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## News Worth Knowing

Daily Brief 26.07.2019

“Mauritius siphons tax from poor nations to benefit elites.” This is according to the [latest round of leaks](#) from the International Consortium of Investigative Journalists (ICIJ), which also brought us the Panama and Paradise Papers.

It details how companies use the island nation to avoid paying taxes, singling out 8 Miles, an investment firm run by former pop star Bob Geldof.

Sounds sensational, but the most striking thing about the leak has been the muted response. Outside of a few news outlets, the world has failed to take notice. Mauritius, indirectly accused of undermining development in Africa, has not even bothered to respond.

This continues a trend of declining interest in leaks about the [well established global system](#) of ‘tax planning’ used by individuals and corporations alike.

While the 2016 Panama papers led to much public outrage and political rhetoric, its successor Paradise papers generated much less buzz. A [leak last year on West Africa](#) barely registered.

This hints at the problem with ‘tax planning’. It may not be ethical, but it is legal.

Without comprehensive international regulatory reform - for which there is little appetite - efforts to clamp down on the practice will yield [limited results](#).

Regrettably, aside from causing a PR disaster for Bob Geldof, the Mauritius leaks will struggle to make an impact.

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**Today's picks**

## From the continent

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South Africa-based Old Mutual has raised \$320m through its African Infrastructure Investment Managers (AIIM) fund to invest in power, energy and transport projects in sub-Saharan Africa. It's the seventh round of fund raising for the AIIM, which has raised \$2.2bn to date. **More:** [Bloomberg](#)

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Member states of the Economic Community of West African states (ECOWAS) have reportedly agreed to coordinate to counter piracy in the Gulf of Guinea, following a surge in kidnappings and attacks. The plan is to share resources like aircraft and vessels to better police the area. **More:** [BBC](#)

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## The Daily Stat

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Kenya's ranking on the Global Innovation Index 2019, the highest in sub-Saharan Africa, excluding South Africa. **More:** [WIPO](#)

## The Global Perspective

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Credit ratings agency Moody's on Thursday warned that South Africa's decision to pump another \$4.2bn in bailout money into struggling power utility Eskom is 'credit negative' for the country, criticising a "lack of a strategy" to fix the state-owned company's finances. The finding likely raises the risk of a sovereign downgrade by Moody's, the last of the big three ratings agencies that still has an investment-grade ranking for the country. **More:** [Fin24](#)

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The International Monetary Fund has approved the final \$2bn instalment of Egypt's three-year, \$12bn program with the lender started in November 2016. Reforms linked to the deal have been credited with restoring macroeconomic stability. **More:** [Reuters](#)