



Maximum speaking time: 7 minutes.

MARIA ANGELA PONCE Minister

for the 2017 ECOSOC SPECIAL MEETING ON INTERNATIONAL COOPERATION IN TAX MATTERS

"Promotion of international cooperation to combat illicit financial flows to foster sustainable development "
Friday, 07 April 2017
ECOSOC Chamber, UN Headquarters, New York

Thank you.

The starting point for many discussions on illicit financial flows, as the draft IATF Report¹ indicates, is the lack of an internationally-agreed definition on what constitutes "illicit financial flows." But for many Filipinos, especially of my generation, IFFs for a long time meant the Marcos' ill-gotten wealth that had been hidden away in foreign jurisdictions. Current estimates place this amount at around \$10 billion.

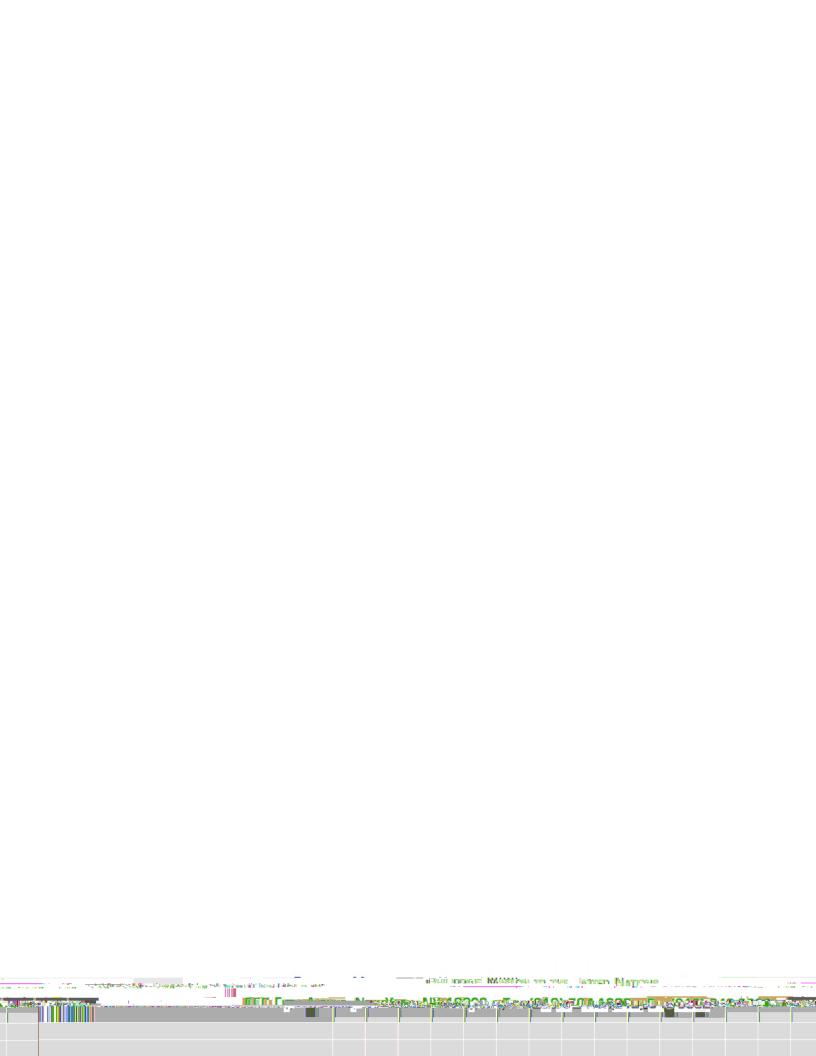
Ferdinand Marcos was President of the Philippines for 20 years, from 1965 to 1986. He was deposed and forced to flee the country by a peaceful

