

# High-level African regional consultation

13 NOVEMBER 2020  
FACTI BACKGROUND NOTE

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## INTRODUCTION

The FACTI Panel published its interim report on 24 September 2020. The FACTI Panel will hold a series of high-level virtual regional consultations with global stakeholders from 9 to 24 November 2020. The consultations aim to discuss possible means to address the shortcomings identified in the interim report.

Participants in the regional consultations are free to raise any of the issues covered in the Panel's mandate and report. To help orient the African regional consultation, this document provides some background and guiding questions on a few topics that may be of interest for African countries.

## INTERNATIONAL TAX ARCHITECTURE

The Panel identified elements of institutional deficits and is considering proposals for structural changes to the international tax architecture. These include regional cooperation structures, as well as global ones, considering the lack of a universal global institution or legal instrument in the tax sphere. Consideration is needed as to how the many existing and new measures and instruments are joined up and coherent. Guiding question for the consultations:

- **How can international tax cooperation be more inclusive and universal given the array of existing arrangements and institutions?**

## ASSET RECOVERY

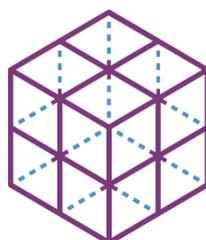
Returning resources to countries that are victims of corruption should be more transparent, easier and faster, while still maintaining accountability. To that end, the Panel would like to explore innovative, concrete and balanced solutions to ensure effective, accountable and transparent asset return in all cases. Guiding question for the consultations:

- **What proposals do you have to ease and accelerate the whole asset recovery process and ultimately enhance the volume of asset recoveries?**

## ADDRESSING ENABLERS

The Panel will examine measures needed in the countries used as havens, or where enablers of corruption and tax abuse work, building ideas in advance of the forthcoming FATF strategic review. Coherence with the tax transparency norms will be important, as well as better regulation and supervision. Guiding question for the consultations:

- **How can international-level action improve the effectiveness of the application of anti-money-laundering standards to lawyers, accountants and other designated non-financial businesses and professions (DNFBPs)?**



**FINANCIAL  
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## CAPACITY BUILDING

Many of the most severely affected jurisdictions have especially limited capacity for engaging in international cooperation, as well as for implementation and enforcement. These jurisdictions frequently also have the least structural power, which affects not only their ability to shape the process of setting norms, but their ability to deter and prosecute crimes or combat abusive practices. The limitations faced by countries, particularly developing countries, are interrelated. Calls for stronger enforcement

and internal agency cooperation according to international standards can be difficult to implement when other priorities demand attention. The Panel will examine ideas for international cooperation on capacity building to fight tax avoidance and evasion, money-laundering and corruption. Guiding question for the consultations:

- **What do you think are the most important binding constraints to States building greater capacity to combat tax abuses and corruption, and how can they be overcome?**

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Further details on the high-level African regional consultations can be found on the FACTI Panel website: <https://www.factipanel.org/events/facti-panel-high-level-africa-regional-consultation>

