

# Statement of the participants to the 5<sup>th</sup> Anniversary dinner of the Africa Initiative

## 25 November 2019, Paris, France

On the occasion of 5<sup>th</sup> Anniversary of the Africa Initiative, 7 African Ministers and 13 Heads of delegation, the Commissioner for Economic Affairs of the African Union, along with partners and donors, met to review progress of the Africa Initiative and consider broader tax challenges facing African countries. Given the scale of these challenges and Africa's need to intensify domestic resource mobilisation, including by combating illicit financial flows (IFFs), the participants welcomed the initiative by the Secretary-General of the OECD to host the meeting.

Two main topics were discussed: (i) the role of tax transparency and exchange of information in the fight against IFFs; and (ii) the future challenges in tax, particularly in the context of the digital economy.

In the context of the fight against IFFs from Africa, the participants welcomed the establishment of a framework of collaboration between the <u>Africa Union Commission</u> (AU Commission) and the <u>Global Forum on Transparency and Exchange of Information for Tax Purposes</u> (Global Forum) to advance the tax transparency agenda in Africa and foster the fight against tax evasion and other IFFs. They also welcomed the recent announcement that the AU Commission has become an observer to the Global Forum. They look forward to the publication of the joint 2019 <u>Tax Transparency in Africa Report</u>, which will serve as a barometer of progress made in implementing the international standards of transparency and exchange of information in Africa.

They also commended the growing support for the <u>Yaoundé Declaration</u> and the increasing number of African countries signing the <u>Convention on mutual administrative assistance in tax matters</u>.

In addition, the participants called for an intensification of work and effort in two areas. These were:

- Further strengthening the international tax cooperation framework by ensuring effective cross-border assistance in tax collection;
- Development of awareness and tools to facilitate the wider use of tax exchange of information data for tackling other IFFs, such as corruption and money laundering;
- o Addressing the tax challenges of crypto-currencies.

The participants acknowledged the contribution of the partners to the Africa Initiative, the support of donors and the complementary efforts of other programmes, such as <a href="Tax Inspectors Without Borders">Tax Inspectors Without Borders</a>, and they welcomed the recent publication of the <a href="Revenue Statistics">Revenue Statistics in Africa 2019</a>. They also welcomed the announcement by the European Union and France, within the framework of the Africa Initiative, to make substantial financial contributions to support capacity building work of the Global Forum and acknowledged the new partnership between the Global Forum and the African Development Bank Group.

Regarding the challenges of increasing digitalisation of business, participants acknowledged the importance of finding a consensus-based solution to the tax challenges of the digital economy at the global level. They emphasised the need to take into consideration African countries' perspective and called for all African countries to join the ongoing international efforts in advancing this objective. In this regard, they welcomed the AU initiative to meet in Accra, Ghana for the Specialised Technical

Committee on Finance early next year and recognised the need for African countries to come with a position to advance the ongoing international efforts.

## Participants to the 5th Anniversary dinner of the Africa Initiative

Benin, Botswana, Cameroon, Cabo Verde, Côte d'Ivoire, Egypt, Gabon, Ghana, Guinea, Kenya, Lesotho, Madagascar, Mauritius, Nigeria, Senegal, Seychelles, South Africa, Togo, Tunisia, Uganda

African Development Bank - African Forum on Tax Administration – African Union Commission - Cercle de réflexion et d'échange des dirigeants des administrations fiscales - European Union - France - Switzerland - World Bank Group

## **31** Members of the Africa Initiative

Benin, Botswana, Burkina Faso, Cameroon, Cabo Verde, Chad, Côte d'Ivoire, Djibouti, Egypt, Eswatini, Gabon, Ghana, Guinea, Kenya, Lesotho, Liberia, Madagascar, Mauritania, Mauritius, Morocco, Namibia, Niger, Nigeria, Rwanda, Senegal, Seychelles, South Africa, Tanzania, Togo, Tunisia, Uganda

\* The Africa initiative is open to all African countries.

#### 11 Partners and donors of the Africa Initiative

African Development Bank - African Forum on Tax Administration — African Union Commission - Cercle de réflexion et d'échange des dirigeants des administrations fiscales - European Union - France (Ministry of Europe and Foreign Affairs) - Norway (Agency for Cooperation and Development) - Switzerland (State Secretariat for Economic Affairs) - United Kingdom (Department for International Development) - West Africa Tax Administration Forum - World Bank Group

#### 29 Signatories of the Yaoundé Declaration

Benin, Burkina Faso, Cabo Verde, Cameroon, Comoros\*, Chad, Congo\*, Comoros\*, Côte d'Ivoire, Djibouti, Egypt, Gabon, Ghana, Guinea Bissau\*, Kenya, Lesotho, Liberia, Madagascar, Mali\*, Mauritania, Mauritius, Morocco, Niger, Nigeria, Senegal, Seychelles, South Africa, Togo, Tunisia, Uganda.

\* Non-member of the Global Forum