



# A NEW AFRICAN DEVELOPMENT STRUGGLE

Africa's movers to meet in Nairobi to tackle Africa's tax looting

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A new development struggle is opening up across Africa. It is one that does not simply seek greater aid or relief from the wealthy North, but which recognises the potential of Africa's own wealth and resources to address poverty, disease and inequality. These resources are currently being siphoned off into tax havens and wealthy Northern jurisdictions, with the collusion of some of the world's most powerful corporations and wealthiest banks - a continent-wide theft of extraordinary proportions.

In January 2007 - 18 months after the global declarations at Gleneagles for aid and debt relief - African academics, policymakers, activists and civil society groups from across the continent will convene in Nairobi to address this glaring gap in the G8's grand gestures: the drain on Africa's resources from the G8's own 'pinstripe infrastructure' of international banks, tax havens and tax dodging corporations.

## We invite you to join us

From 18<sup>th</sup> -19<sup>th</sup> January 2007 a 2 day meeting on **Tax, Poverty and Finance for Development** will be held at the Meridian Court Hotel, Nairobi in preparation for the World Social Forum. Co-organised by the Tax Justice Network, the African Community Development Foundation, the University of Nairobi, and the Association for Accountancy & Business Affairs, '**Tax Justice 4 Africa**' will seek strategies to stop the tax looting of Africa. This will, we hope, herald a programme of action around Africa, connecting to civil society groups in Europe, North and South America.

## Why tax justice?

- **Tax avoidance outweighs aid:** Recent research estimates that, worldwide, a staggering US\$11.5 trillion has been siphoned 'offshore' by wealthy individuals, held in tax havens where they are shielded from contributing to government revenues. The benefits from taxing this wealth would far outweigh any realistic amount of foreign aid from those countries: if taxed at the moderate rate of 30%, the resulting revenue - around \$255 billion annually - could finance the United Nations Millennium Project in its entirety. **Put simply, making the rich pay their due taxes could immediately fund measures to halve world poverty.**
- **The offshore drain outweighs debt:** Capital flight from Sub-Saharan Africa, estimated at \$274 billion (including interest earnings), was equivalent to 145 per cent of the total debt owed by these countries by the mid-1990s. **Thus despite incurring massive debt, Sub-Saharan Africa may actually be a *net creditor* to the rest of the world** - its external debts held publicly by African countries and their peoples, but its external assets held by private individuals and corporations.

## Who?

Participants at the Nairobi meeting will include academics, activists, policymakers, trade unionists, journalists and others. Participating African civil society organisations include:

- Kenya Debt Network
- SEATINI (Southern and Eastern African Trade Information and Negotiations Institute)
- Uganda Debt Network
- South African New Economics Foundation
- African Community Development Foundation
- ISODEC (Integrated Social Development Centre), Ghana
- Centre for Informal Activities and Development, Ghana
- Institute for Economic Affairs, Nigeria
- Council for Economic and Social Development, Nigeria
- Sahiba Sisters Foundation, Tanzania

They will be joined by members of the international Tax Justice Network, which includes Christian Aid, Kairos Belgium, UNAFISCO (Brazil), Attac (Germany, France, Finland, Italy, Norway & Spain), Alliance Sud (Switzerland), the Berne Declaration, Citizens for Tax Justice (USA), Plateforme Paradis Fiscaux et Judiciaires (France)

For information, interview, or to attend the Nairobi event, contact:

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