Curb illicit financial flows: Extend coverage of social protection

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In 2019-20, India's revenue losses due to illicit financial flows (IFFs) stands **US$ 64.6 billion which is 2.34 percent of India's GDP**. The trend is similar in Mexico, Brazil, Nigeria, Venezuela, Russia and many other African, Asian countries. This substantial public revenue is lost due to the existence of illicit financial flows (IFFs) in many low- and middle-income countries. This in turn results in expenditure cuts particularly of various social sectors affecting socially vulnerable communities.

Particularly affected are those communities Discriminated based on Work and Descent across the globe of whom Dalits of Asia, Roma Sinti, Gypsies of Europe, communities subjected to traditional and modern forms of slavery in Africa form a large part. These communities are one of the most vulnerable and are ostracized in the sphere of social, economic, political development. They (we) number more than 260 million and are subjected to multiple forms of discrimination, biased social standing. Many of them are trafficked, into forced labour and are subjected to modern forms of slavery. Many children are forced into child labour. A large portion of them are distress migrant workers, informal sector workers and domestic workers who have been further marginalised in the COVID lockdown measures.

In this context expanding fiscal space and fostering domestic resource mobilization is the imperative. By preventing illicit financial flows (IFFs), globally a huge amount of resources could be mobilized for investing in various important sectors. However, all the measures of addressing IFFs and Public debt must take into consideration clear financial inclusion of the Dalit and DWD communities and measures which will strengthen ability to access these fiscal policies.