

Tana/MSC Side Event, 2026**The Silent Hemorrhage: Illicit Financial Flows from Africa**

Despite commanding losses worth more than \$50 to 80 billion every year, illicit financial flows (IFFs) are Africa's most silent and ruinous affliction. Unlike conflicts, coups, or humanitarian disasters that make headlines, IFFs have become a bane for Africa stealthily through opaque trade misinvoicing, tax evasion, transfer pricing, and corruption, leeching its wealth into international financial centres. This systemic looting hinders domestic resource mobilisation, undermines social service provision, and facilitates elite capture, thereby eroding governance and trust. Its absence in mainstream policy circles is no chance occurrence. The problem is deep-rooted and implicates not only Africa's ruling elites, but also multinational corporations, financial institutions, and offshore financial centres that benefit from secrecy. This explains why IFFs remain sidelined in international forums, despite being the single most significant deterrent to Africa's fiscal self-determination, democratic consolidation, and peacebuilding potential.

The need to put IFFs on the international agenda cannot be overemphasised. Without the recovery of these illicitly exported resources and the exposure of their insidious nature, Africa's Agenda 2063 ambitions, climate adaptation, political, economic independence and inclusive development remain fundamentally flawed. Even worse, the bleeding affirms and entrenches cycles of poverty, grievance, and instability that directly counter continental peace, security, and development. Inclusive development and Africa's emergence as a global partner are possible, but not guaranteed. The way to achieve this is to make IFFs a central issue, moving it from the periphery and placing it on the table of international economic governance discussions – as the elephant in the room!

Question for reflection:

1. How can Africa break the collusion between domestic elites and global financial systems that perpetuate capital flight?
2. What structural reforms of the international financial architecture are required to curb the siphoning of African wealth into offshore havens?
3. Can the struggle against IFFs be reframed as not just a governance issue, but as a peace and security imperative for Africa's future?