

**Statement of outcomes of the 9<sup>th</sup> Africa Initiative meeting****26 - 28 May 2021, Videoconference**

1. On 26 – 28 May 2021, over 300 delegates, including representatives from 34 African countries and 11 Africa Initiative donors and partners, came together virtually for the 9<sup>th</sup> meeting of the Africa Initiative (see **annex A**).
2. The Africa Initiative was launched in 2014 for a period of three years (2015-2017) by the Global Forum along with its African members and development partners (see **annex B**). The Initiative aims to ensure that African countries can realise the full potential of progress made by the global community in implementing transparency and exchange of information (EOI) for tax purposes. Its mandate was renewed for a further period of three years in 2017 (2018-2020) and 2020 (2021-2023). Countries participating in the Africa Initiative have committed to meeting specific and measurable objectives in implementing and using the international tax transparency standards.
3. The delegates welcomed the attendance and support of the partners and donors of the Africa Initiative.<sup>1</sup> The delegates also appreciated the participation and contributions of experts from Africa Initiative members, donors and partners<sup>2</sup> and from invited organisations and countries.<sup>3</sup>
4. On the first day of the meeting, which was open to the public, the [Tax Transparency in Africa 2021 report](#)<sup>4</sup> was launched. Now in its third edition, this Africa Initiative Progress Report highlights the progress made by the members, in a year made even more challenging by the COVID-19 pandemic, on the two pillars of the Initiative: (i) raising political awareness and commitment in Africa and (ii) developing capacities in African countries in transparency and EOI. It also provides insights into the situation of six non-members<sup>5</sup> of the Initiative who contributed to the report. The participants also deliberated on prioritising tax transparency and EOI as a tool for combating illicit financial flows (IFFs) to increase domestic resources available for meeting the [Sustainable Development Goals](#) and the African Union [Agenda 2063](#) and how to translate the progress made into revenue gain.
5. On the second day, the delegates reflected on linking EOI to domestic resource mobilisation (DRM) and took stock of capacity-building initiatives to support the implementation of the tax transparency standards in Africa. The delegates also received updates on recent developments on tackling tax crimes through targeting professional enablers and participation of African countries in automatic exchange of

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<sup>1</sup> African Development Bank Group, African Tax Administration Forum, African Union Commission, *Cercle de réflexion et d'échange des dirigeants des administrations fiscales (CREDAF)*, European Union, France (Ministry of Europe & Foreign Affairs, Ministry of Economy and Finance), Norway (Agency for Cooperation and Development), Switzerland (State Secretariat for Economic Affairs), United Kingdom (Foreign, Commonwealth & Development Office), West African Tax Administration Forum, World Bank Group.

<sup>2</sup> Member countries: Cameroon, Ghana, Kenya, Mauritius, Senegal, South Africa, Togo, Tunisia and Uganda.

Partners and organisations: African Development Bank Group, African Tax Administration Forum, African Union Commission, *Cercle de réflexion et d'échange des dirigeants des administrations fiscales (CREDAF)*, European Union, Norway (Agency for Cooperation and Development), West African Tax Administration Forum, World Bank Group.

<sup>3</sup> Federal Public Service Finance of Belgium, Guardia di Finanza of Italy, Independent Commission for the Reform of International Corporate Taxation, Internal Revenue Service of the United States of America, Organisation for Economic Co-operation and Development, Tax Justice Network – Africa and West African Economic and Monetary Union.

<sup>4</sup> <https://www.oecd.org/tax/transparency/documents/Tax-Transparency-in-Africa-2021.pdf>

<sup>5</sup> Angola, Congo, Sierra Leone, Gambia, Zambia and Zimbabwe.

financial account information (AEOI). They further received an update from the Africa Initiative Working Group on Cross-Border Assistance in Recovery of Tax Debts that was recently constituted to guide and contribute to a fact finding exercise aimed at understanding the current position of African countries in terms of tax collection in general and the conditions necessary for effective cross-border assistance in the recovery of tax debts in African countries.

