



Measuring Illicit Financial Flows (IFFs) to Finance Development

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**Mr. Lameck Odada-National Consultant
IFFs Pilot Study-Namibia**

The Process

- IFF risk assessment and mapping institutions to form the TWG
- Training on six (6) methodologies to measure IFFs
- National inception workshop to operationalize the DA project
- Review of data availability and choice of methodology to measure IFFs in Namibia
- Country specific training on chosen methodologies and setting the pilot testing plan
- Data collection, analysis, stakeholder engagement and producing draft report
- Closing workshop of the DA project in Ethiopia
- Presentation to Heads of the TWG

Technical Working Group (TWG) Members

- Bank of Namibia (BoN) – **Lead Agency**
- Namibia Statistics Agency (NSA)
- Financial Intelligence Center (FIC)
- Namibia Revenue Agency (NamRA)
- National Planning Commission (NPC)
- Ministry of Fisheries and Marine Resources (MFMR)
- Ministry of Mines and Energy (MME)
- Namibia Financial Institutions Supervisory Authority (NAMFISA)
- Anti-Corruption Commission (ACC)
- Namibian Police (Nampol)
- United Nations (UN) Office in Namibia.
- National Consultant

Methodologies and Challenges

- Partner Country Method (PCM) +
 - Price Filter Method (PFM) +
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- Time constraint to be trained on all six (6) methodologies
 - Lack of complete data sets from the data sources
 - Delays in meetings with stakeholders to validate the data
 - Lack of market data on some products made it difficult to use the market prices method which was effective in producing IFF estimates in some products.

Lessons Learned and Next Steps

- The application of the PCM and PFM to produce IFFs estimates
 - Weaknesses in terms of data quality
 - Under-declaration, under/over invoicing practices
 - Weaknesses in the Customs system to detect misclassification
- Need for an IFFs Secretariat
 - Training on the other four (4) methodologies
 - Expand IFFs scope - include more sectors
 - Collaborate with UN system to continue working on IFFs