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Press release: New tool gives access to financial data of twenty largest European banks

Alessandro · Thursday, October 25th, 2018

The global activities and key financial data from the twenty largest European banks are now accessible and visible to the public in a new online, interactive tool, which was launched today by Transparency International EU (TI EU).

The Corporate Tax Tracker, a new interactive database, collects and visualises the information disclosed by European banks in their publicly-available *country-by-country* reports since 2015. The tool allows anyone to compare and analyse corporate activities and payments in different jurisdictions of operation. It provides information on banks' turnover, profits, taxes paid and number of full-time employees, whilst illustrating it in an easily understandable and comparable format.

"Our tool gives citizens an insight into the corporate tax world and into banks' activities and payments at global level," said Ilkka Penttinen from TI EU. *"The financial data of banks and corporations is often hard to understand and access for citizens. The platform allows its users to get a clear overview on where their national banks operate and declare their profits,"* he added.

Key findings:

- The top 10 most productive locations of the 20 largest European banks are the Cayman Islands, Saudi Arabia, Curacao, the Maldives, Luxembourg, Ireland, New Zealand, Kuwait, Macau and Mauritius.
- Hong Kong, Luxembourg and Ireland are among the top 20 countries of operations by profits of the 20 largest European banks.
- Out of the 20 largest European banks, 17 have operations in Singapore.
- Out of the 8 European banks that report multi-million profits in the Cayman Islands, 7 do not have any employees there.

The data visualisation showcases the main trends in the banks' tax payments, locations and strategies. It also highlights discrepancies and anomalies.

Transparent data can give an indication of widespread tax abuse, which was not possible until recently due to the lack of publicly available information. Large multinationals in sectors other than banking are still able to obscure their presence in secrecy jurisdictions and use legal loopholes to hide their profit-shifting practices thus avoiding public scrutiny.

"We have long been calling for the extension of public country-by-country reporting to multinational companies of all sectors to put an end to corporate secrecy. The EU currently has a proposal on the table, but a lack of agreement of EU governments is preventing these measures from becoming law," said Elena Gaita at TI EU.

The platform is available at www.taxtracker.eu

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Notes to editor:

1. The current visualised data comes from the first country-by-country reports of the 20 largest European banks. It was originally collected by Oxfam for its report "*Opening the Vaults: The use of tax havens by Europe's biggest banks*". This does not cover the whole banking sector, although the banks selected do represent a significant part of it.
2. TI EU has used three main indicators for the data analysis: productivity, profitability and discrepancies between nominal and effective tax rates. For more information on these indicators, place see the 'about' section of the website.
3. In April 2016, the European Commission published a legislative proposal on *public country-by-country reporting* (CbCR) for large multinational companies of all sectors. Public CbCR is the publication of a set of key financial data by multinational enterprises for each country they operate in as part of their financial statements with the aim of providing the public with a global picture on the activities, structures and taxes multinational enterprises pay on their corporate income. This data includes profits, losses, sales and purchases within the corporation, taxes and payments to governments as well as other information. Currently the proposal for public CbCR is underway in the EU Council, as the European Parliament has amended the original Commission proposal and adopted its position with a vote, which took place on 4 July 2017. The draft legislation will enter into trialogue negotiations after the Council agrees on its negotiation stance.
4. For more information on the Corporate Tax Tracker and its methodology, please see our FAQ document and watch our tutorial video.

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