

USUAL SUSPECTS?

**Co-conspirators in the
business of tax dodging**

CREDITS

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**A STUDY COMMISSIONED BY THE
GREENS/EFA GROUP IN THE
EUROPEAN PARLIAMENT**

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EXECUTIVE SUMMARY

On April 3, 2016, the biggest leak and international tax dodging scandal to date was revealed to the public by the International Consortium of Investigative Journalists (ICIJ). The “Panama Papers”ⁱ consisted of 11.5 million leaked documents from the Panamanian law firm Mossack Fonseca, detailing how the corporate service provider helped create 214,488 offshore entities around the world. This leak came after the Offshore Leaks in 2013ⁱⁱ but before the Bahamas Leaks in 2016ⁱⁱⁱ.

The ICIJ merged information from these three leaks into one publicly available dataset called the Offshore Leaks database. Green / EFA Members of the European Parliament inquiry committee on the Panama Papers (PANA committee) decided to have a look at this information to find out more about the intermediaries between wealthy clients and corporate service providers like Mossack Fonseca, which create and manage offshore business on demand.

Despite the limitations of the database, section 1 of the report provides interesting results in terms of geographical allocation of intermediaries:

- **Hong Kong is the number 1 country when it comes to hosting intermediaries** mentioned in the Panama Papers, the Offshore Leaks and the Bahamas Leaks.
- Following Hong Kong, the top 10 countries where intermediaries are located are: United Kingdom, United States, Taiwan, Switzerland, Singapore, the Bahamas, China, Panama and Indonesia. This shows that the issues uncovered in the Panama Papers or the Bahamas Leaks are global in scope, reaching way beyond the countries their names highlight.
- **Asia is the continent hosting the highest number of intermediaries but Europe accounts for nearly a quarter of all intermediaries listed in the database.** Two countries from the European continent – the United Kingdom and Switzerland – are mentioned among the Top 10 countries hosting intermediaries.
- **Asia, Europe and North/Central America combined make up 90% of all intermediaries,** leaving South America, Africa and Oceania far behind in the offshore business.
- **Looking at the European Union more specifically, we have noticed the important role the United Kingdom is playing, followed by Luxembourg,** far beyond Spain, Cyprus or even France and Germany.

Section 2 of the report looks in more detail at who these intermediaries are. We have compiled a **list of 140 international intermediaries** (active in at least three different countries) from large banks to the famous “Big 4” accounting companies but also other intermediaries, less known to the wider public.

- **Swiss banks UBS and Credit Suisse take the first two places** in the Top 20 ranking of international intermediaries, creating together as many offshore entities as the next three in line (less known to the public).
- **On the 140 identified international intermediaries, 127 (nearly 90%) have at least one active business unit or subsidiary located in Europe.** This shows that Europe is a highly desirable location for international intermediaries.
- Unsurprisingly, banks from Switzerland and Luxembourg are at the heart of the business of offshore-company intermediation. But **major French banks seem to have been very involved as well, since three of the main French banks (Société Générale, Crédit Agricole and BNP Paribas) rank among the Top 10 European banks.**



- **All of the big 4 accounting firms (Deloitte & Touche, Pricewaterhouse Coopers, KPMG and Ernst & Young) are identified as international intermediaries**, with Deloitte (12) and PwC (18) making it in the Top 20 of international intermediaries.
- **Many names among these 140 international intermediaries remain unknown to the wider public.** They are law firms, corporate service providers, consultants which intervened as middle-men and middle-women between wealthy clients and service providers like Mossack Fonseca. These new actors were probably on no one's radar so far but some follow-up would be needed to find out more about their services.

The report also provides a series of recommendations to European Member States, the European Commission and the European Parliament inquiry committee on the Panama Papers, including:

1. All European Member States should start inquiring as to the role of intermediaries mentioned in this report;
2. All European Member States and the European Parliament should agree on measures to strengthen enforcement authorities' powers and capacities to ensure that legislation against money laundering and tax evasion is fully and properly implemented by intermediaries registered in the EU;
3. Member States should - if not already the case - adopt national legislation to ensure proper and independent supervising authorities for all types of intermediaries;
4. Member States should adopt and apply stronger sanctions - coordinated at the European level - against intermediaries providing assistance for aggressive tax planning;
5. The European Commission should present as soon as possible a legislative proposal with concrete measures to disincentive advisors and intermediaries from providing potentially aggressive tax planning schemes;
6. European Member States should start a political dialogue with Hong Kong, Switzerland and the United States over the regulation of intermediaries and coordinated actions to ensure anti-money laundering standards are consistently applied by these countries;

Members of the European Parliament inquiry on the Panama Papers are invited to use the findings of this report for the final committee conclusions expected in 2017.

DISCLAIMER

We would like to draw readers' attention to the fact that the data we used for this report come from the International Consortium of Investigative Journalists (ICIJ) and relates to the Panama Papers, Offshore Leaks and Bahamas Leaks revelations. We acknowledge that such data represents only a fraction of all activities provided by intermediaries and may put a more specific emphasis on certain practices or countries, since information came from files and registries from Panama and the Bahamas, given anonymously to the ICIJ. However, as illustrated in this report, this partial data makes it possible to provide certain conclusions concerning the identity of these intermediaries and their geographical locations



INTRODUCTION

On April 3, 2016, the biggest leak and international tax dodging scandal to date was revealed to the public by the International Consortium of Investigative Journalists (ICIJ). **The “Panama Papers”^{iv} consisted of 11.5 million leaked documents from the Panamanian law firm Mossack Fonseca, detailing how the corporate service provider helped creating 214,488 offshore entities around the world for its clients since the 1970s.**

