

The need for better tax systems to tackle illicit finan...

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It has been fascinating to listen to His Excellency, Mr Mahmoud Mohieldin, Senior Vice President of the World Bank, speak in Beirut this morning.

Havign discussed the Sustainable Development Goals and the need to tackle illicit financial flows he identified the biggest problem as being the need to improve tax systems; aid their funding and to increase the international cooperation between them, most especially in developing countries.

I agree with him. But I will be more specific when I speak tomorrow: I will be calling for better measurement of tax gaps in the countries impacted by illicit financial flows, and for the better appraisal of tax spillovers within nd between them. The latter has been the focus of much of my work this year, and there will be a lot to come on it from me.

The purpose of these measures is clear. Unless we can measure what losses are, and identify where the greatest weaknesses that need addressing might be, then the process of tackling illicit financial flows cannot be organised effectively. And we cannot afford for it to be anything but effective.