**Draft programme ‘Tax research and illicit finance’ training**

***About Money Trail***

Money Trail is a collaborative three year project between highly regarded journalism and training organizations – Finance Uncovered, Free Press Unlimited, Journalismfund.eu and Oxfam. Money Trail is launched because countries throughout the world lose billions of dollars through tax abuse, money laundering and grand corruption. Investigative journalism is key to combat this. Such work clearly can have tremendous impact. Brilliant reporting by journalists and some notable civil society organizations has resulted in revenue authorities and enforcement agencies recovering desperately needed funds. Conducting and delivering journalistic illicit finance investigations is often long, difficult and complex. Money Trail delivers practical skills and tools for journalists and activists all over the world who want to investigate tax abuse, money laundering and corruption. For more information, visit [www.money-trail.org](http://www.money-trail.org)

***Goals***

This 2-day training aims to build the research and advocacy capacity of participants on tax and illicit financial flows. It intends to do this in an interactive way tailored towards the needs of participants, so that the training feeds into everyone’s daily work as much as possible.

The content of the final programme will be adjusted based on participants’ survey results. The first day will consists of lectures and trainings whereas the second day is designed to allow more time for interactive and do-it-yourself sessions. The programme may look as follows:

***The rundown of the training:***

Day one: understanding the international context and tax mechanisms; tax treaties; tax incentives, corporate tax research

Day two: illicit flows: resources/case-studies; tax/illicit finance research

***Practical information***

Dates: Monday 30 September – Tuesday 1 October 2019

Location: Nairobi, Kenya

Organizers: CISLAC, TJN-A, Oxfam, Money Trail

Trainers: 4-6

Participants: max. 30 (African CSO activists and journalists)

**Day 1 –Tax research & Illicit finance**

*Welcome and introductions (0,5h)*

Welcome and presentation of the agenda for the next two days.

*Discussing the international financial context (2h)*This session will help you understand the larger international financial system/architecture as well as the roots and history of offshore, its scale, the techniques used to avoid, evade and launder, and policy responses and relevant institutions. This session aims to draw a bigger picture of the system in which tax avoidance and illicit finance happens. How do international finance and tax systems allow corporate tax dodging to take place? What are common tax avoidance structures? The link between domestic resource mobilization, the technicalities of tax avoidance and the impact on citizens through public expenditure is discussed.

*Discussing tax treaties and tax incentives 1 (1,5h)*

* What are tax treaties and what do these treaties do? Relation to principles of international taxation.
* What types of tax incentives does a country provide to investors? How likely are these incentives to boost investment?
* The impact of tax treaties, with a focus on African countries. What information is available from the government about the costs of these incentives and the companies that benefit from them? Which types of incentives are most problematic?
* Current policy developments

*Discussing tax treaties and tax incentives 2 (1,5h)*

* Understanding the key tax treaty articles and how these relate to national tax laws (using the [ActionAid database of tax treaty](http://www.ictd.ac/datasets/action-aid-tax-treaties-datasets) characteristics)
* How do different incentives work, eg accelerated depreciation, full deduction of capital expenditures, VAT exemptions?

*Discussion on corporate tax research (2h)*

This session starts with general research into a corporation, including elements such as:

* Key information on corporations: financials, activities, brands, employees and geographical focus.
* Corporate governance: executives, management, headquarters
* Corporate social responsibility: policies and (controversial) practices
* Corporate ownership and financing structures (identifying shareholders, subsidiaries and lenders)

*Reflecting on day 1 (0,5h)*Reflect on what was discussed during this day and how what was learned can be put to practice. Some participants are invited to shortly share how corporate tax dodging, abuse of tax policies (treaties and incentives), or other illicit finance practices (money laundering, bribery, stolen assets) affect their work.

**Day 2 – Get to work: engaging in tax research and exposing IFFs**

*Corporate tax research session II (2h)*

In this session, we take a step into more detail, focusing on tax issues. We will build on elements from the first corporate research training, like debt, brands and subsidiaries. In first instance, the focus is on identifying red flags. This session will discuss where to find and how to obtain relevant (financial) information, for both the corporate group as a whole as well as for subsidiaries. Next, we will explore where to look in annual accounts and other sources in order to find and calculate first indicators of tax avoidance suspicions, such as profitability, productivity, effective tax rates (income statement, balance sheet, cash flow statement). Often it is crucial to obtain some information about transactions that take place within the corporate group (‘intra-group’). Therefore, this session will also address where (if at all) we can find such information on, for example, interest and royalty payments, management fees, dividends, but also how to interpret that data. Undoubtedly, we will encounter obstacles and limits of such research, which will also be discussed.

This session provides participants with the opportunity to work on research relevant to their current work/organisation, individually or in small groups, with support from trainers. This will allow the group to assist participants, and to share knowledge on different ways to approach researching a company’s tax practices. However, whether this can be achieved depends on the input provided by participants. If this turns out to be insufficient, case provided by participants will be supplemented with other civil society case examples.

*Introduction into illicit finance and interactive session (2h)*

* Understanding offshore, Money Laundering, International bribery, Recovery of stolen assets
* Journalists share their experiences in investigating illicit finance. Among these journalists are those who previously participated in the investigate journalism training by Finance Uncovered. Journalists present their personal cases and there will be room for questions and discussion.

*Afternoon: do it yourself (3h)*

The initial idea is to leave room in the programme this afternoon (although the outcomes of the survey may change this if it indicates participants’ needs require different programming). Participants may continue research on a specific company/policy/country and trainers can be around for support. Or we could continue sessions for which we had too little time in the days before, in order to dive deeper into certain topics or issues.

*Evaluation and follow-up (0,5h)*

The training will end with an evaluation of the two days and see whether expectations were met. We expect that the various sessions will lead to new research ideas and leads, or perhaps new developments in ongoing research projects. Therefore, this session will also be used to develop concrete follow-up steps, including possible cooperation and determining whether research support from trainers (for example through database use) would be needed.