

Transparency International EU

The global coalition against corruption

Paradise Papers shows urgent need for EU governments to tackle financial secrecy

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Today, Transparency International EU calls on European Union Member States to step up efforts in tackling offshore secrecy jurisdictions to stop money laundering, tax evasion and tax avoidance after the [Paradise Papers](#) revelations by the International Consortium of Investigative Journalists (ICIJ).

The leak, which totals over 13.4 million files, provides details about how the UK Crown, advisors to US President Donald Trump and multinational companies, such as mining giant Glencore, are among of the world's wealthy who have been using offshore structures to optimise their tax affairs or to make questionable payments.

The European Commission has proposed legislation that would disclose information to the public on offshore companies and offshore transactions, however European governments have been reluctant to give their approval, according to Transparency International EU.

“EU governments such as Germany have been standing against the rising tide of financial transparency” said Carl Dolan, Director of Transparency International EU. *“This latest leak shows that in the digital age transparency is inevitable, the only choice is whether or not to control the flow of information,”* said Dolan.

“After the Panama Papers the European Commission sprang into action, but national capitals have yet to sign up to two EU proposals which would help shed light on this kind of money laundering, tax evasion and avoidance,” Dolan continued.

The leak, which shows how two offshore service providers and company registers in 19 different tax havens have been investigated for the past year by an international consortium of journalists from the ICIJ and OCCRP, among others.

Transparency International EU have long been calling for two instruments which would give the public a better insight into the use of offshore structures, namely public country by country reporting requiring multinationals to publish key financial data for each country of operation (including tax havens), and beneficial ownership transparency to put an end to anonymous companies and trusts, and make it harder for the corrupt to hide stolen assets.

Transparency International EU calls on European governments to take immediate action and end this kind of secrecy which allows corruption to flourish.

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