

FOR IMMEDIATE RELEASE: January 23, 2013

PRESS RELEASE

NEW FUND WILL ENGAGE CIVIL SOCIETY IN THE BATTLE TO STOP ILLICIT FINANCIAL FLOWS FROM AFRICA

DAKAR - According to a report by the organization Global Financial Integrity, if Africa were able to stop the financial flows pouring from the continent, it would have more than enough to wipe out its external debt of about \$250 billion (as of 2008). Illicit financial flows in Africa, which include drug smuggling, tax evasion, over-invoicing and underpricing is a problem that stems from collusion between governments and multinational corporations and is made worse by a lack of expertise on how to negotiate a mutually beneficial arrangement and by a lack of accountability.

TrustAfrica, a pan-African foundation dedicated to improving economic governance on the continent, is starting a new multi-year project, with \$9 million funding from the Ford Foundation, to strengthen advocacy against illicit financial flows from Africa. The project will invest in civil society organizations in ways that will increase their efforts in this important area.

Ideally, civil society's role is to advocate for appropriate policies and institutional practices that enhance transparency, accountability and responsive governance. In Kenya, for example, civil society groups have played an important role in whistle blowing on corruption cases, bringing attention to the Anglo leasing and Goldenberg scandals, as well as critiquing the national budget by preparing an alternative citizens' budget. However, not all civil society organizations are able to advocate due to restrictive policies, and lack of capacity and skills. The aim of this project is to capacitate civil society to improve its monitoring and advocacy across the continent.

Specifically, the project seeks to:

- Expand knowledge on the current status and dynamics around economic mis-governance across Africa;

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- Empower civil society organizations by giving them access to relevant data and strengthening their ability to hold governments accountable; and
- Fostering collaboration among African institutions working on these issues and leveraging African philanthropic resources to support efforts to address these challenges.

“TrustAfrica is excited to help develop a strong advocacy network to raise awareness about this critical governance issue. Illicit financial flows have far-reaching effects on Africa’s ability to stem poverty and increase development,” said Dr. Akwasi Aidoo, Executive Director of TrustAfrica. “Civil society can play a much needed role in engaging citizens to demand governance reforms and help ensure that the money stays here on the continent.”

In particular, through a series of activities, the fund seeks to mobilize civil society around illicit financial flows in the following manner:

- Develop a research and knowledge hub. Using existing research publications, as well as developing its own scoping studies to determine what currently exists and what is working, TrustAfrica will gather information in order to produce an electronic knowledge hub of information to share with networks.
- Host a high-profile convening that will bring targeted actors to the table to engage in discussions that produce actionable recommendations and appropriate strategies to implement them.
- Engage in advocacy outreach to create greater awareness around the relevant issues.
- Provide grants to enable civil society organizations to engage in effective advocacy and to strengthen the efforts of weak governments.

TrustAfrica will kick-off the project with a one-on-one meeting with a delegation from the UN Economic Commission in Addis Ababa, Ethiopia at the end of January 2013.

TrustAfrica is a public foundation that seeks to secure conditions for democratic governance, equitable development and African philanthropy across the African continent. Led by Africans, TrustAfrica organizes meetings, catalyzes ideas, and provides grants and technical assistance to organizations working to advance these goals.

##For media queries:

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