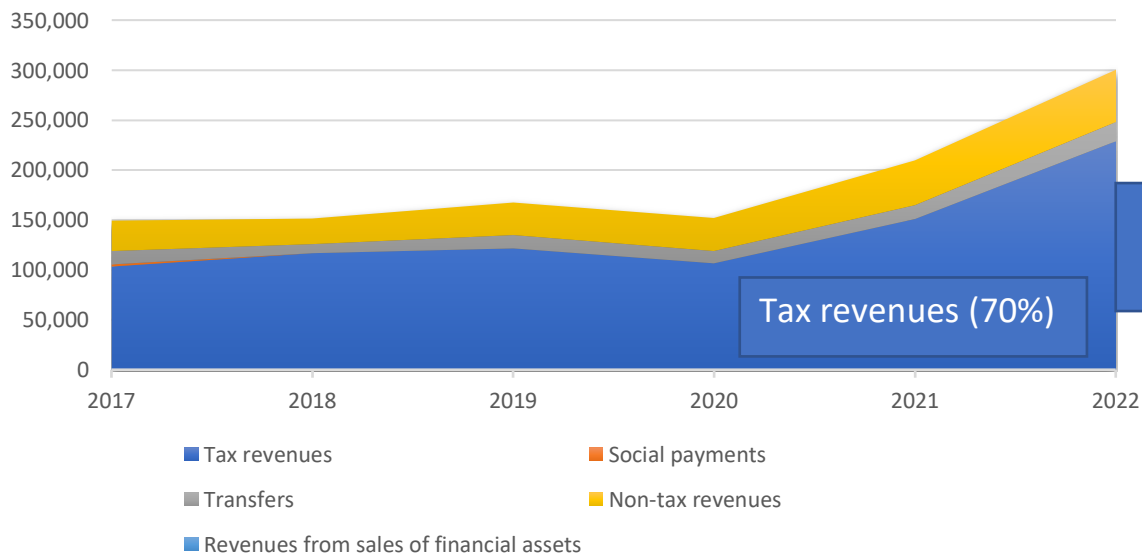
Trade



Budget revenue implications

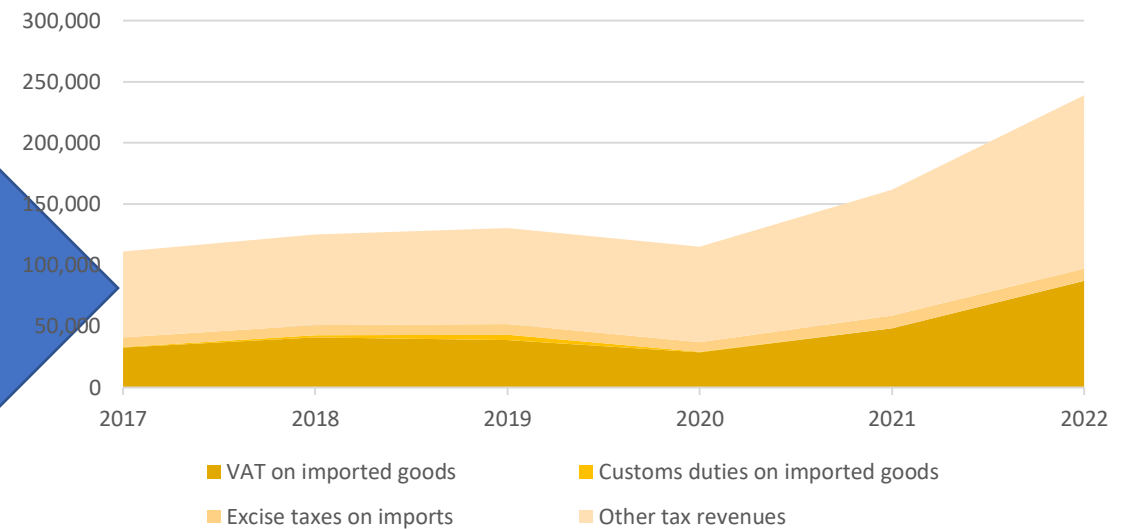
- Different types of IFFs have direct connections with specific sources of the national budget:

