

SDG indicator 16.4.1

Illicit Financial Flows

15th IAEG-SDGs, October 2024

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➤ UNCTAD-UNODC progress

1 From 2017

Identify a definition and a measurement framework through:

- **Global expert consultations**
- **Task Force** on the statistical measurement of illicit financial flows

2 October 2020

Launch of the Conceptual Framework for the Statistical Measurement of IFFs

3 March 2022

Conceptual framework **endorsed** at the **53rd UN Statistical Commission**



➤ Global collaboration

A/RES/78/140



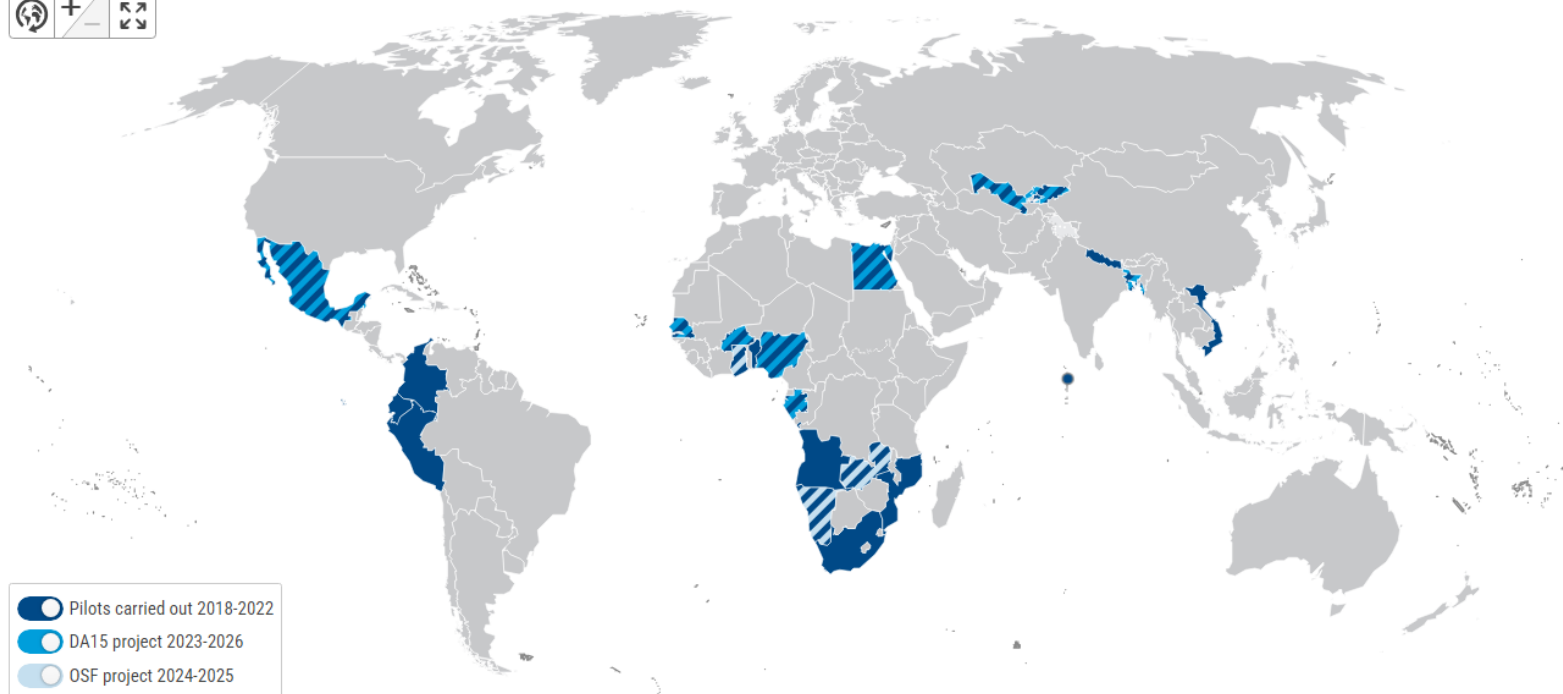
37. ***Invites all institutions*** involved in measuring and reporting on illicit financial flows to ***use the statistical concepts and methods to estimate illicit financial flows***, encourages all ***Member States to report on Sustainable Development Goal indicator 16.4.1, using the methodology adopted*** by the Statistical Commission, and calls upon the ***United Nations system entities, international organizations and donors to work in coordination with the custodian agencies*** to train national statistical offices and other entities in charge of reporting on illicit financial flows on these agreed methods.



