

UN Joint SDG Fund support for Egypt
Integrated SDGs Financing
EGYPT IFFs
UNCTAD – MPED (Egypt)

**National validation Workshop of pilot activities for measuring
Illicit Financial Flows (IFFs) in Egypt
22 November 2021**

Concept note

The United Nations integrated SDGs Financing project for Egypt ([INFF](#)) is a UN joint programme in partnership with the Government of Egypt. It aims to develop capacities and put in place simple systems to continuously measure, map and compare financing flows. An important element of this project is identifying financing opportunities, through the better availability and quality of data, in particular data on Illicit Financial Flows (IFFs).

The indicator framework to monitor progress towards Sustainable Development Goals (SDGs) proposes an SDG indicator 16.4.1 to measure the “total value of inward and outward illicit financial flows (in current United States dollars)”.

Custodian agencies of SDG indicator 16.4.1, United Nations Conference on Trade and Development (UNCTAD) and United Nations Office for Drugs and Crime (UNODC), released a Conceptual Framework for the Statistical Measurement of Illicit Financial Flows¹ in October 2020. In July 2021, UNCTAD released a draft of Methodological Guidelines to measure Tax and Commercial IFFs for pilot testing², aimed at statistical and other national authorities with a mandate to collect and access relevant information. UNODC are finalising the Guidelines to measure IFFs from extractive activities and illegal drugs markets.

National circumstances dictate a comprehensive and tailored approach to produce reliable and granular IFF statistics. Measurement of the many types of IFFs in one indicator can only be done in close collaboration within the national statistical system (NSS) and with administrative data providers, in coordination by the national statistical office. The compilation of SDG indicator 16.4.1 is a technical, statistical activity that must be carried out independently in line with the Fundamental Principles of Official Statistics³.

¹ https://www.unodc.org/documents/data-and-analysis/statistics/IFF/IFF_Conceptual_Framework_FINAL.pdf

² https://unctad.org/system/files/non-official-document/20210917_IFFsGuidelinesForPilots_en_0.pdf

³ <https://unstats.un.org/unsd/dnss/gp/fundprinciples.aspx>

[A national kick-off workshop of pilot activities for measuring IFFs in Egypt](#) took place on 1st of September 2021, involving 13 national agencies of Egypt and relevant international agencies, UNCTAD, UNODC and United Nations Economic Commission for Africa (UNECA). During the workshop, implementation of activities related to the measurement of IFFs in Egypt were presented and discussed, with strong support of and coordination by a national focal point, Ministry of Planning and Economic Development (MPED). The workshop presented concepts and methodologies for measuring IFFs and introduced relevant national stakeholders presenting past and currently ongoing work on IFFs in Egypt. The Self-Assessment Questionnaire on IFFs in Egypt (SAQ) was launched during the workshop with national stakeholders, in coordination by MPED, solicited for their inputs by mid-September 2021.

The Steering Committee of INFF project met on the 3rd of October 2021 to support the implementation of the joint programme by providing strategic guidance, monitoring the progress, endorsing the action plan of the overall project, etc. In particular, the Steering Committee provides a confirmation of the set working plan for further steps on IFF measurement in Egypt during the national kick-off workshop.

This Validation workshop is organised with two specific objectives:

- (1) To review the process of responding to SAQ and, based on SAQ inputs, the drafted preliminary report on IFF risk assessment for Egypt. **Participants of the workshop are invited to provide feedback and inputs into refinement of the report on IFF risk assessment in Egypt** to complete the background information on IFFs in Egypt, in turn setting the national context for further pilot-testing plan to measure IFFs in Egypt.
- (2) To serve as a **platform to discuss** forming a national technical working group, i.e., **expert group for statistical measurement of IFFs in Egypt**. During the workshop, participants will be presented with the mandate, workplan and membership of the proposed expert group, and asked to provide nominations of technical experts from their respective national institutions in the days following the workshop. The IFF expert group will have its inauguration meeting toward the end of November 2021.

Targeted participants of the validation workshop are the same participants as in the previous kick-off workshop. Additionally, statisticians and other experts at the technical level are strongly encouraged to actively participate in this workshop, including, but not limited to, persons responsible for filling-in the SAQs and experts directly involved in IFF-related activities at various national institutions, either data, statistical, or other expertise inputs.

The workshop and the IFF expert group first meeting will be conducted in Arabic and English.