Global South Dialogue on Economic Crime Inaugural Conference Report: Financial Crime Regulation: A Global South Perspective

By:

Global South Dialogue on Economic Crime

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The Global South Dialogue on Economic Crime (GSDEC)'s inaugural conference themed ***Financial Regulation: A global south perspective*** which held on the 21st of August 2021 was hosted by **Aston University**, Birmingham. The conference was focused on critically examining whether the current global financial regulatory framework is best suited to combat financial and economic crime in the Global South effectively.

Delivering his keynote speech, Olabisi D. Akinkugbe, Assistant Professor and Viscount Bennett Professor of Law at the Schulich School of Law, Dalhousie University, emphasized the need for all African nations to identify the loopholes and implementation challenges with their regulatory frameworks which can orchestrate IFFs.

Various distinguished speakers, experts and eminent researchers graced the event, including, Professor Nicholas Ryder (UWE Bristol), Professor Ricardo Soares de Oliveira (University of Oxford), Ross Delston (US Attorney and Expert Witness), Egbiri Egbiri (African Development Bank), Dr Folashade Adeyemo (University of Reading), Varsha Singh (African Tax Administration Forum), Joy Waruguru Ndubai (Institute for Austrian and International Tax Law) and Dr. Chijioke Chijioke-Oforji (Liverpool John Moores University). Other academics present included Ligia Catherine Arias-Barrera ((Externado de Colombia University) Anselm Komla Abotsi (University of Education, Winneba), Dr. Alexander Ezenagu (Hamad Bin Khalifa University), Dr. Ejemen Ojobo (Coventry University) and Dr. Constance V.W. Gikonyo (University of Nairobi).

Professor Akinkugbe, in his keynote remarks noted that *'the global south is consistently milked off revenues of significant level of resources that would have otherwise been critical to this socio-economic development of the rights of its people. IFFs, primarily perpetrated by transnational corporations often in concert with national elites, represent an arena where economic resources in terms of tax revenue due to developing African countries are denied based on corporate legal structures that enhance the circumvention of national economic and socio-development goals. The denial of revenues through corporate structures and tax havens have direct and indirect implications for the sustainable development and aspirations of African states and indeed the global south.' 'Covid 19 has heightened the vulnerability and exposure of the Global South to Illicit Financial Flows (IFFs)'*

He further recommended that combatting financial crimes requires a contextual understanding, hence, it must be studied against *'a deeply contested history of colonialism and post-colonial economic relations'*.

Professor Akinkugbe's speech set the tone for rigorous deliberations and bold assertions on the theme by other speakers. For instance, Luckystar Miyandazi argued that '*whilst there is still no internationally adopted consensus regarding the concept and definition of Illicit Financial Flows (IFFs), there is consensus on the importance of the reduction of IFFs, as a priority area for achieving the 2030 Agenda for Sustainable Development*.' Hence, she stated that, for Africa, 'defining IFFs *is important as it influences the way we talk about them, their legal, normative or developmental qualification, the data available to better*

understand this phenomenon – their types, volume, channels, origins and destinations and, ultimately, the impact of efforts to fight them'. Dr Joy Malala examined the theme within the context of bribery in Kenya's urban transportation industry. Her presentation established a strong correlation between corruption and income inequality which varies societal perspectives on corruption – making it more acceptable. Hence, she argued for imminent action to change the perspectives to ensure continued economic development.

Other robust arguments followed. Director Xolisile Khanyile (Financial Intelligence Centre, South Africa) suggested that Africa's Financial Intelligence Units can combat economic and financial crime by ensuring that Africa has joint priorities aligned to their national risk assessments. Underscoring this argument, Dr Constance Gikonyo and Dr Nkechikwu Valerie Azinge-Egbiri argued that the extent to which African countries can comply with global standards (including having robust national risks assessments) is dependent on their capacity which is largely limited by their socio-economic circumstances. Hence, they advocated for improved capacity building. Dr Anselm Abotsi contended that the capacity of the government 'to formulate and implement sound policies and regulations is paramount in the fight against illicit financial flows (IFF)'. In summary, scholars argued that curbing the varying forms of economic crime necessitates having contextualised legislative changes, implementing strong risks assessment frameworks and having appropriate strategies.

Other speakers that contributed to the discussions were; Ms Cheludo Tinaye Butale (Cyprus International University), Ms. Mukupa Nsenduluka; (Tax Justice Network Africa), Ms Sangita Gazi (University of Hong Kong), Mr. Joseph Antwi-Boasiako (University of Ghana), Ms. Mercy Buku (Legal and Risk Management Consultant), Dr. Evelyn Ehigie (University of Surrey), Ms. Wambui Kariuki (Strathmore University), Ms. Sandra Mututi (Strathmore University) and Dr Chinedum Okpala (Nottingham Trent University).

Dr. Lovina Otudor delivered the closing remarks. She commended the in-depth research carried out by all the speakers to proffer answers to probing questions in relation to the vulnerable economies of financial crime regulation. She reiterated that *'much still needs to be done and hoped that this can be achieved through dialogue and cooperation as the challenge remains that of inclusiveness, applicability and a level playing field which is not just the*

existence of a robust regulatory framework.'

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