

STATEMENT BY MUHAMMADU BUHARI, PRESIDENT OF THE FEDERAL REPUBLIC OF NIGERIA, DELIVERED BY PROF. YEMI OSINBAJO, VICE PRESIDENT OF THE FEDERAL REPUBLIC OF NIGERIA, AT THE FACTI PANEL THIRD VIDEO CONFERENCE, SIDELINES OF UNITED NATIONS GENERAL ASSEMBLY ON THE 24TH SEPTEMBER 2020.

PROTOCOLS

Let me begin by extending the appreciation of the Federal Republic of Nigeria to the immediate past Presidents of the United Nations General Assembly and Economic and Social Council (ECOSOC), Prof. Tijjani Muhammad-Bande and Amb. Mona Jul, respectively, for taking the important and timely step in constituting the High-Level Panel on International Financial Accountability, Transparency and Integrity (FACTI) for achieving the 2030 Agenda.

Let me also appreciate the Co-Chairs for their continuing transparent engagement with member states in the course of their assignment.

My delegation welcomes the Panel's forward-looking interim analysis of the gaps, as well as, its reference to existing initiatives and instruments in discussing vulnerabilities and impediments in the current systems as it relates to issues of financial accountability, transparency and integrity.

We agree with the Panel on the importance of having a balanced approach that reflects the situation in different regions and the priorities of different stakeholders.

It is a fact that the impact of the Covid-19 pandemic has disproportionately affected the resource base of most developing countries and narrowed their chances of achieving the 2030 Agenda.

I believe that for the global aspiration to recover better from the impact of the pandemic to yield any inclusive result, we must comprehensively address existing structures that make it impossible for countries to generate and retain a sizeable chunk of their resources.

Addressing illicit financial flows, restructuring the global tax system, and repatriating assets of illicit origin, would promote equity, help in achieving economic growth and accelerate the implementation of the SDGs in this decade of action.

Distinguished co-chairs, the success of the FACTI panel's final report will be measured by the clarity of its recommendations in support of global governance reforms.

Evidence suggests that the contemporary international tax system uses a taxing rights regime that is not fit for purpose, as it makes combating tax abuses, especially by

multinational corporations, difficult for most developing countries.

It is my hope that the final report of the FACTI Panel would introduce proposals that would lead us towards a fairer international tax regime.

I also hope that the report would contain proposals that would address the continuing advocacy for country-by-country reporting, open disclosure and automatic exchange of information on beneficial ownership, as well as eliminate financial secrecy jurisdictions and tax havens that facilitate base erosion and profit shifting.

Profit shifting, harmful tax competition (the so called “race to the bottom”), and the taxation of the digital economy, should also receive some attention and focus in the report of the Panel.

Furthermore, the current international mechanisms for asset recovery are not good enough, as can be seen in the amounts lost to illicit financial flows and the length of time taken before the repatriation of just a small fraction is made.

The FACTI Panel report can play an important role in bridging the expectations of source and destination countries as well as in harmonizing the process of assets recovery and return.

It is in this connection that I am convinced that the emphasis of the Common African Position on Asset Recovery (CAPAR) on mechanisms for the: (i) detection and identification of assets of illicit origin; (ii) recovery and return of such assets; (iii) management of such assets; (iv) cooperation and partnership; and (v) cross cutting issues; is a good model to explore, in seeking best practices that could decisively address the end-to-end process.

Given the technicalities associated with issues of financial accountability, transparency and integrity, it is equally important that the FACTI Panel makes concrete recommendations to address the capacity challenges of developing countries. It is also important that the FACTI Panel considers the best ways to mobilize all relevant stakeholders and strengthen international cooperation in the global effort to curtail the menace of illicit financial flows

Distinguished co-chairs, given that illicit financial flows constitute a problem that must be addressed internationally, the FACTI Panel's report should assess how effectively we are meeting our commitments to combatting the scourge and strengthening cooperation in dispute settlement and peer learning, particularly in assets recovery and return.

Let me conclude that given the existential threat posed by illicit financial flows to the socio-economic health of our

countries, we trust that the Panel would complete its task most creditably.

We have full confidence in the Panel's work and urge you to stand firm on the well-considered outcomes of your deliberations.

I thank you very much.