

AFRICAN UNION

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Remarks by H.E. Fatima Kyari Mohammed

Highlevel Meeting: “AU Silencing the Gun Initiative- the role of illicit financial flows in fuelling instability in Africa”

Thursday, 10 December 2020
8:30 am– 11:30 am New York time

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Excellencies, Distinguished guests, ladies and gentlemen

- 4 It's a great honor for me to welcome you to this High-Level Meeting on the theme: "AU Silencing the Guns initiative: the role of illicit financial flows in fuelling instability in Africa". And we are particularly honoured to organize this event in partnership with OSA, with cosponsorship from the governments of Nigeria and South Africa.
- 4 Illicit financial flows have a massive negative impact on socioeconomic development and continue to stunt the development of all affected countries. Besides draining foreign exchange reserves, reducing domestic resource mobilization, preventing the flow of foreign direct investment, exacerbating insecurity and worsening poverty and economic inequality, IFFs also undermine the rule of law and worsen macroeconomic conditions in the many countries
- 4 Today, there is a wide global acknowledgment that IFFs constitute a drain on the resources required for Africa's development, particularly given the domestic resource requirements for actualizing Africa's Agenda 2063 and our global Agenda 2030.
- 4 Several milestones have been crossed in the journey to reach where we are today. In 2011, African Member States flagged the threat posed by IFFs on their socioeconomic development, and in order to assess the complex and long-term implications of IFFs on Africa's economic growth, the AU commissioned the High-Level Panel (HLP) on Illicit Financial Flows from Africa to further explore and gain a better understanding of IFFs nature and impact.
- 4 These efforts resulted in the Mbeki Panel Report in 2015, which provided deeper understanding of the nature and patterns of illicit financial outflows from Africa and helped raise awareness among African governments, citizens

4 Although the role of illicit financial flows (IFFs) in hindering economic development is well recognized

4 Lastly