

Opportunity lost? Countering illicit trade, freeing up development finance and bolstering state resilience

Side event: Third International Conference on Financing for Development

Date: 13/07/2015

Time: 13:15 – 14:45

Location: Radisson BLU Hotel, Sholla 2, Addis-Ababa, Ethiopia

How do we prevent illicit trade from draining precious resources from developing countries? Addressing this problem is urgent when the value of resource flows from criminal and contraband goods can be greater than the security budgets of some countries.¹ Illicit trade places a strain on state institutions and makes countries highly vulnerable to organised crime.

This panel will look at evidence to assess what can be done about transactions in illegal goods and violation of regulations governing legal trade. In both cases, public funds for poverty reduction and development are lost. This can be either because goods go untaxed, or because resources are diverted away from priorities such as health, education and infrastructure to fight illegal activities, for instance law enforcement to combat narcotics trafficking.

The expert contributors will look at real experiences from several countries in addressing these issues. The panellists will reflect on lessons learned for innovative programmes – going beyond security sector approaches. The event will provide a forum for sharing international practices across regions and will inform the recommendations of a ground-breaking report focusing on illicit trade in West Africa.

The report is being developed by the OECD in association with the Global Initiative against Transnational Organized Crime, the African Development Bank (AfDB), the Inter-governmental Action Group against Money Laundering in West Africa (GIABA) and the New Partnership for Africa's Development (NEPAD). The discussion will also inform joint work by the United Nations and the OECD looking at policy coherent approaches to combating illicit financial flows, the subject of a related side event at the Third International Conference on Financing for Development.

Moderated by Jon Lomoy, Director, Development Co-operation Directorate, OECD

Panellists:

- Peter Gastrow, Senior Advisor, Global Initiative Against Transnational Organised Crime
- Steve Kayizzi-Mugerwa, *Acting Chief Economist and Vice-President, AfDB*
- Cornelia Richter, *Managing Director, Deutsche Gesellschaft Fur Internationale Zusammenarbeit (GIZ)*
- Jeffrey Isima, *Principal Officer of Research and Planning, GIABA*
- Dillon Alleyne, *Deputy Chief, Sub-regional Headquarters for the Caribbean, ECLAC*

1. UNODC (2013), Transnational organised crime in West Africa: A Threat Assessment, www.unodc.org/documents/data-and-analysis/tocta/West_Africa_TOCTA_2013_EN.pdf