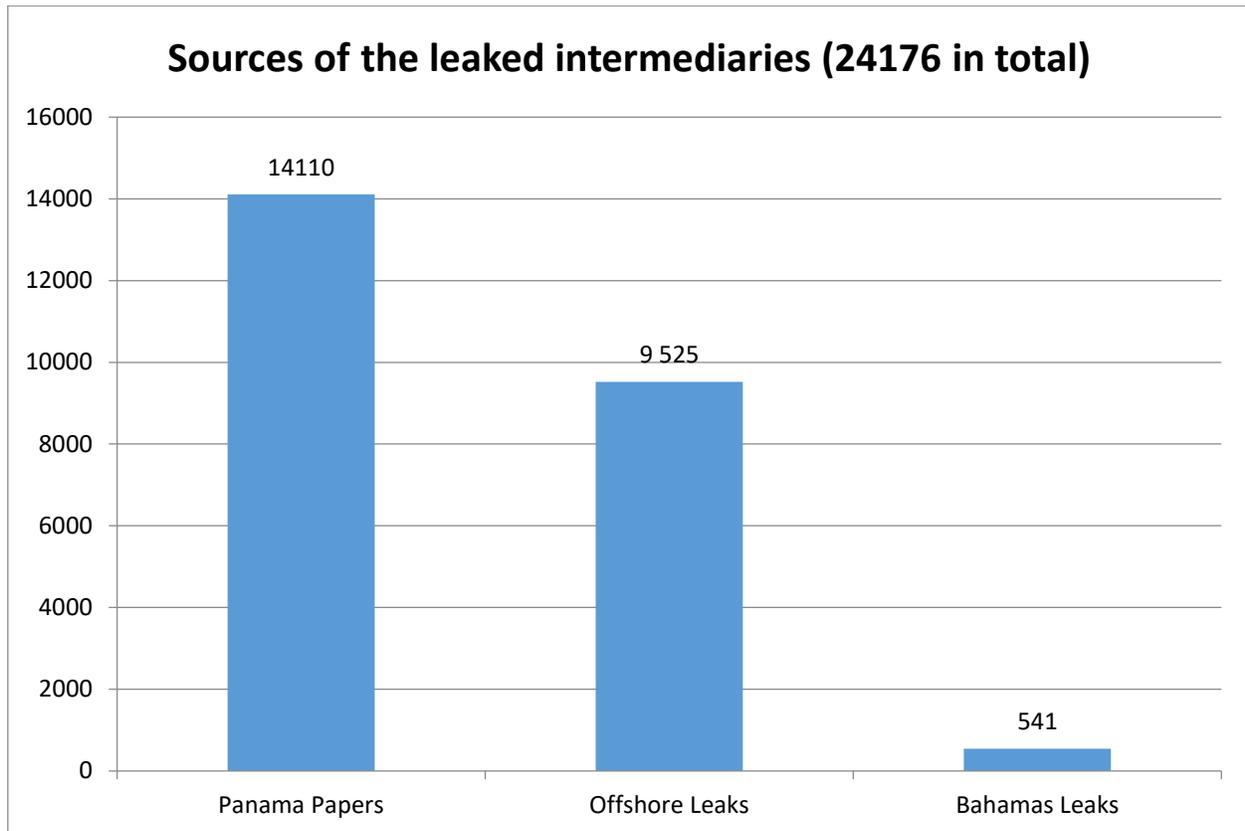
Thanks to unprecedented cooperation between over a hundred media organisations in 80 countries, *Suddeutsche Zeitung* (the original receiver of the documents) and its partners uncovered how several wealthy individuals and public officials, including 140 Heads of States, Ministers and other elected officials^v, created offshore companies in 21 tax havens, information which had remained private until the revelations. While setting up an offshore business entity is not itself illegal, the leaked documents highlighted how some of the entities created were used for illegal purposes such as money laundering or tax evasion.

Nine months after the revelations and after nearly 4,700 stories written by ICIJ journalists around the world, first impacts are already noticeable. 79 countries have publicly reacted to the Panama Papers scandals by launching inquiries, audits or other investigations^{vi}. This includes the European Parliament, which decided on 8 June 2016, to establish a committee of inquiry to investigate alleged contraventions and maladministration in the application of Union law in relation to money laundering, tax avoidance and tax evasion (the PANA committee).

While attention has rightly focused at first on politicians and other well-known figures involved in the Panama Papers or on Monsack Fonseca, the law firm at the heart of the revelations, we believe that **more attention is needed on those who helped wealthy individuals and politically exposed persons hide their money through a network of offshore entities.** We understand intermediaries as a go-between for a client seeking an ultimate offshore service provider in order to create (and sometimes run) one or several offshore entities. These intermediaries are often unknown to the public but play a key role in the existence of shell companies in tax havens. **They are banks, law firms, accountancy firms and corporate service providers, acting alone or together depending on the country to provide their clients with advice and/or establish complex tax schemes for their clients, who could rarely come with these ideas on their own. In other words, they are instrumental to the tax dodging business.**

This study aims at taking a closer look at these intermediaries, based on publicly available information. **We have used the Offshore Leaks database compiled by ICIJ^{vii}, which includes 24,176 entries, with names, addresses, countries of origin and current status (active, inactive, suspended) of intermediaries from the Panama Papers but also from the Offshore Leaks (2013) and the Bahamas Leaks (2016).** Roughly 59% of the entries come from the Panama Papers and about 38% were obtained from the Offshore Leaks data. Only 2% of the listed intermediaries are the results of the Bahamas Leaks.

Figure 1: Source of the leaked intermediaries



With this information, we have looked at the geographical provenance of these intermediaries, even if there are limits to what can be done with the data. The International Consortium of Investigative Journalists used geocoding tools and reverse engineering techniques to extract information and connect an intermediary to an address or at least a country. But these left some discrepancies:

- Due to the lack of information regarding some intermediaries, this often resulted in unclear addresses or entries, where the geocoding program assigned two countries to one intermediary. For instance, the Channel Islands are sometimes considered to be independent countries (Entry: Jersey or Guernsey) and are sometimes listed as a part of the United Kingdom (Entry: Jersey;

United Kingdom). The address in such a case is considered to be in Jersey and the UK.

- Furthermore, there are cases where the geocoding program assigned two addresses to one name, which results from it trying to find the intermediary name on Google or another search engine and not being able to distinguish between the addresses, which the search engine assigns to the name of the intermediary. Thus an intermediary can be assigned to two countries (e.g. Entry: Singapore; Switzerland). This makes it impossible to assign such an entry to a specific continent.

- It seems like ICIJ also merged intermediaries with the exact same name. But if the name is not written in exactly the same way (e.g. mentioning “ltd.” instead of “limited”), the company is listed as an independent intermediary although its name already appears in the dataset.

For all these reasons, the dataset should be regarded as a list of intermediaries, rather than a complete and exhaustive source of information, from which one can draw precise conclusions.

Nevertheless, the list was accurate enough to allow an analysis on the geographical distribution of intermediaries and on the most well-known intermediaries mentioned. It does not allow, however, for specific research on the precise role these intermediaries have played in specific Panama Papers stories. The findings below can still be interesting for all ongoing parliamentary inquiries – including the PANA committee in the European Parliament – to promote recommendations on how to revise legislation in order to ensure we will never read another Panama Papers style scandal in the newspapers.



1. WHERE ARE INTERMEDIARIES FROM THE OFFSHORE BUSINESS LOCATED?

In this section, we will have a look at the location of intermediaries broken down by regions in the following order: Europe and the European Union, Asia, North and Central America and then South

America, Oceania and Africa all together, as they account for much less of the global share. But first, we have drawn some conclusions from data taken globally.

