

STATEMENT BY AMBASSADOR MAIMUNA K. TARISHI, PERMANENT REPRESENTATIVE OF THE UNITED REPUBLIC OF TANZANIA TO THE UNITED NATIONS AND OTHER INTERNATIONAL ORGANIZATIONS IN GENEVA, ON THE ECONOMIC DEVELOPMENT IN AFRICA REPORT: TACKLING ILLICIT FINANCIAL FLOWS FOR SUSTAINABLE DEVELOPMENT IN AFRICA, DURING THE THIRD SEGMENT OF THE 67TH SESSION OF THE TRADE AND DEVELOPMENT BOARD, 28TH SEPTEMBER 2020, AGENDA ITEM 7

**President of the TDB,
Deputy Secretary-General of UNCTAD,
Permanent Representatives,
Distinguished delegates,**

Mr. President,

It is my honor to make this statement on behalf of the United Republic of Tanzania. We wish to associate with the statement made by the Permanent Representative of Zambia on behalf of the Group of 77 and China and that of Angola on behalf of the African Group.

At the outset, I wish to express my delegation's appreciation to the UNCTAD Secretariat for the in-depth analysis provided in the 2020 Economic Development for Africa Report: "Tackling Illicit Financial Flows for Sustainable Development in Africa".

Mr. President,

Illicit financial flows (IFFs) are impacting developing countries, in particular Africa and require urgent actions by the international community. We note with grave concern the report's estimation that annually Africa is losing about USD 88.6 Billion through capital flights. This amount is huge and drain on Africa's resources, including

tax revenues, and hinder the level of savings required to address key development issues. These funds could otherwise be used to finance education, infrastructure, health care, and other vital elements of sustainable development. By reducing IFFs, governments will have more public funds available to invest in the development of their countries.

Mr. President,

In 2015, we committed to redouble our efforts to substantially reduce illicit financial flows (IFFs) by 2030, with a view to eliminating them over time. To this end, countries agreed to combat tax evasion and corruption, both through strengthened national regulation and increased international cooperation.

Mr. President,

Since 2015, the Government of the United Republic of Tanzania have made improvements in tax policies and continued to take various measures aimed at preventing and combatting corruption. These measures have intensified in the recent years thanks to the policy of zero-tolerance to corruption by the current Government. Moreover, in the Mining sector the Government has undertaken several measures including the enactment of the Mineral Act of 2017 geared to improve tax collection, mineral sales and control of production. The great strides made in the mining sector in the last five years have contributed to the increase of mining sector contribution to the Growth National Income (GNI) from 3.4% in 2015 to 5.2% in 2019.

Mr. President,

For all countries, public policies and the mobilization and effective use of domestic resources are central to the pursuit of sustainable development. Significant additional domestic resources, supplemented by international assistance, will be critical to realizing sustainable development and achieving the SDGs. For Africa to be able to finance its own development and meet its obligations under the Sustainable Development Goals (SDGs), a new framework to address these systemic vulnerabilities in our regional and national oversight of financial systems is crucial.

Mr. President,

Making the SDG's a reality will require a provision of significant resource flows, we therefore stress the need for multilateral action to tackle IFFs given that it is global challenge that requires global solutions. We also urge the global community to promote international cooperation towards strengthening the mechanisms to dismantle safe havens to ensure the recovery and return of stolen assets to their countries of origin.

Mr. President,

In conclusion, we are confident that the deliberations of the report would not only enhance our knowledge and capacity to address the challenges pertaining to IFFs, but also support global efforts to combat them.

I THANK YOU MR. PRESIDENT.