6. On the third day, delegates received an update on and discussed the progress made in realising the 2021 Africa Initiative Action Plan. The delegates also discussed ways of tracking the impact of EOI on revenue collection and the new format for collecting data for the next edition of the Tax Transparency in Africa report as well as its overall structure.

7. Recognising the crucial role of decision makers, the delegates welcomed the Africa Initiative's contribution to the political dialogue on tax transparency as a tool for enhancing DRM in Africa. Delegates welcomed the African Union Commission's signature of the [Yaoundé Declaration](#), which sends a strong signal of its commitment to the Africa Initiative's objective of advancing tax transparency in Africa as a tool for combating IFFs and increasing DRM. The delegates encouraged the remaining African countries to increase political attention on the problem of IFFs and the key role that tax transparency and EOI can play by joining the Yaoundé Declaration.

8. Delegates observed that in 2020 African countries continued to prioritise EOIR and put in place the essential building blocks for effective participation in EOIR including widening their EOI networks, establishing EOI units with appropriate tools and resources and delegation of competent authority powers. Taking into account the importance of an international legal gateway for effective participation in EOI, the delegates welcomed the broadening of EOI relationships by African countries through joining the Convention on Mutual Administrative Assistance in Tax Matters (MAAC) already signed by 21 African countries and welcomed its ratification by Eswatini in March 2021. They invited the remaining African countries to join the MAAC.

9. Delegates lauded African countries for turning the tide in 2020 and, for the first time, becoming net senders of EOI requests. The delegates also welcomed the increased use of tax exchanged information to support tax audits and investigations and identification of additional revenue. African countries identified more than EUR 34.8 million in additional taxes due to EOIR in 2020. Since 2009, EOI has enabled African countries to identify over EUR 1.2 billion of additional revenues (tax, interest and penalties).

10. The delegates also welcomed the progress made by African countries towards the implementation of the AEOI standard. In 2020 Nigeria joined Ghana (in sending information and working towards reciprocal exchanges) and Seychelles, South Africa and Mauritius (who are exchanging information on a reciprocal basis). The delegates welcomed the progress made by Morocco and Kenya in the preparations for their first automatic exchanges by 2022 and the commitment by Uganda in 2021 to start automatic exchanges in 2023. They urged other African countries to consider committing to AEOI on a practicable timeframe and use the available offshore financial account information in the fight against tax evasion and other IFFs.

11. The delegates noted that despite the positive outlook, the progress made on transparency and EOI is uneven among African countries. Most are still behind their potential of EOI and the Africa Initiative needs to put more effort in the effective use of established EOI infrastructure, expanded EOI networks and information received to support tax audits and investigations to enhance DRM.

12. The delegates welcomed the formation of the Working Group on Cross-Border Assistance in Recovery of Tax Debts. They encouraged the Working Group to deliver a report on the state of play on cross-border tax debt recovery in Africa and identify areas of improvement to increase the use of this form of international assistance by African tax administrations. The delegates also committed to improve the assessment of the impact of EOI in order to inform strategic decisions. A group of six Africa Initiative

members<sup>6</sup> committed to lead by example by starting to use the impact assessment tool in 2021 and report the result in the 2022 Tax Transparency in Africa survey.

13. The delegates agreed to meet again in November 2021 to reflect on the progress made in the implementation of the Africa Initiative 2021 Action Plan.

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<sup>6</sup> Cameroon, Kenya, Seychelles, South Africa, Tunisia, Uganda.