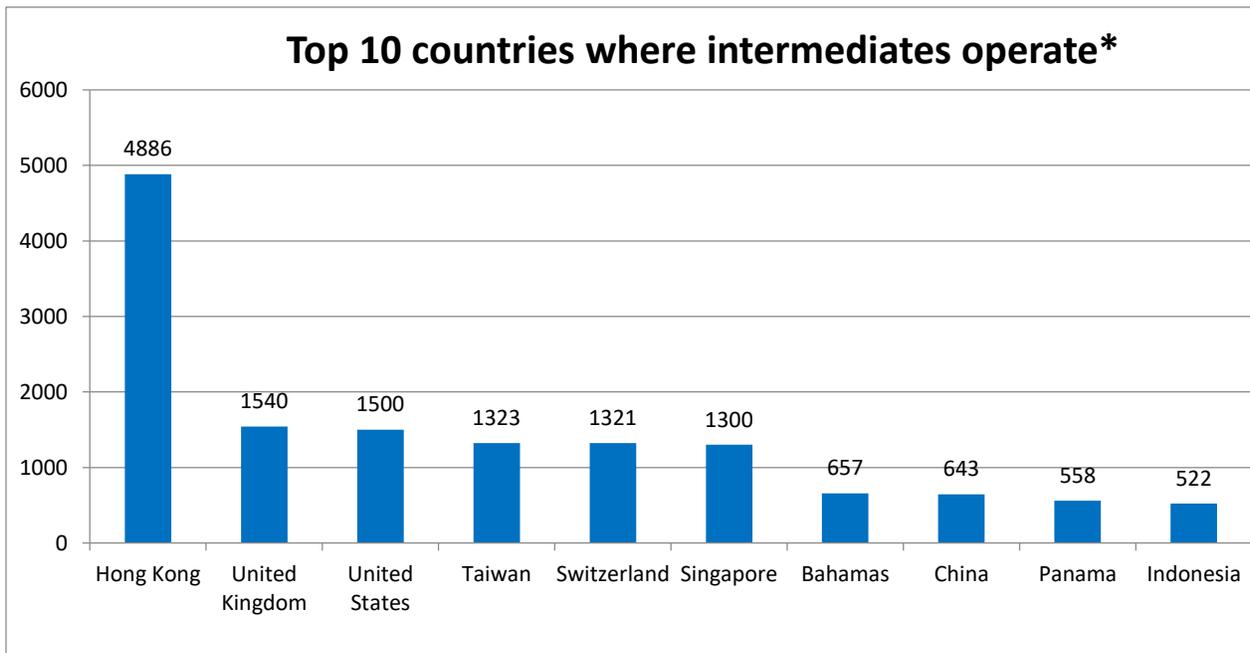
1.1 OBSERVATIONS ON THE GLOBAL DISTRIBUTION OF INTERMEDIARIES

Looking at country codes mentioned in the ICIJ database, we have listed the top 10 countries where intermediaries operate (Figure 2). In order to do so, we have only used intermediaries which are clearly attributed to one country only and this in order to avoid double counting⁸.

- **Hong Kong is by far the country hosting the most intermediaries – 4886 listed – with more than the three countries combined.**

- **UK and Switzerland are the only countries on the European continent to figure among the top 10.**
- While in the early days after the revelations, some noticed the absence of high level US names in the Panama Papers, **the United States are actually in third position when it comes to where intermediaries operate (with 1500 of them listed).**

Figure 2: Top 10 countries where intermediaries operate

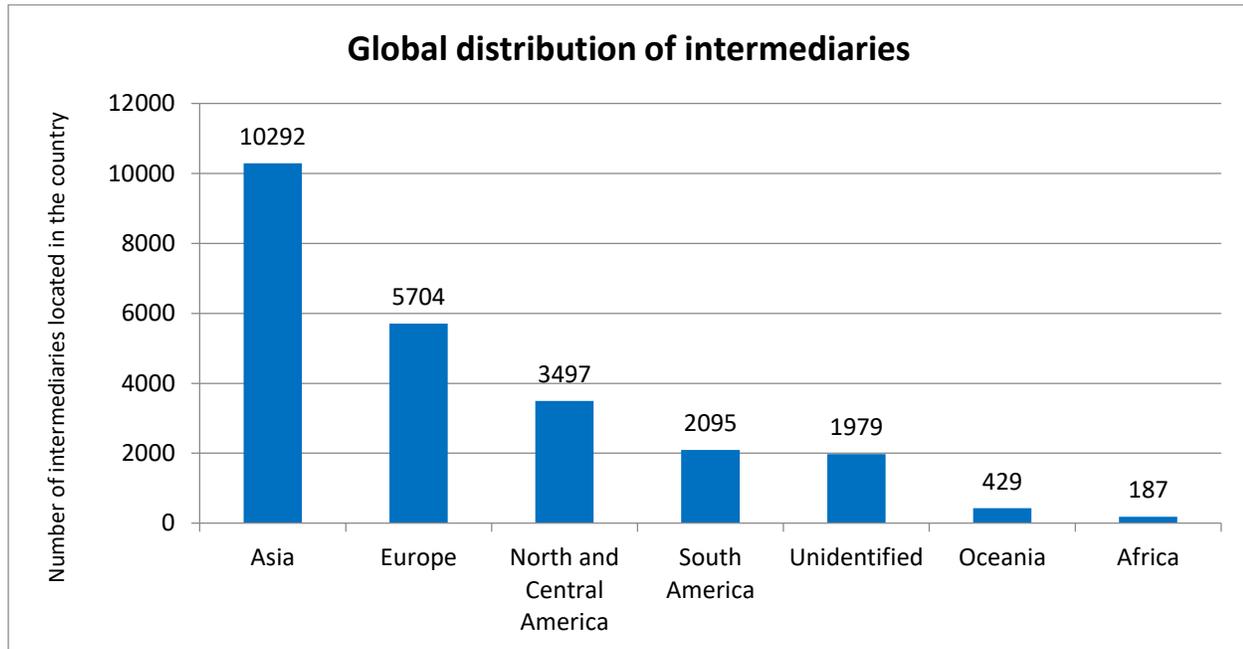


* note that this figure only includes entries, which can clearly be assigned to one country only.

Looking at the distribution of intermediaries broken by region, we notice that **Asia is the continent with the highest number of intermediaries, but Europe arrives good second with around 5700 intermediaries, 2200**

more than North and Central America. The numbers are only indications as there are nearly 2000 intermediaries which unfortunately cannot be allocated to a specific region.

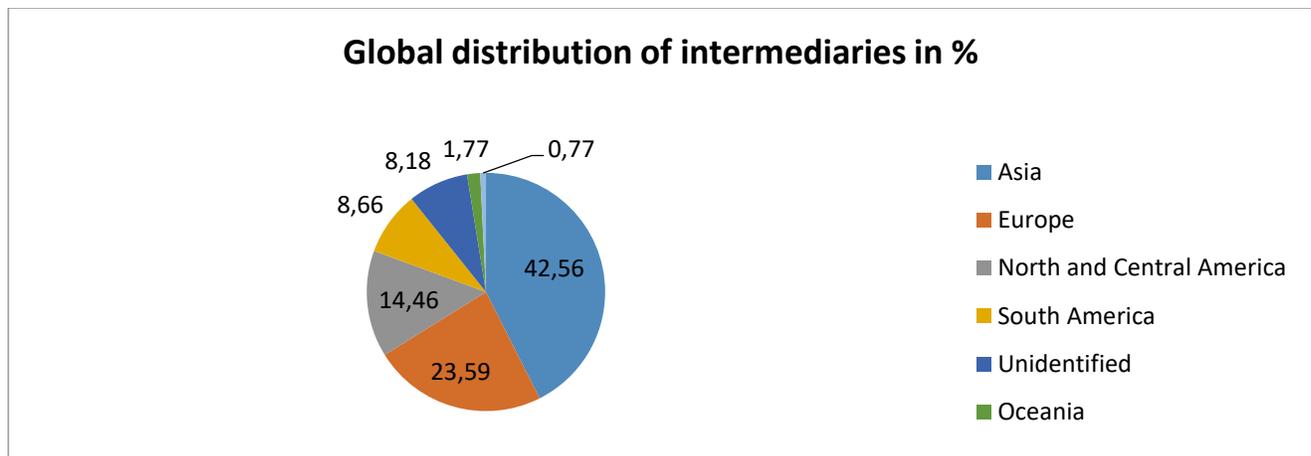
Figure 3: Global distribution of intermediaries



