



SIDE EVENT

Leading or following? Shaping tax reform in Africa

The session on “Leading or following? Shaping tax reform in Africa” is jointly organized by the Economic Commission for Africa (ECA), the Independent Commission for the Reform of International Corporate Taxation and South Centre.

Illicit financial flows strip resources from Africa that could be used to finance much-needed public services and weaken its financial systems and economic potential. African Governments are often compelled to compete against one another to attract corporate investment by lowering corporate tax rates or offering wasteful incentives.

Retaining and taxing resources could contribute towards reducing income inequality, strengthening human rights, and encouraging the implementation of the 2030 Agenda for Sustainable Development. The global tax agenda has made significant progress: more reforms have been launched in the past four years than over the last century. The current international tax rules and architecture, however, remain inadequate and exclude developing countries from shaping norms that affect them directly.

Objectives

The objective of this session is to review progress that has been made in tackling international financing facilities set up by multinationals and to look at alternative solutions that go beyond the global tax reforms now being discussed. The event will provide evidence-based information to policymakers and other stakeholders on options for improving and reforming the taxation system, and will include a

discussion on how to address the main challenges to strengthening cooperation at the global, regional and subregional levels, in order to reach consensus on alternative and effective solutions.

Expected outcomes

- A robust assessment of the pressure on African Government to offer tax incentives and lower corporation tax rates, and the benefits of more regional cooperation to avert the race to the bottom in corporate tax rates and reduce tax competition.
- Identification of opportunities and challenges to alternative policy proposals to stop the race to the bottom in Africa, ranging from technical tools to political consensus.
- Provision of a set of clear policy options and recommendations aimed at attaining more inclusive international cooperation in tax matters with special regard to developing countries.

Target audience

- Officials of the ministries of finance, economic planning and industry;
- National and regional planners;
- Regional and international organizations;
- Civil society;
- Private sector and policymakers.

Venue and date

- Orangerie Room, Palmerie Golf Palace, Marrakech, Morocco
- 24 March 2019, from 9 a.m. to 11 a.m.

Speakers

- Finance minister (tbc);
- Speaker from ECA (tbc);
- Monica Victor, Senior Researcher (Tax Cooperation and Policy) at South Centre;
- Valpy Fitzgerald, ICRICT Commissioner and Professor Emeritus of International Development Finance, Oxford University;
- David Lawson, Faculty at the University of Manchester, UK and Senior Research Fellow, Nordic Africa Institute.

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