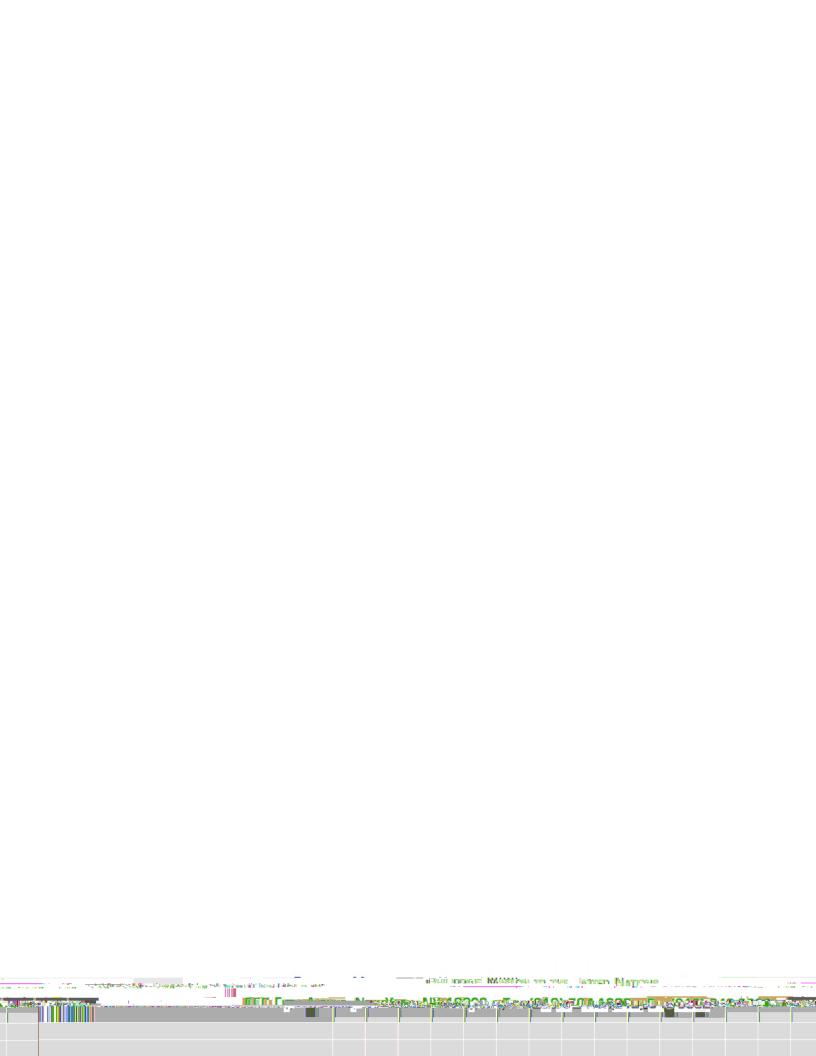
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https://www.un.org/esa/ffd/ffd-follow-up/inter-agency-task-force.html

People's Revolution in 1986 because of social discontent and mass unrest arising from issues of corruption and abuse. To date, we have only recovered around \$3 billion of the \$10billion.²

But as a 2014 Global Financial Integrity (GFI) study³ shows, the Philippines has lost more funds





COMPASS) which aims to improve the compilation of trade in goods/services data.

We have also actively pursued Exchange of Information (EoI) agreements, either as stand-alone MOUs or as provisions in double taxation agreements.⁷ Nevertheless, we recognize that we must remain cautious against potential spillovers of illicit funds triggered by external developments such as those arising from double taxation agreements.

In closing, let me go back to the Marcos funds. I want to stress that just because we lose more to trade misinvoicing than to corruption does not in any way diminish the importance of recovering the Marcos funds and other assets stolen by corrupt public officials. Whatever the amounts, these are public funds or revenues that ought to be used for national development programs.

a purely domestic matter that can be solved by national laws and policies alone. Bilateral, regional and multilateral engagements such as this are necessary.

Thank you.