## **Annex A. List of participants of the 9<sup>th</sup> Africa Initiative meeting**

### **African countries**

Angola • Benin • Botswana • Burkina Faso • Cameroon • Cabo Verde • Chad • Côte d'Ivoire • Djibouti • Egypt • Eswatini • Gabon • Gambia • Ghana • Kenya • Lesotho • Liberia • Madagascar • Mali • Mauritania • Mauritius • Morocco • Niger • Nigeria • Rwanda • Senegal • Seychelles • South Africa • Tanzania • Togo • Tunisia • Uganda • Zambia • Zimbabwe

### **Organisations, development agencies and invitees**

African Development Bank Group • African Tax Administration Forum • African Union Commission • Agence Française de Développement • Belgium (Federal Public Service Finance) • Cercle de Réflexion et d'échange des Dirigeants des Administrations Fiscales • European Union • France (Ministry of Europe and Foreign Affairs, Ministry of Economy and Finance) • Expertise France • Germany (Federal Ministry for Economic Cooperation Development, Deutsche Gesellschaft für Internationale Zusammenarbeit) • Independent Commission for the Reform of International Corporate Taxation • Italy (Guardia di Finanza) • Luxembourg (Ministry of Finance) • Japan (Japan International Cooperation Agency) • Netherland (Ministerie van Buitenlandse Zaken) • Norway (Agency for Development Cooperation) • Switzerland (State Secretariat for Economic Affairs) • Organisation for Economic Co-operation and Development (Centre for Tax Policy and Administration) • Sweden (Swedish International, Swedish Tax Agency) • Tax Justice Network – Africa • Switzerland (State Secretariat for Economic Affairs) • United Kingdom (Foreign, Commonwealth & Development Office) • United States of America (Internal Revenue Service) • West African Tax Administration Forum • West African Economic and Monetary Union • World Bank Group.

## **Annex B. List of members and supporters of the Africa initiative**

### **The 32 Africa Initiative members**












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

### **The 11 supporters of the Africa Initiative**




African Development Bank Group • African Tax Administration Forum • 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 Development Cooperation) • Switzerland (State Secretariat for Economic Affairs) • United Kingdom (Foreign, Commonwealth & Development Office) • West Africa Tax Administration Forum • World Bank Group.

### Annex C. List of signatories to the Yaoundé Declaration

| Countries and organisations |   | Date    |
|-----------------------------|---|---------|
| 1.                          |  Cameroon        | 11/2017 |
| 2.                          |  Liberia         | 11/2017 |
| 3.                          |  Uganda          | 11/2017 |
| 4.                          |  Benin           | 11/2017 |
| 5.                          |  Togo            | 01/2018 |
| 6.                          |  Ghana           | 02/2018 |
| 7.                          |  Seychelles      | 02/2018 |
| 8.                          |  Chad           | 03/2018 |
| 9.                          |  Madagascar    | 04/2018 |
| 10.                         |  Niger         | 04/2018 |
| 11.                         |  Gabon         | 04/2018 |
| 12.                         |  Burkina Faso  | 04/2018 |
| 13.                         |  Congo         | 04/2018 |
| 14.                         |  Guinea-Bissau | 04/2018 |
| 15.                         |  Mali          | 04/2018 |
| 16.                         |  Senegal       | 04/2018 |
| 17.                         |  Mauritius     | 05/2018 |
| 18.                         |  Mauritania    | 06/2018 |
| 19.                         |  Comoros       | 06/2018 |
| 20.                         |  Côte d'Ivoire | 06/2018 |

| Countries and organisations |  | Date    |
|-----------------------------|--|---------|
| 21.                         |  Lesotho                    | 07/2018 |
| 22.                         |  Nigeria                    | 08/2018 |
| 23.                         |  South Africa               | 09/2018 |
| 24.                         |  Morocco                    | 03/2019 |
| 25.                         |  Tunisia                    | 05/2019 |
| 26.                         |  Egypt                      | 11/2019 |
| 27.                         |  Kenya                      | 11/2019 |
| 28.                         |  Cabo Verde                 | 11/2019 |
| 29.                         |  Djibouti                   | 11/2019 |
| 30.                         |  Eswatini                 | 09/2020 |
| 31.                         |  African Union Commission | 12/2020 |

### Supporters of the Declaration

| Countries and organisations |   | Date    |
|-----------------------------|---|---------|
| 1.                          |  OECD Organisation for Economic Co-operation and Development | 11/2017 |
| 2.                          |  France  | 01/2018 |
| 3.                          |  United Kingdom  | 01/2018 |