



Permanent Mission of Pakistan to the UN
Geneva

Statement

**Statement by Pakistan
On behalf of Asia Pacific Group
at the Sixty-Seventh Session of the Trade and Development Board**

Agenda Item 7

(Economic development in Africa: Tackling illicit financial flows for sustainable development in Africa.)

Mr. President
Deputy Secretary-General,
Director of the Division on Africa, Least Developed Countries and Special Programmes,
Excellencies,
Ladies and gentlemen,

Let me begin by appreciating UNCTAD on timely publication of Report entitled “Tackling Illicit Financial Flows for Sustainable Development in Africa”.

2. Illicit financial flows are multidimensional and transnational in character. With distinct countries of origin transit and destination. The whole process of mitigating illicit financial flows, therefore, cuts across several jurisdictions.

3. Illicit financial flows and corruption drain foreign exchange, reduce domestic resources, stifle trade and macroeconomic stability and worsen poverty and inequality. These illicit flows rob people of developing countries of their fiscal resources, undermine the imperatives of transparency and accountability and erode trust in institutions.

Mr President,

4. The UNCTAD Report shows that illicit financial flows cost African countries around \$50 billion per year, dwarfing the amount of official development assistance the continent

receives annually. Large financing gap for the Sustainable Development Goals cannot be closed solely through domestic government revenues. Illicit financial flows are stripping government treasuries of needed resources for development expenditure. Tackling illicit financial flows can open the door to releasing much needed investments in education, health and productive sectors.

5. Illicit financial flows are a shared problem and a shared responsibility for developed and developing countries; their economic impacts are a major development issue across the globe.

6. The Group welcomes and appreciates the proactive step taken by UNCTAD in analysing the impact of illicit financial flows and their impact on the African continent. The initiatives such as the establishment of a joint High-Level Panel on Financial Accountability, Transparency and Integrity and UNCTAD's collaboration with the United Nations Economic Commission for Africa (UNECA) and the United Nations Office on Drugs and Crime (UNODC) to prepare a methodological approach for the measurement of the illicit financial flows are worth appreciating.

Mr. President,

7. The Group encourages UNCTAD to extend its analytical and capacity building support to developing countries in strengthening their national policy frameworks for combating these flows. Such support should include a full assessment of existing policies, legislations and regulatory measures to curb IIFs.

8. The Group echoes the statement delivered by Zambia on behalf of G-77 and China. The G-77 has rightly referred to the United Nations General Assembly resolution of December 2018 on "*Promotion of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development*" and Resolutions 73/222 and 74/206, both entitled *Promotion of international cooperation to combat illicit financial flows and strengthen good practices on assets return to foster sustainable development*". These resolutions provide framework to establish cross-institutional collaboration. The group encourages UNCTAD to continue assisting developing countries in ways which enable their full access to the rightful public funds generated by their economies and to allow their channeling to support sustainable development.

I thank you, Mr. President.