



**TAX JUSTICE  
NETWORK  
AFRICA**

UNIVERSITY OF THE  
WITWATERSRAND,  
JOHANNESBURG



**2017 | 3<sup>rd</sup> EDITION OF AFRICA MEDIA TRAINING PROGRAMME**

**Theme: Harnessing Africa's mineral wealth to finance sustainable development**

**INTRODUCTION**

Despite Africa's immense natural wealth, fiscal regimes governing the extractives sector in most countries across the continent make it difficult for governments to effectively tax the sector. In many cases companies enjoy a wide range of 'investment incentives' coupled with asymmetric tax agreements and treaties that have often been subject to abuse and at times tend to favour investors' countries of domicile especially those of the developed countries. This set of dynamics often hampers national exchequers from being able to effectively raise sufficient revenue which has led to Africa's overdependence on Official Development Assistance (ODA). However in recent times wealthier nations have considerably cut back financial support to developing countries - owing to a shift in global priorities, donor lethargy and internal economic turmoil- to offer. As a result, many African governments have begun to target the informal sector through regressive taxation such as Value-Added Taxation all in a bid to increase revenue. This has led to the expansion of the chasm between the rich and the poor.

In recent times there has been greater appreciation of the role that domestic resource mobilisation (DRM) will play in the achievement of the global goals to end poverty, protect the planet, and ensure prosperity for all. This has also been reiterated through global commitments under the Financing for Development (FfD) for Agenda 2030. This has been further underscored with the adoption of the Sustainable Development Goals in 2015 which has given greater impetus to the quest to address underdevelopment and improvement of the quality of life across the globe, and especially in Africa.

As the world marks one year since the historic Panama Papers Leaks, there is a need for continued enhancement of the capacity of all stakeholders with an interest in the tax justice movement presents itself. The Panama Papers have exposed a fractured global financial architecture that is complicit in the movement of Illicit Financial Flows (IFFs) from Africa. According to the 2015 study by the AU/ UNECA High Level Panel on Illicit Financial Flows from Africa shows that the continent loses over USD. 50 billion annually to illicit outflows of revenue", shows that sub-Saharan Africa still suffers the largest illicit outflows as percentage of GDP. Illicit Financial Flows (IFFs) occur in a range of forms from profit-shifting, lack of transparency, financial secrecy, lack of clarity about beneficial ownership and inadequate reporting of payments in the extractives sector.



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With half of African economies classified as “commodity dependent”, mineral and oil dependent states are in distress as they face severe fiscal deficits as well as a sharp decline in global commodity prices. It is, therefore, essential for African nations to formulate a mineral development policy to govern the sector for effective revenue management. They also need to tailor their economic policies to effectively utilise these revenues to improve the productivity of non-mineral, oil and gas related sectors to break out of the extractive enclave.

With the adoption of the Africa Mining Vision (AMV) in 2009, African states committed to a continent-wide mechanism to ‘tackle the paradox of great mineral wealth existing side by side with pervasive poverty’. This would then be nationalised through Country Mining Visions which would address issues around mining and how it can contribute better to local development while safeguarding the environment.

## **RATIONALE**

As society’s bona fide watchdog and agenda-setter, the media has a duty to not just inform but educate the public on key issues, both overt and covert. However for a long time, tax issues have always been viewed as complex and dynamic to comprehend, both by the public and media at large. Taxation issues are often covered as negligible financial matters, often not receiving the prominence that they ought. However recent exposes such as the Panama Papers and LuxLeaks have managed to bring tax justice issues to the fore of media and public agenda, by involving members of the press across the world and linking well-known figures to formerly vague issues.

Efforts in the recent past have been undertaken to provide African media with the necessary skills to link the under-development of the continent to its drivers as well as the home-grown and international solutions that are being formulated to deal with them. However a lot more needs to be done, particularly in specific areas that affect large swathes of the continent’s population.

As regional stakeholders such as TJN-A, the African Minerals Development Centre (AMDC), the United Nations Economic Commission for Africa (UNECA) among others work towards the nationalisation of the AMV and work around the Guide gains momentum and more countries begin adopting its recommendations, the media as society’s mouth-piece, agenda-setter and watchdog, need to be made aware of <sup>1)</sup> the mining sector and its role in domestic resource mobilisation for structural transformation <sup>2)</sup> role of the AMV.



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## **OBJECTIVES**

The objectives of this training are:

- To better understand the needs of African journalists to enable them to better report on tax justice and the continent's vast extractive sector.
- To develop linkages between the extractives sector and tax justice.
- To improve the understanding of African media practitioners and enable the journalists accurately and adequately report on tax, the extractives sector and the role of the Africa Mining Vision, the general tax justice agenda and their linkages to the broader structural transformation of African economies.
- This training also aims to link African journalists to experts and institutions as invaluable resources in future coverage of tax matters across the continent and beyond.
- Improve CSO use of African media to mobilise public opinion behind the tax justice platform.
- Create awareness of the Pan-African media award scheme to be anchored at University of the Witwatersrand, for the best report on taxation, Illicit Financial Flows and more broadly domestic revenue mobilization (DRM) in Africa.
- Explain the importance of Tax and Tax law in relation to the specific country development agenda.

## **METHODOLOGY**

The 2017 edition of the Africa Media Training Programme will focus on the extractive sector from a tax perspective. This would include challenges in covering the mining industry, linkages between the sector and sustainable development through domestic resource mobilisation and the challenges therein. As one of the biggest economic activities for many countries on the continent, it is also the biggest loser of revenue through illicit outflows. The training will compose of teach-in sessions, practical exercises and group work. The training is scheduled for 26- 28 June, 2017 at the University of the Witwatersrand- Johannesburg, South Africa.

Participants to this edition of the Africa Media Training Programme automatically become applicants to the Africa Media Awards on Tax Reporting.

## **PARTICIPANTS**

Thirty (30) journalists including five (5) facilitators are proposed to attend this training. Participation will take into account language divide, regional and gender balance as well as the various forms of media namely traditional (radio, TV and print) and new media. The



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two-day training is jointly organized by Tax Justice Network-Africa and the University of the Witwatersrand.

### **SELECTION CRITERIA**

Participants will be selected along the following criteria:

- Current beat in the extractives
- Journalists with experience of investigative journalism and/or reporting on companies/finances
- Journalists with a proven motivation to spend significant time reporting on illicit finance and tax abuse
- Journalists with three to five years of experience.

Please note that the training will be conducted in **English** and no translation services will be available for participants who speak other languages. Both freelancers and staff journalists may apply. Journalists working in any medium or multiple media are welcome to apply (print, online, radio or television).