To provide another perspective, approximately **43% of global offshore company intermediation can be traced back to Asia, 24% to Europe and 14% to North and Central America.** 8% of the entries could not be assigned to a continent due to the lack of location data or the fact

that two countries, which were not on the same continent, had been assigned to one intermediary. If one excludes those entries, **Asia, Europe and North/Central America account for roughly 90% of all intermediaries listed in the dataset.**

Figure 4: Global distribution of intermediaries in %

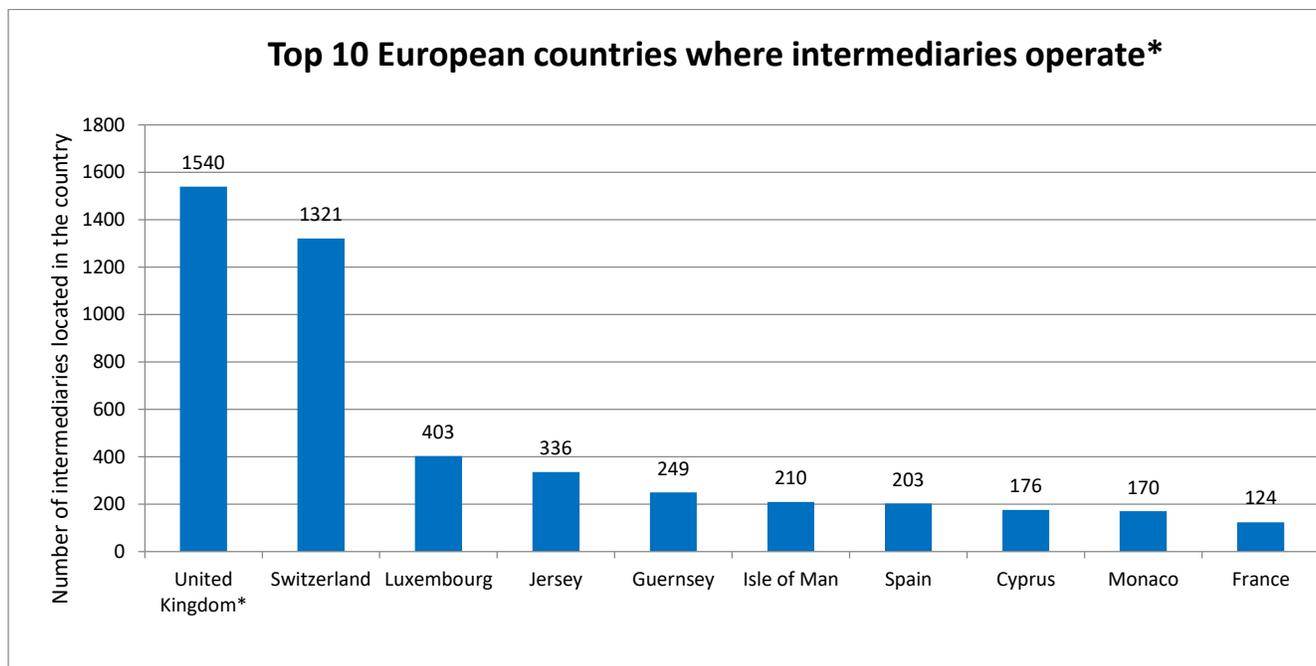


1.2 EUROPE AND THE EUROPEAN UNION: WHICH COUNTRIES HOST THE MOST INTERMEDIARIES?

The distribution of intermediaries in Europe heavily depends on whether or not combined intermediation is accounted for⁹. If we look at intermediaries which are listed in one country only (figure 5), we notice that **almost half of all the intermediaries operating in**

Europe can be attributed to only two countries: the UK first (27%) followed by Switzerland (23%). With a lesser extent come next: Luxembourg, Jersey, Guernsey, Isle of Man followed by Spain and Cyprus.

Figure 5: Top 10 European countries where intermediaries operate (when looking at intermediaries listed in one country only).

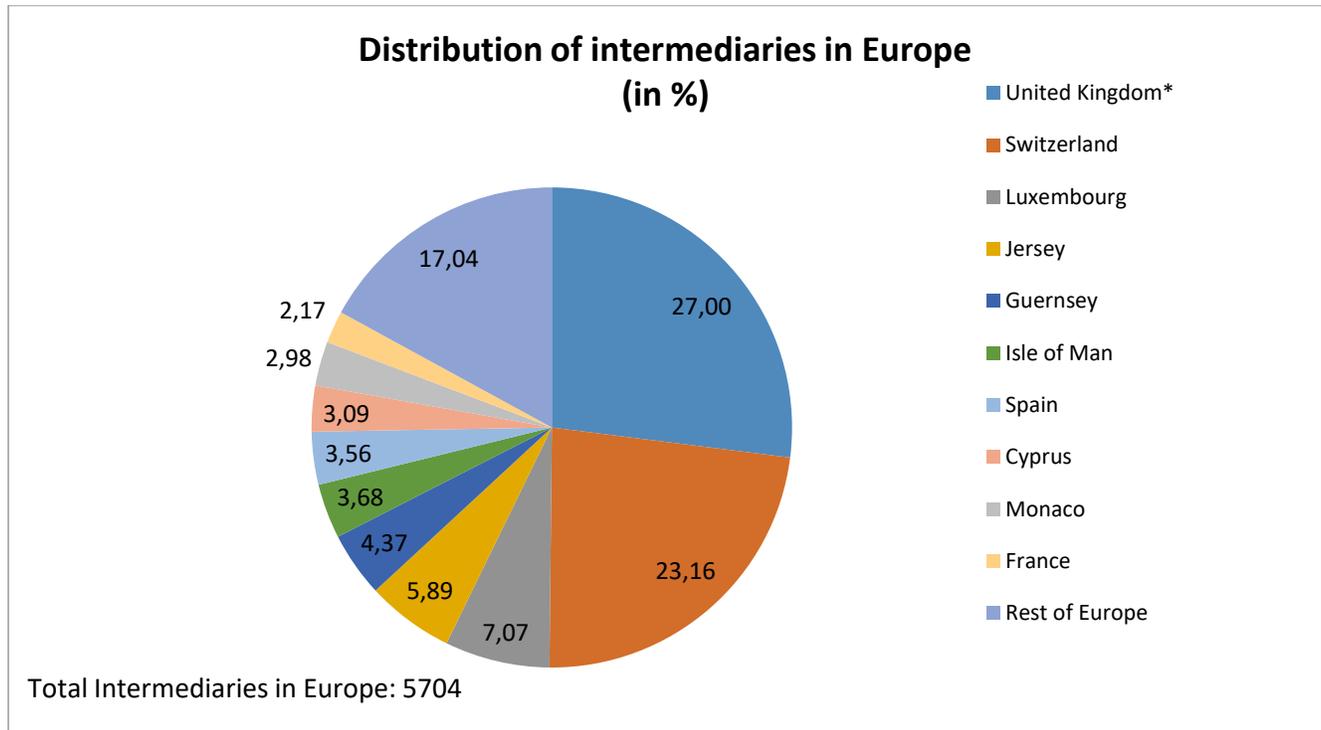


** Note that this figure does not include combined intermediation. E.g. Jersey, Guernsey and Isle of Man do not count as part of the United Kingdom, although the dataset often lists them as such.*

Putting these numbers into percentages, figure 7 clearly visually illustrates the **disproportionate location of intermediaries in the UK and Switzerland**, two countries

which have been highlighted before when talking about tax evasion.

