

JOURNAL OF AFRICAN TRANSFORMATION

Special 2022 Edition:

Challenges and opportunities for curbing illicit financial flows to boost domestic resource mobilization for financing sustainable development in Africa

CALL FOR PAPERS

The Journal of African Transformation published by the United Nations Economic Commission for Africa (ECA) invites papers and submissions for its special edition on the theme “Challenges and opportunities for curbing illicit financial flows to boost domestic resource mobilization for financing sustainable development in Africa”.

In 2015, the high-level panel on illicit Financial Flows from Africa commissioned by the African Union Commission and the UN Economic Commission for Africa in 2012 and led by former president of South Africa, Thabo Mbeki, published its report on illicit financial flows (IFFs) estimating that annual outflows of US\$50 billion from Africa through IFFs. The report influenced the deliberations and agreement on sustainable development goals and the Addis Ababa Action Agenda for financing sustainable development agreed by the international community in 2015.

The 2030 Agenda for Sustainable Development¹ identifies the reduction of illicit financial flows (IFFs) as a priority area to build peaceful societies around the world. Combating IFFs is a crucial component of global efforts to promote peace, justice and strong institutions, as reflected in target 16.4 of the Sustainable Development Goals; “By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organized crime”.

IFFs pose serious challenges to the realization of the SDGs as they drain countries of the needed resources to fund their socio-economic development including improving social services, facilitating agricultural transformation, and reducing poverty and inequality. The Addis Ababa Action Agenda on financing for development² therefore calls for the redoubling of efforts to substantially reduce IFFs, with a view to eventually eliminating them.

A review of the literature reveals that there are different understandings of what IFFs constitute and how they can be measured, ranging from estimates of money laundering schemes that rely on the banking system to disguise the illicit origin of funds, to macroeconomic measures that compare mirror trade statistics between countries. The absence of a common understanding hampers policy action to combat IFFs in the national context and to agree on common policy goals at the international level.

Further work to bring consensus to the definition and therefore a conceptual framework detailing on what should be included within the scope of IFFs or how the component parts could be measured was reached by the inter-Agency Expert group on financing Sustainable Development and the UN Statistical Commission under the leadership of UNCTAD and UNODC supported by UNECA and other international experts from national statistical offices, academics and practitioners. The framework provided a statistical definition of IFFs as: “Financial flows that are illicit in origin, transfer or use, that reflect an exchange of value and that cross-country borders.” The agreement of this conceptual framework and statistical measurement methodologies however requires the need for continuous assessment and review of the statistical methodologies to adapt them to various local conditions in developing and developed countries.

The key elements or types of IFF³ include tax evasion and avoidance, over-invoicing, and under-pricing, proceeds of corruption, financing of crime and terrorism.

IFFs thrive on networks of hidden resource flows. Once IFFs leave the country of origin, they may go directly to the destination country or indeed pass through a transit country, usually a safe haven, placing onerous processes for investigators and trackers to follow them. Yet with developments of better understanding of the IFFs concept, it is imperative that these resources lost from countries of origin can be returned to facilitate sustainable development and achievement of the SDGs in country of origin. Asset recovery is thus a significant ambition of African countries⁴ who are suffering leakages through IFFs.

The key research questions on the IFFs include:

- What is the nature, context and manifestations of IFFs in different African countries?
- How do IFFs impact on the state and society in Africa?
- What are the main challenges African countries are facing in effectively curbing IFFs including the issue of institutional weaknesses?
- What kind of reforms can African countries undertake in curbing IFFs?
- How can digitalization and technological transformation create opportunities for curbing IFFs?
- How can Africa take advantage of developments on the international stage with various initiatives aimed at curbing aspect of IFFs?
- How can Africa overcome the challenges it is confronted with in recovering assets lost through IFFs?
- How can global coalition on addressing IFFs be foisted and strengthened in addressing the problem?

The sub-themes to be addressed by the special edition include:

- Conceptual and theoretical issues on IFFs and measurement issues;
- Context, manifestations, and dynamics of IFFs;
- Country experiences on IFFs on the scale, magnitude and dimensions of the problem and national efforts at curbing it;
- Challenges and opportunities in addressing the problem of IFFs;
- The role of digitization and technological revolution in addressing the problem of IFFs;
- National, regional and global coalitions in combating IFFs;
- Comparative experiences, lessons learned and future prospects in curbing IFF

The journal invites theoretical and empirical papers, with both qualitative and quantitative approaches for the special edition. The papers should address the above research questions but not limited to them. While the submissions should be rigorous and scientifically grounded, we encourage that the papers should also have policy bent and recommendations that could support African countries in addressing the challenges of IFF.

Submission

All submissions will be peer reviewed. Only original and quality work shall be accepted for publication.

Send your manuscripts to eca-jat@un.org and cc; eca-spord-ood@un.org on or before 15 December 2021. Authors whose articles are selected will be notified by the mid of January 2022

For any inquiries, write to the Editor-in-Chief at eca-jat@un.org with a subject line "Attention Editor-in-chief".

Important Note

The Special Issue is open to submissions from researchers, policy makers, development practitioners and others, with special appeal to the participation of young researchers and women.

Submission Instructions

Articles should be between 6,000 and 10,000 words in length. This includes all text, for example, the structured abstract, references, all text in tables, and figures and appendices. Please allow 520 words for each figure or table.

Authors should follow JAT Author Guidelines; [Click here](#)

Deadline for Paper Submission

Deadline for the submission of papers: 15 December 2021

About the Journal: The Journal of African Transformation is a bi-annual inter-disciplinary and peer-reviewed scholarly periodical published by the UN Economic Commission for Africa (ECA). The Journal is committed to publishing very high quality and original research that makes cutting-edge advances on African development issues. It seeks to publish scholarly empirical and theoretical research articles that contribute to Africa's development thinking, policy and practice.

¹A/RES/70/1

²A/CONF.227/20. United Nations, Report of the Third International Conference on Financing for Development, Addis Ababa 13–16 July 2015 (New York, 2015), para. 23–24.

³On the conceptual framework on IFFs, UNODC and UNCTAD identify the following types of IFFs (i)-Illegal tax and commercial IFFs (ii) IFFs from aggressive tax avoidance (iii) IFFs from illegal markets (iv) IFFs from corruption (v) IFFs from exploitation-type activities (vi) IFFs from financing of crime and terrorism; see https://www.unodc.org/documents/data-and-analysis/statistics/IFF/IFF_Conceptual_Framework_for_publication_15Oct.pdf

⁴http://www.aquanticorruption.org/uploads/Common_African_Position_on_Asset_Recovery_-_EN.pdf