

Transparency International EU

The global coalition against corruption

Laundromat revelations: Time to take money out of the shadows

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Today, revelations that billions of dollars of Russian money have been laundered through Europe shows the urgent need for the EU to clamp down on the kind of anonymous shell companies which allow corrupt cash to flow through European banks and businesses, according to Transparency International EU. The \$20bn Laundromat scheme exposed by the OCCRP, alleges that millions of dollars of Russian money was laundered through European banks between 2010 and 2014 using a series of anonymous shell companies. The EU must seize the opportunity to end the kind of secrecy structures which enable the flow of illicit assets through Europe in its revisions to the fourth Anti-Money Laundering Directive, according to the anti-corruption group.

“Once again it appears that European banks have been duped into accepting astonishing amounts of corrupt cash thanks to anonymous shell companies operating in the EU,” said Carl Dolan, Director of Transparency International EU. *“The EU has a rare opportunity to put an end to the kind of corporate secrecy which enables the corrupt to hide their stolen assets, as legislators start negotiations to reform its anti-money laundering rules this week,”* he continued. *“It’s time to take money out of the shadows and stop the proceeds of corruption from flowing through Europe,”* said Dolan.

Transparency around the ultimate owners of companies is key for anti-corruption activists and law enforcement authorities around the world to track global flows of money and to detect and deter potential cases of corruption. Transparency International EU is calling for public registers of beneficial ownership information.

“It’s time to give activists, the public and journalists the ability to scrutinise who owns what and where money flows. We shouldn’t have to rely on leaks for this kind of information to become public,” concluded Dolan.

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