Figure 6: Distribution of intermediaries in Europe (in %) when looking at intermediaries listed in one country only.



* Note that this figure does not include combined intermediation. E.g. Jersey, Guernsey and Isle of Man do not count as part of the United Kingdom, although the dataset often lists them as such.

As previously mentioned, the distribution of intermediaries in Europe heavily depends on whether or not combined intermediation is accounted for. If we look at the database and include all intermediaries, including those listed in several countries on the European continent (e.g. Jersey, UK), we see that the importance of the UK as main European host for intermediaries grows drastically. In this case, the UK alone accounts for nearly 40% of the intermediaries operating in Europe.

This result is not surprising as most of the double locations accounted in the database concern the Channel Islands and the Isle of Man. We acknowledge that the Channels Islands and Isle of Man are not formally part of the United Kingdom (nor of the European Union) but as these double-locations still mention the UK, it is interesting to also present the option with combined intermediation (as shown in Figures 7 & 8).

Figure 7: Top 10 European countries where intermediaries operate (when looking at all intermediaries, including those listed in two European countries).

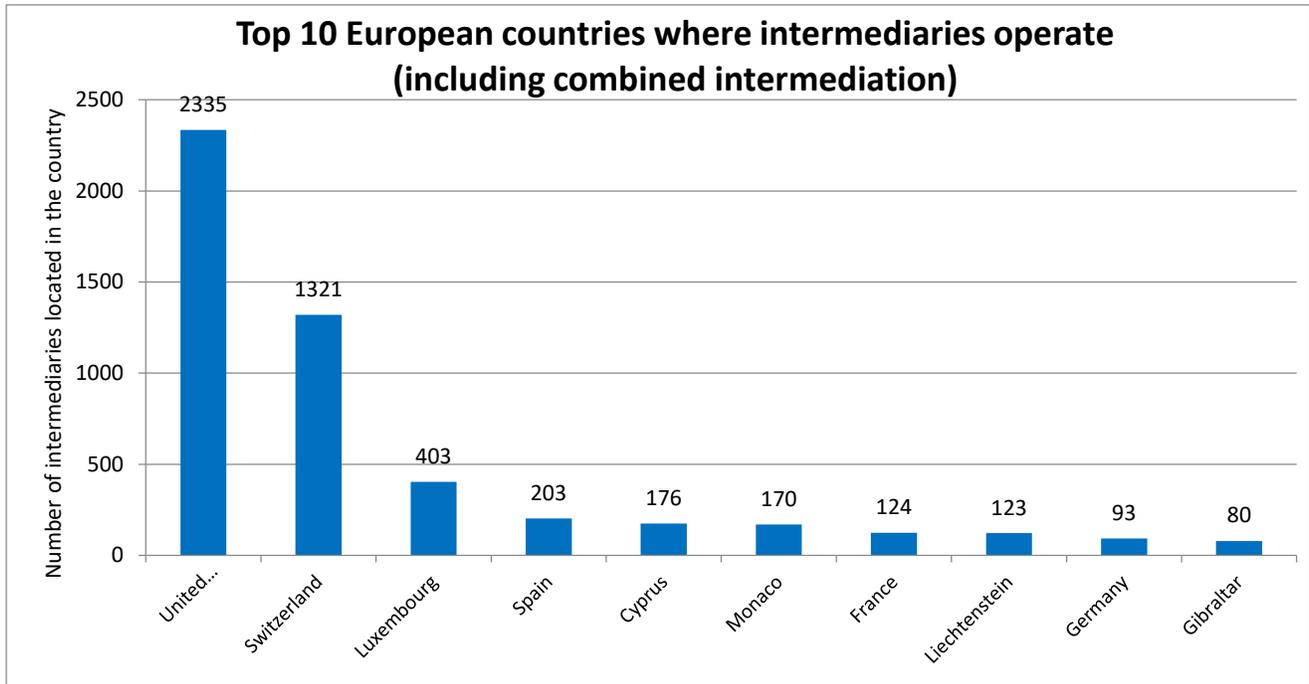
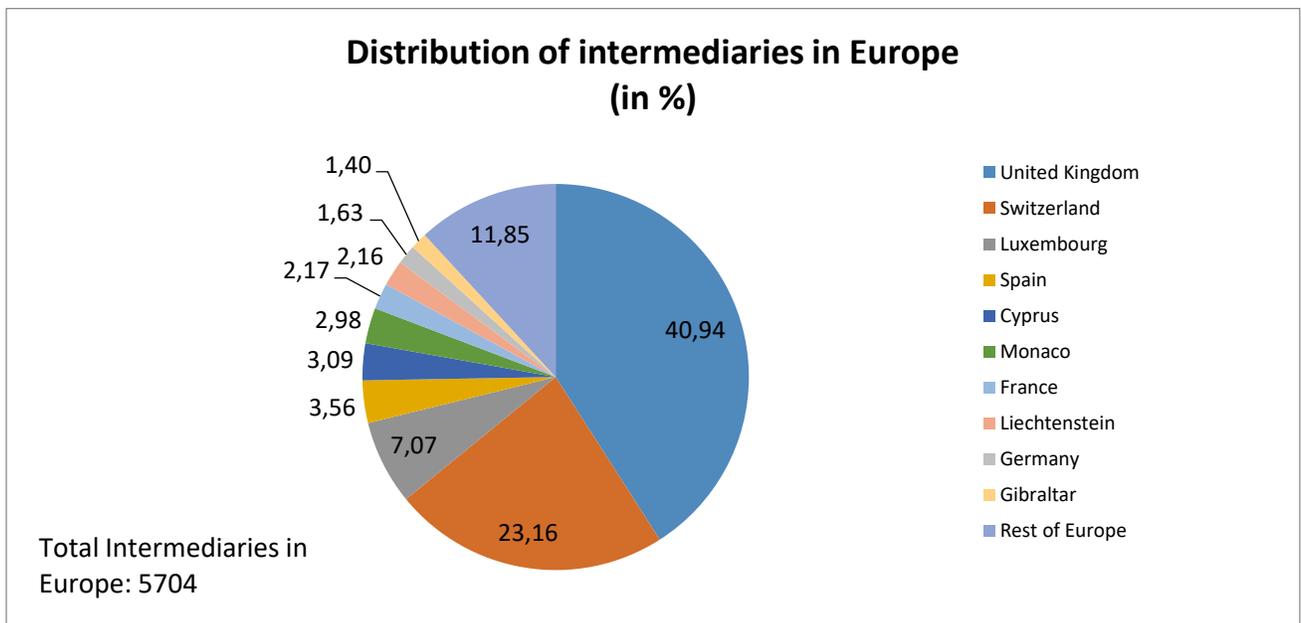


