Mody GUIRO
President
Président
Kwasi ADU-AMANKWAH
General Secretary
Secrétaire Général
Route Internationale d'Atakpamé
Centre FOPADESC Agoè – Nyivé
B.P. : 4401 – Tel. : 00228 2225 07 10
Fax : 00228 2225 61 13
LOME - TOGO
Email : info@ituc-africa.org
Web : www.ituc-africa.org

2016 International Public Service Day Commemoration: Halt Illicit Financial Flows and effectively administer tax to advance efficient public service delivery

The African Regional Organisation of the International Trade Union Confederation (ITUC-Africa) on the occasion of the commemoration of this year's International Public Day wishes to state once again that one of the effective and genuine ways to tackle poverty and inequality in Africa is to consistently implement state-driven public services delivery programmes and not to privatize them.

We therefore call on African governments to reverse the trend towards privatization of public services and rather work to find ways and means to continuously and sustainably ensure public service delivery that targets and reaches peoples and communities in need.

We note that it is 16 months since the African Union - Economic Commission for Africa (AU-ECA) Report on Illicit Financial Flows (IFF) from Africa was adopted by the African Union Heads of State Summit in Addis Ababa. The report pointed out that a conservative figure of $50 Billion is lost to Africa annually through IFF activities. No doubt, these monies are lost revenues that otherwise would boost and complement finances necessary for achieving the roll-out of social services provision.

ITUC-Africa notes with concern that not much progress has been made with respect to the implementation of the recommendations contained in the adopted "Mbeki Panel Report" on IFF from Africa. The recent Panama Papers leak further exposes the depth of the financial hemorrhage that Africa is exposed to as asset theft and tax evasion schemes and activities go unchecked.

We restate some of the Report's recommendations and call on African governments to work for their implementation without further delay:

1. African countries should seek and pursue effective cooperation with themselves and other developing countries, particularly in terms of tax policy, practices and information sharing.

2. African governments should strive to eliminate undermining and damaging tax competition amongst them. In essence, tax concessions in relation to attracting Foreign Direct Investment should be critically rethought.
3. African governments should seek cooperation with other developing countries to enforce multilateral adoption and implementation of measures to end financial and corporate secrecy jurisdictions which have contributed in major ways to the growth of tax havens and thus loss of revenues to African governments.
4. On the strength of new revelations in terms of how Multinational Corporations have undermined revenue prospects of African countries, particularly in the extractive industry, Africa should commence processes to re-negotiate existing mining and exploration contracts as well as take other anti-mineral revenue theft measures.
5. African governments must commit to train and retrain personnel with the view to build, improve and deepen the skills, competences and knowledge needed for effective tax administration.
6. Importantly, tax regimes that place heavy burden and responsibilities on the working poor should be readjusted progressively, whilst sanctions should be improved to rein in the rich and corporate entities that have continued to evade tax payment.

Africa must #StopThe Bleeding and work to use tax revenues to finance social services delivery and not to continue to privatize public services to the detriment and exclusion of the poor and needy.

Kwasi Adu-Amankwah – General Secretary ITUC-Africa

Issued from Lome, Togo 23rd June 2016