



## AFRICA INITIATIVE

### ORIGINS

The Africa Initiative is a regional programme launched in 2014 by the Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum), its African members and various partners. It aims at **unpacking the benefits of tax transparency and exchange of information (EOI) to fight tax evasion** and other **illicit financial flows (IFFs)** and serve **African countries' development**. The programme was initially set up for three years (2015-17). With the encouraging results obtained since 2015, it was renewed in 2017 for another three years. At their 8th meeting held in October 2020, members of the Initiative decided to further renew its mandate for another three-year period (2021-23). A new governance was also established, with a Chair and a Vice-Chair who are senior officials from African countries. The current Chair is Mr Githii MBURU, Commissioner General, Kenya Revenue Authority (KRA) and the Vice-Chair is Mr Edward KIESWETTER, Commissioner, South African Revenue Service (SARS).

### OBJECTIVES

The Africa Initiative is built on the idea that the potential of tax transparency and exchange of information for Africa is high but that most African countries lack political buy-in and technical capacities to exploit their potential. Its main objectives are to:

- **foster political attention** on the benefits of tax transparency and EOI; and
- **raise awareness and build capacities** of African tax administrations in EOI and ensure that they are able to use it to enhance their domestic resource mobilisation.

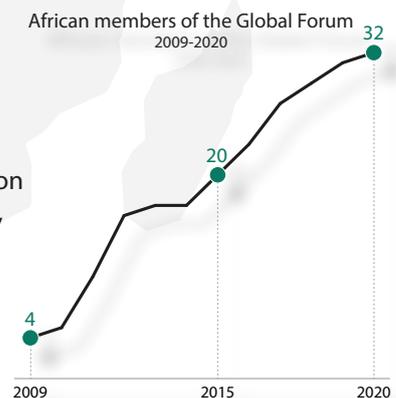
The members of the Africa Initiative meet every year to take stock of the progress made and reflect on the remaining challenges. One key outcome of the Initiative is the **Tax Transparency in Africa** yearly report, which measures the progress made by African countries in using tax transparency and EOI to fight tax evasion and increase domestic resource mobilisation.

### MEMBERS AND PARTNERS

In 2019/20, three additional African countries joined the Global Forum and thus the Africa Initiative, bringing the total number of its members to 32.

**African countries now make up 20% of the Global Forum membership,** compared to less than 5% in 2009.

**Active partnerships** with the African Union Commission, the African Tax Administration Forum, the Cercle de réflexion et d'échange des dirigeants des administrations fiscales, the African Development Bank, the World Bank Group and the West African Tax Administration Forum **significantly contribute to the fight against IFFs in Africa and help raise political attention across the continent.**



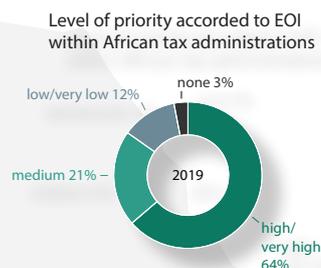
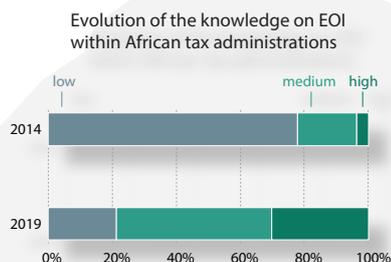
### THE 32 COUNTRIES OF THE AFRICA INITIATIVE (YEAR OF GLOBAL FORUM MEMBERSHIP)

 Benin (2017)	 Egypt (2016)	 Madagascar (2018)	 Rwanda (2017)
 Botswana (2011)	 Eswatini (2018)	 Mali (2020)	 Senegal (2012)
 Burkina Faso (2012)	 Gabon (2012)	 Mauritania (2012)	 Seychelles (2009)
 Cabo Verde (2018)	 Ghana (2011)	 Mauritius (2009)	 South Africa (2009)
 Cameroon (2012)	 Guinea (2019)	 Morocco (2011)	 Tanzania (2015)
 Chad (2016)	 Kenya (2010)	 Namibia (2019)	 Togo (2016)
 Côte d'Ivoire (2016)	 Lesotho (2013)	 Niger (2015)	 Tunisia (2012)
 Djibouti (2017)	 Liberia (2009)	 Nigeria (2011)	 Uganda (2012)

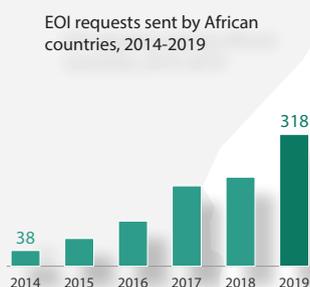
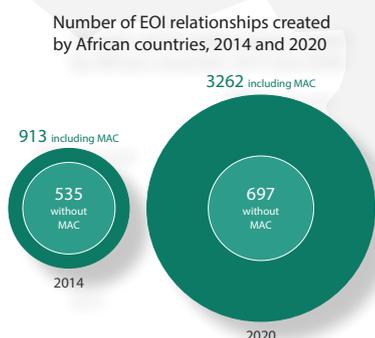
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### IMPACT AT A GLANCE

The Africa Initiative greatly contributed to the **rapid expansion of tax administrations' knowledge**, with close to 80% of staff reporting medium or high level knowledge on EOI for the countries surveyed in 2019, compared to just over 20% five years earlier. The **level of priority accorded to tax transparency also significantly improved** over the past few years.



**African countries' EOI network has spread very broadly**, mainly as a result of the growing number of jurisdictions joining the Convention on Mutual Administrative Assistance in Tax Matters (MAC). The **amount of EOI requests sent by african tax administrations increased more than eightfold** between 2014 and 2019.



These developments directly translated into **additional tax revenues**, allowing a group of eight African countries to secure **USD 189 million additional revenues** thanks to EOI on request between 2014 and 2019. **Voluntary disclosure programmes launched prior to the first automatic exchanges of information** also allowed Nigeria and South Africa to recover **USD 82 million** and **296 million** respectively.

### NEXT STEPS: BUILDING A SUSTAINABLE CULTURE OF EOI IN AFRICAN TAX ADMINISTRATIONS

- > Extend the benefits of **exchange of information on request** to all African countries
- > Help countries meet the requirements of the tax transparency standards on **beneficial ownership**
- > Ensure that African countries are able to seize the opportunity offered by **automatic exchange of information**

### THE 11 PARTNERS AND DONORS\* OF THE AFRICA INITIATIVE

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