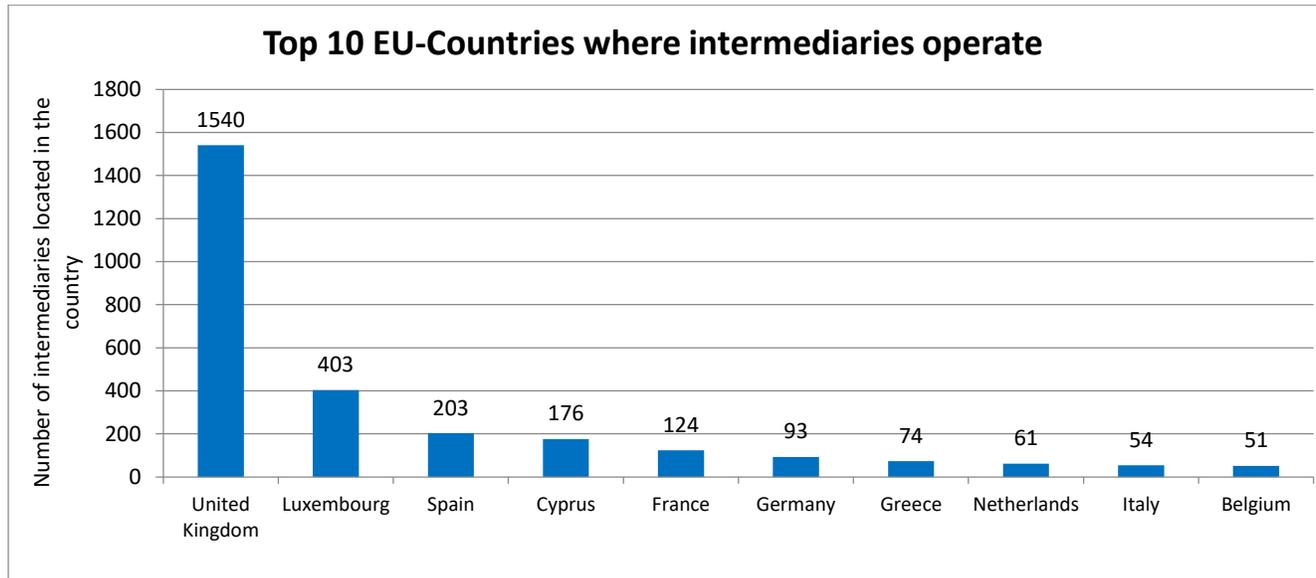
Figure 8: Distribution of intermediaries in Europe (in %) when looking at all intermediaries, including those listed in two European countries.



Finally, looking at the European Union and its 28 Members only¹⁰, the United Kingdom continues to dominate by being the country hosting the highest

number of intermediaries. It hosts more intermediaries (1540) than the other following nine Member States mentioned (1239 intermediaries).

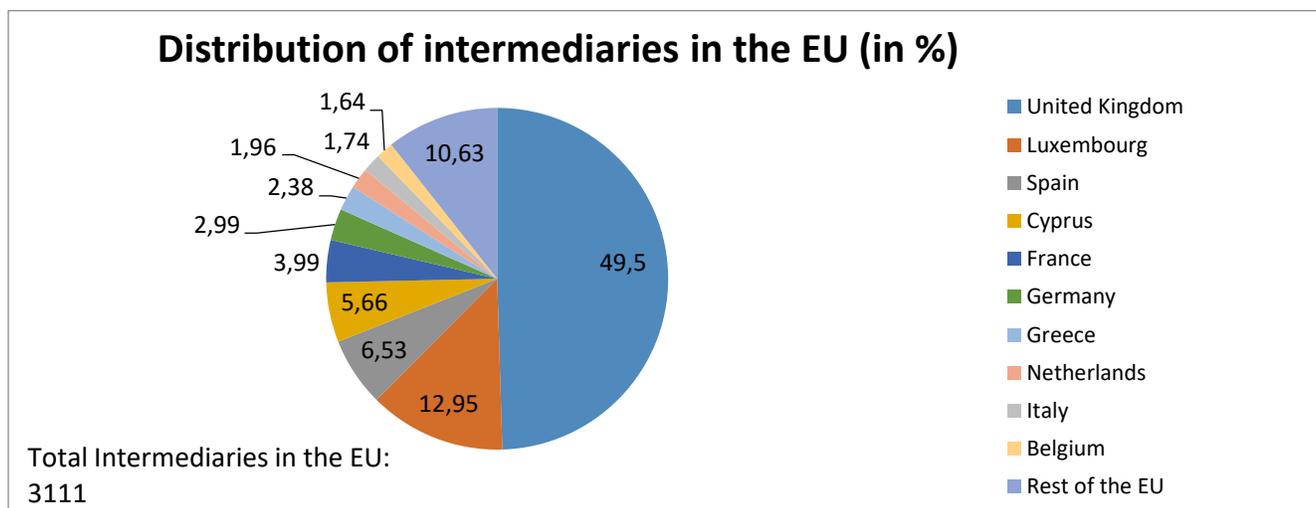
Figure 9: Top 10 EU-countries where intermediaries operate



Using percentages, the UK accounts for nearly 50% of all the intermediaries registered in the European Union (as listed in the ICIJ Offshore Leaks database) The second Member State with a high number of intermediaries registered is Luxembourg, which account for almost a

quarter (23%) of all stakeholders. It is followed by Spain (7%) and Cyprus (3.6%) with France and Germany only accounting together for 7% of the number of EU-registered intermediaries.

Figure 10: Distribution of intermediaries in the EU (in %)

