

UK bank publicised tax avoidance strategy for use in so...

Published: January 13, 2026, 11:35 am

This press release came from Action Aid, today, and is worth sharing:

One of Africa's most high-profile banks — Standard Chartered — publicised the advice of a Mauritius-based financial company on how to avoid tax in some of the poorest countries in the world, a new ActionAid [report](#) states.

*The FTSE-100 bank which operates in 15 African countries published the advice in its **Standard Chartered Insights 2013/2014**. The publication is aimed at company treasury departments.*

The tax avoidance advice — which is entirely legal — can be used to avoid potentially hundreds of millions of dollars in tax in some of the poorest countries in Africa. It suggests structuring investments through Mauritius in order to avoid capital gains tax and withholding tax.

The OECD estimates that developing countries lose three times more to tax havens than the amount they receive in aid each year. According to ActionAid research, almost half of all investment into developing countries goes through tax havens.

This is money that otherwise can be used to build schools and hospitals and reduce aid dependency.

The need for African nations to improve revenue collection is widely recognised. On 31 January the heads of states of the African Union will discuss a report from the High Level Panel on Illicit Financial Flows chaired by former president of South Africa Thabo Mbeki which examines how African nations can prevent the loss of billions of dollars of tax revenue — which could otherwise be invested in vital services.

ActionAid is not suggesting that the use of the investment structure described in **Standard Chartered Insights 2013/2014** is unlawful or would constitute an “illicit financial flow”.

Standard Chartered state the inclusion of the strategy in a chapter authored by an external Mauritius-based company does not constitute the bank's own advice or opinion.

ActionAid International Africa Advocacy Co-ordinator Henry Malumo said:

"Tax avoidance by large corporations means poor countries lose billions of dollars in revenue.

"Standard Chartered does lots of good work in Africa providing financial services that help grow local economies that help reduce poverty.

"But by publishing this tax strategy — albeit the advice of an outside firm and not their own — they are contributing to a culture whereby companies are exploring ways to dodge tax in very poor countries."

Among the countries that could be affected by the strategy is Mozambique — where the tax advice published suggests capital gains tax could be reduced from 32 percent to 0 percent if the corporate "structuring possibilities" described in the advice are utilised.

Other countries that could be potentially affected either now or in the future include Kenya, Nigeria, Uganda and Zimbabwe.

ActionAid International Director of Policy, Research, Advocacy and Campaigns Ben Phillips said:

"We want to see developing countries able to fund the critical services required to reduce poverty. And tax revenue is an important way of doing this."

I agree.

And it's important to note, Standard Chartered is UK based.