State budget revenues, Kyrgyzstan, mil Som



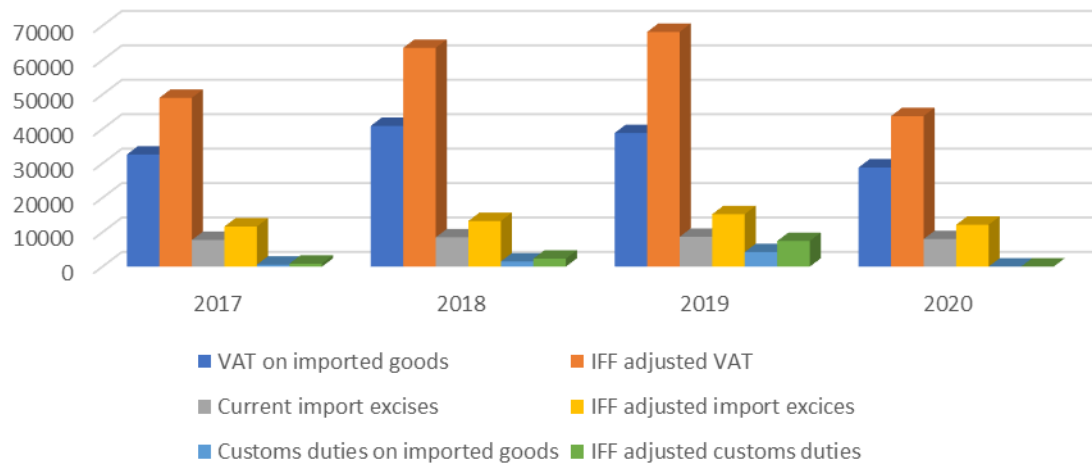
40.5%

Import trade-related tax revenues, Kyrgyzstan, mil Som

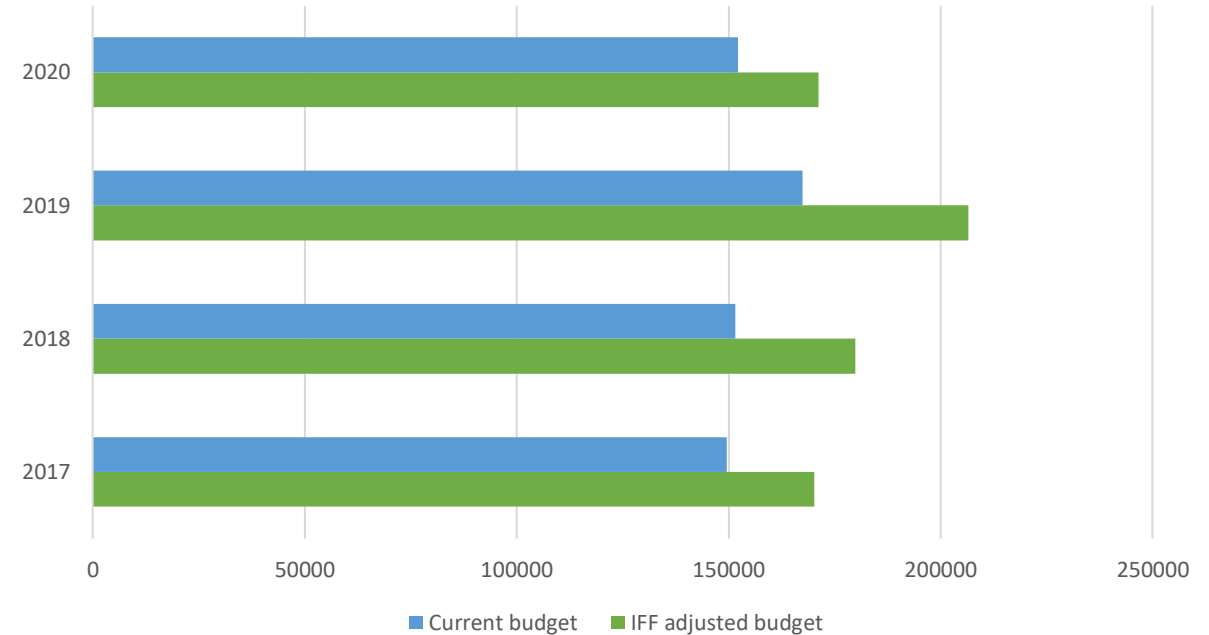


Possible direct implications

Current and IFF adjusted import trade related tax revenues, Kyrgyzstan, mil som



Current vs IFF adjusted budget revenues, Kyrgyzstan, mil som



Considering the findings of the project the national budget of Kyrgyzstan may be losing about 14-20% of the total national budget revenues only due to import trade, an equivalent of 200-400 million USD annually.

Measures

- Measuring IFFs enables governments to identify the sources of illicit flows and take steps to prevent them.
- For example, it is possible to identify the exact flows, trade partners and goods categories that present high IFF risk.

Unusual patterns, as exemplified in

- Maga.A., Nyasulu A., Marshall A., Bekenov C. (2023) Estimating illicit financial flows from trade misinvoicing. Working Paper Series, No. SD/WP/15/April2023



STATISTICS DIVISION

ESTIMATING ILLICIT FINANCIAL FLOWS FROM TRADE MISINVOICING:

INTRODUCING THE 'GREY RE-EXPORTS' METHOD

(THE CASE OF KYRGYZSTAN)

Anastasia Maga, Alick Nyasulu, Ayodele Marshall, Chingiz Bekenov

WORKING PAPER SERIES
APRIL 2023



Conclusions

- Finally, measuring IFFs is essential for ensuring that the funds generated from economic activities are utilized for the benefit of society as a whole.
- By reducing IFFs, governments can increase the resources available for development, which can lead to improved living standards, reduced poverty, and greater economic growth.

Thank you!