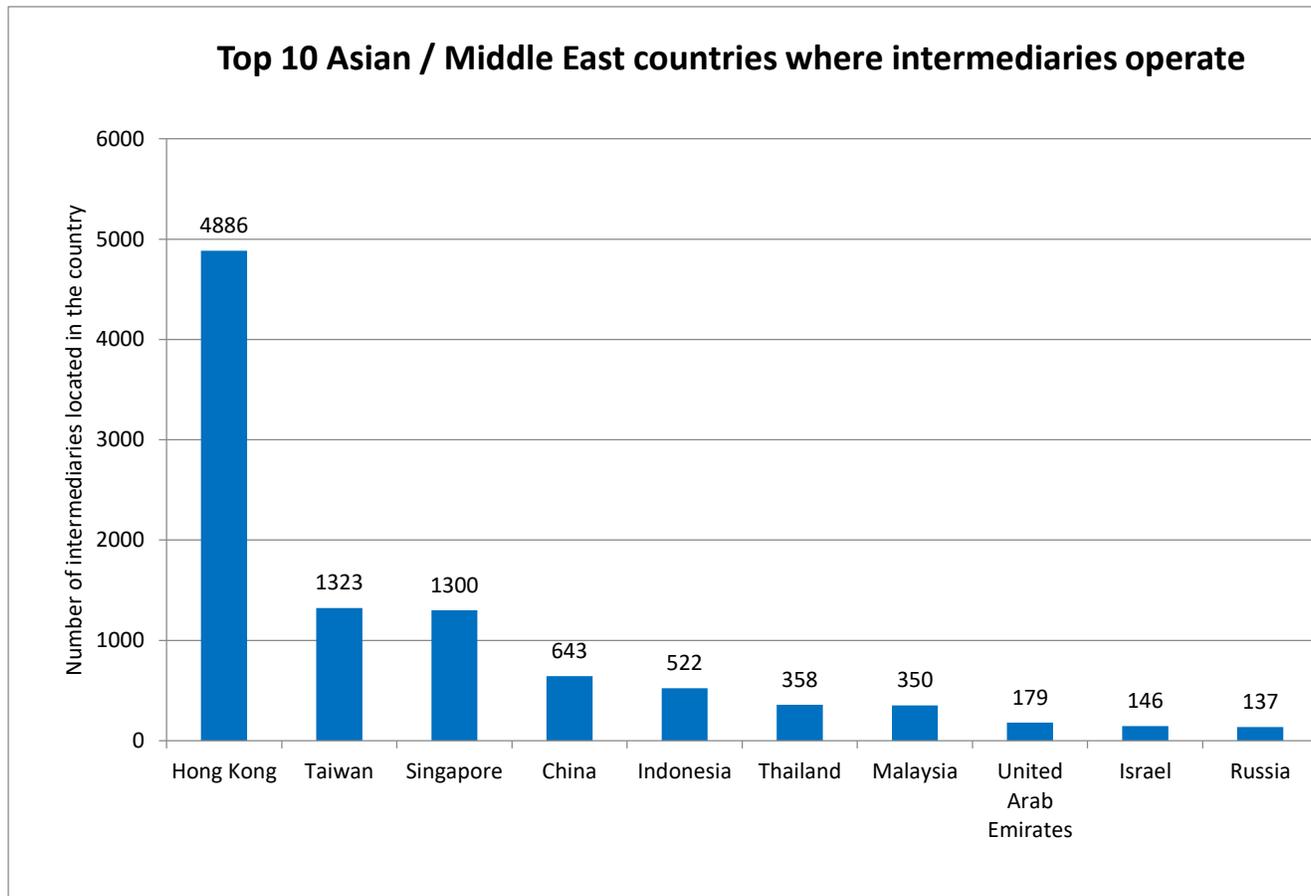


1.3 ASIA/MIDDLE EAST: THE REGION WITH THE HIGHEST CONCENTRATION OF REGISTERED INTERMEDIARIES

With 10292 intermediaries listed, **Asia is actually the region with the highest number of intermediaries registered (accounting for nearly 43% of them)**. But this observation hides a more disparate reality as some countries – but one in particular – concentrate most of the intermediaries in their territories.

Indeed, **Hong Kong is by far the country with the highest of intermediaries listed in Asia (and worldwide)**. Alone, it already accounts for nearly 50% of all intermediaries listed in the continent. While Taiwan and Singapore are also big players regionally and from a global point of view, they are outrun by Hong Kong in the Asian distribution.

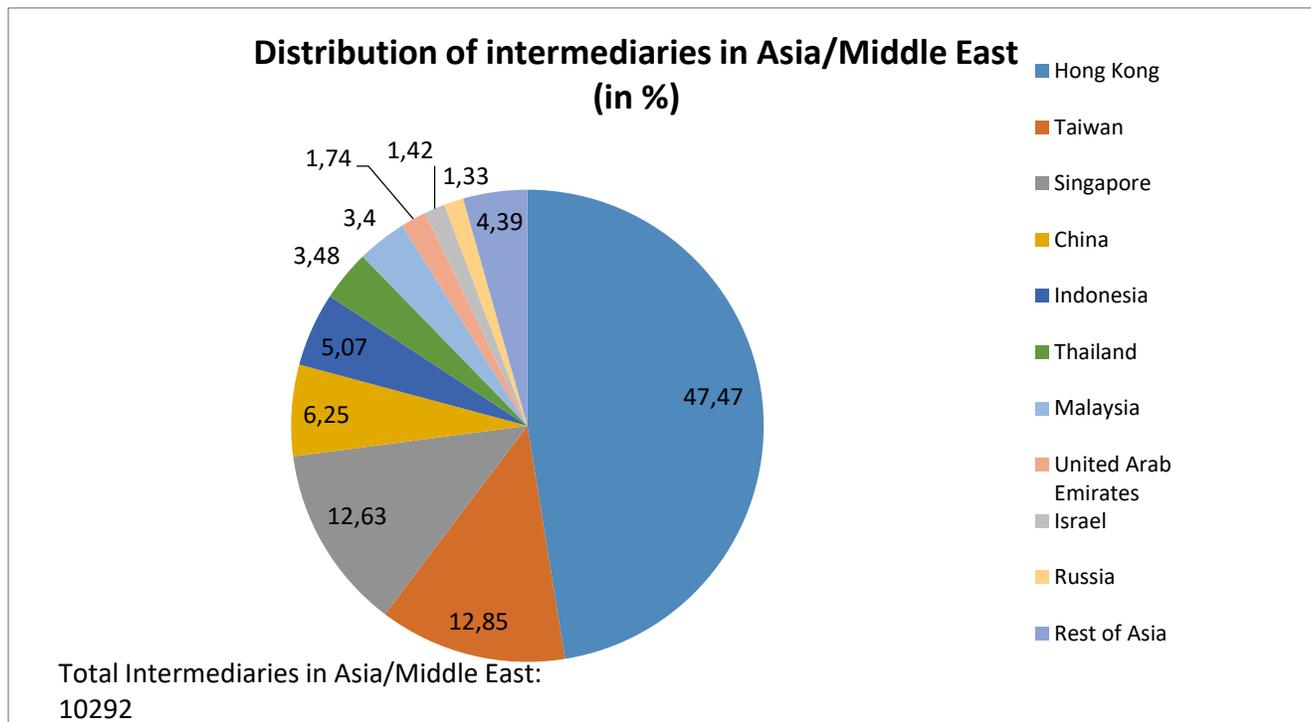
Figure 11: Top 10 Asian / Middle East countries where intermediaries operate



Hong Kong is one of the world's most significant financial centres, and ranks as the world's most competitive and most “laissez-faire” economic entity in the World Competitiveness Yearbook¹¹. It is also ranked on the

second position – just after Switzerland - in the Financial Secrecy Index¹², which classifies jurisdictions according to their secrecy and the scale of their offshore financial activities.