➤ Global collaboration

Concerted efforts needed to report data on SDG indicator 16.4.1 with harmonised methods

➤ Map 1. 22 countries have studied the measurement of IFFs in 2018-2022 and twelve countries will do so between 2023 and 2026



- Pilots carried out 2018-2022
- DA15 project 2023-2026
- OSF project 2024-2025

Disclaimer

Source: UNCTAD and UNODC

Note: Situation reflected on the map as of April 2024

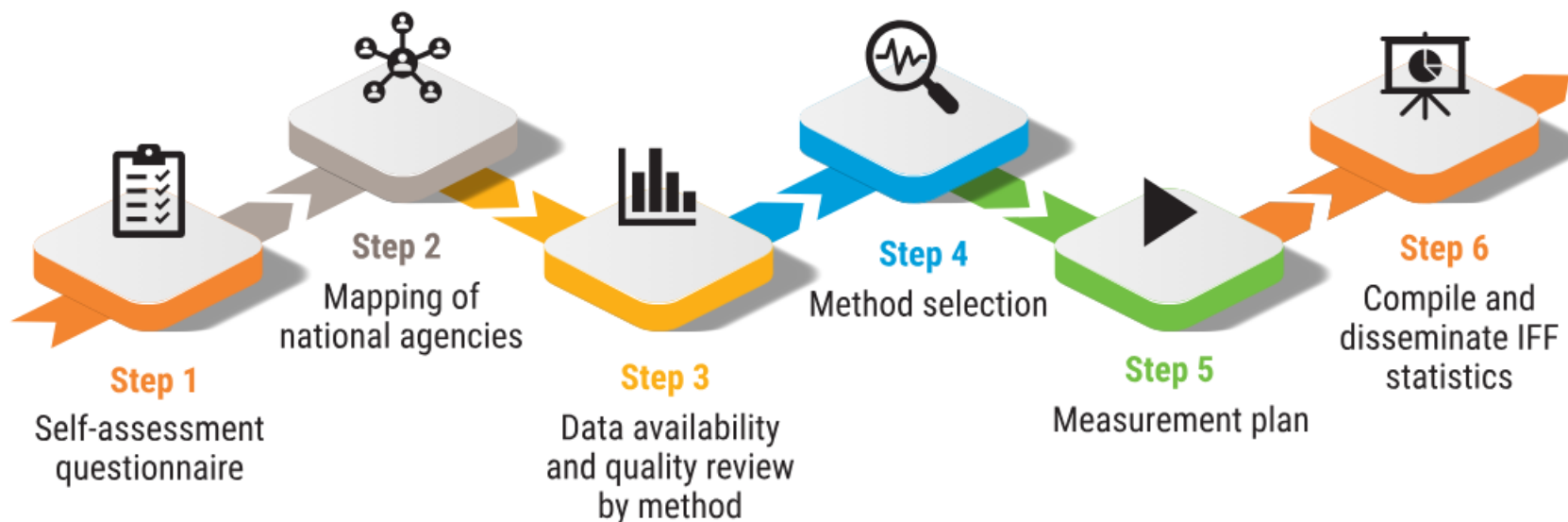


UNODC

United Nations Office on Drugs and Crime

➤ Tested methods: tax and commercial IFFS

Nationally owned process, supported by custodians



Trade misinvoicing

Aggressive tax avoidance

Tax evasion

➤ Tested methods: crime-related IFFS

Similar **nationally owned process**, supported by custodian

➤ Data published for 9 countries

(Afghanistan, Bangladesh, Colombia, Ecuador, Maldives, Mexico, Myanmar, Nepal, Peru)

➤ IFFs related to drugs trafficking, SOM and TIP

➤ Work ongoing:

Balkan route

Costa Rica

DA15 countries

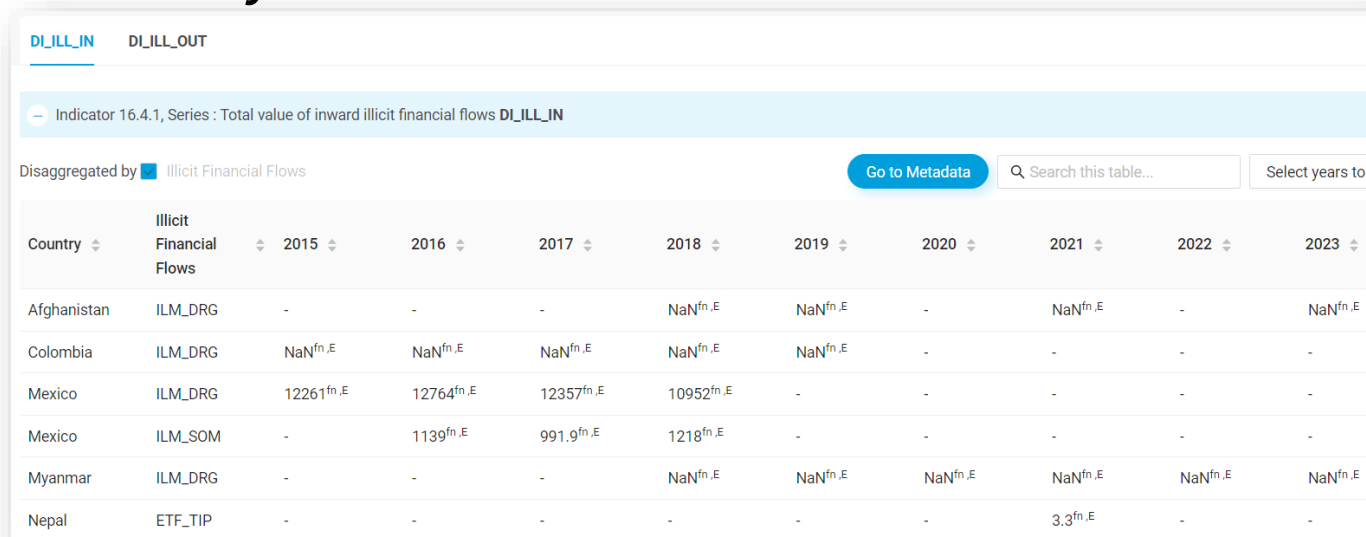
Illegal markets

Corruption

Exploitation-type and
terrorism financing

➤ Reporting to SDG indicator 16.4.1

First estimates released in 2023 by UNODC



Indicator 16.4.1, Series: Total value of inward illicit financial flows **DI_ILL_IN**

Disaggregated by **Illicit Financial Flows** [Go to Metadata](#)

Country	Illicit Financial Flows	2015	2016	2017	2018	2019	2020	2021	2022	2023
Afghanistan	ILM_DRG	-	-	-	NaN ^{fn,E}	NaN ^{fn,E}	-	NaN ^{fn,E}	-	NaN ^{fn,E}
Colombia	ILM_DRG	NaN ^{fn,E}	NaN ^{fn,E}	NaN ^{fn,E}	NaN ^{fn,E}	NaN ^{fn,E}	-	-	-	-
Mexico	ILM_DRG	12261 ^{fn,E}	12764 ^{fn,E}	12357 ^{fn,E}	10952 ^{fn,E}	-	-	-	-	-
Mexico	ILM_SOM	-	1139 ^{fn,E}	991.9 ^{fn,E}	1218 ^{fn,E}	-	-	-	-	-
Myanmar	ILM_DRG	-	-	-	NaN ^{fn,E}	NaN ^{fn,E}	NaN ^{fn,E}	NaN ^{fn,E}	NaN ^{fn,E}	NaN ^{fn,E}
Nepal	ETF_TIP	-	-	-	-	-	-	3.3 ^{fn,E}	-	-

- ▶ Start in 2017: no concepts
- ▶ Now in 2024: Conceptual Framework, methods available
- ▶ Expected first official tax and commercial IFF estimates to SDG 16.4.1 in 2025

➤ What is next?

Methodology & Measurement

Efforts must be scaled up to **empower all governments** to track IFFs

- ▶ +40 countries **request** training, tools, guidance and sharing of experience to measure IFFs and report the SDG data.

Advocacy

Awareness of, and following **agreed concepts and tested methodologies** for comprehensive and comparable work on IFFs

- ▶ **Evidence-supported** decision-making

Bridge with policy

The lack of technical capacity, common tools and data **coordination within governments** emerged as major obstacles to curbing IFFs

- ▶ Value of a **whole-of-government approach**

UNCTAD

<https://unctad.org/statistics/illicit-financial-flows>

UNODC

<https://www.unodc.org/unodc/es/data-and-analysis/iff.html>



UNODC

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