Figure 12: Distribution of intermediaries in Asia and Middle East countries (in %)

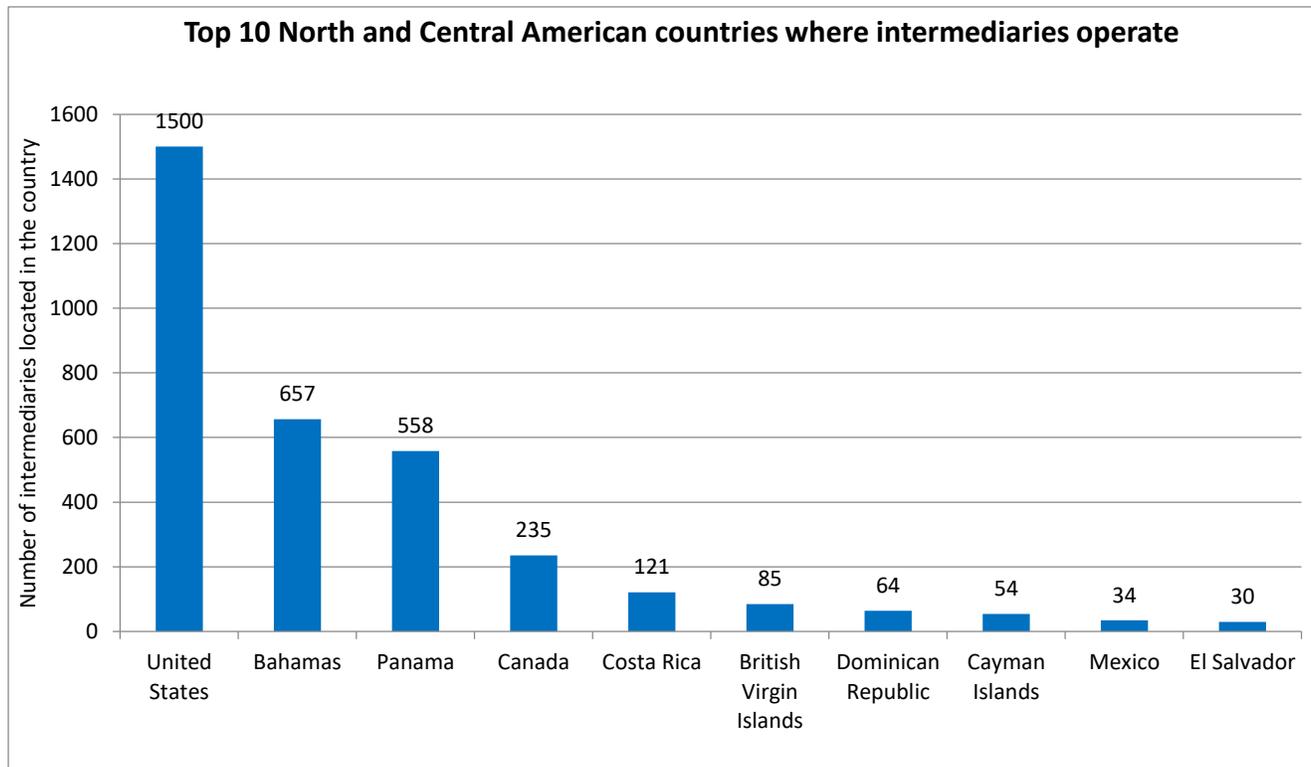


1.4 NORTH AND CENTRAL AMERICA: THE BRONZE MEDAL

Panama has been at the heart of the Panama Papers scandal in 2016 but the Panamanian government strongly objected to the name. This one comes from the fact that leaked documents originated from the Panamanian law-firm Mossack Fonseca but it is fair to say that the Panama Papers are a global problem. Nevertheless, the **North and Central American region**

still accounts for more than 14% of the total number of listed intermediaries. As for Asia, the reality broken down by country shows some differences between countries. **The United States are by far the country hosting the highest number of intermediaries.** They host nearly as many of them as the next three countries combined: Bahamas, Panama and Canada.

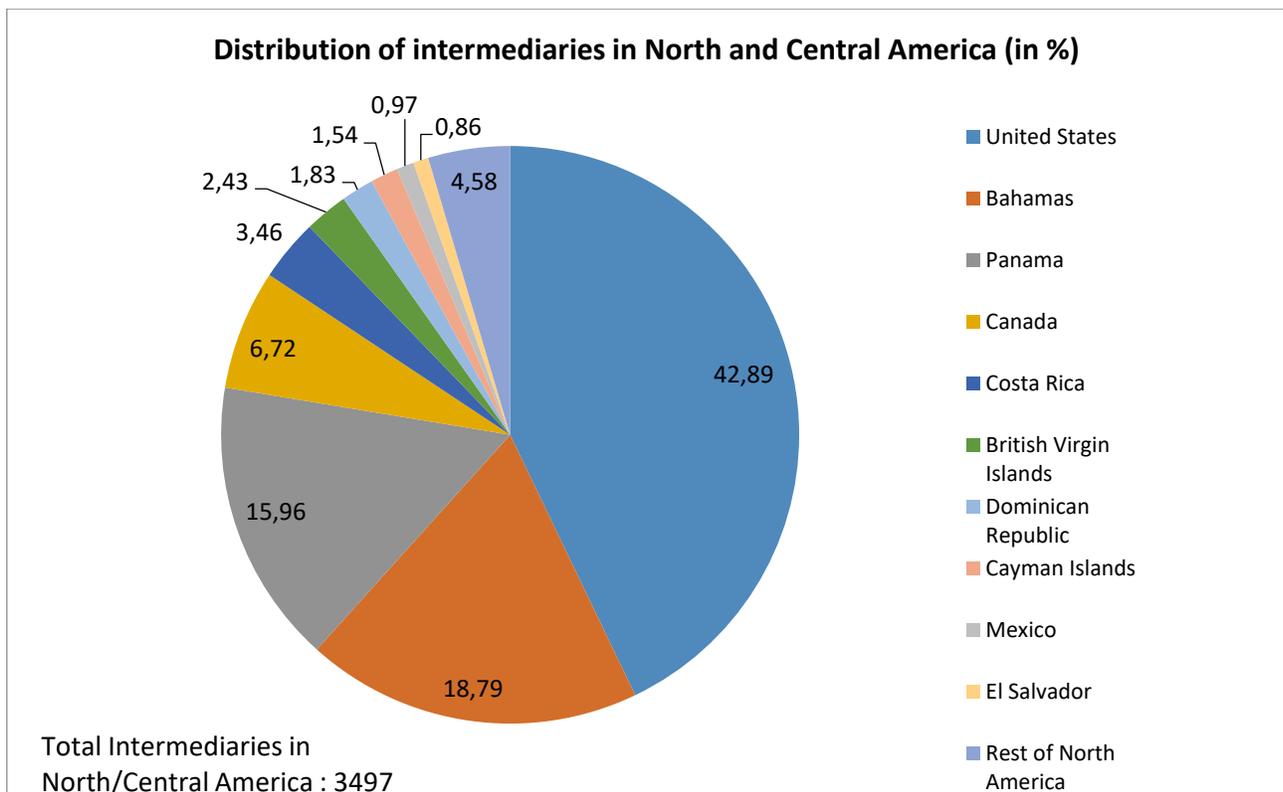
Figure 13: Top 10 North and Central American countries where intermediaries operate



In more details, **the United States are home to nearly 43% of all registered intermediaries in the region, followed by the Bahamas (19%) and Panama (16%).** But it is worth mentioning that this ranking is to be used cautiously given that all the intermediaries from the Bahamas Leaks were located in the Bahamas, therefore impacting the

geographical allocation. Surprisingly the amount of intermediaries being located in the British Virgin Island is relatively low compared to their importance in the Panama Papers. British Virgin Islands were indeed by far the jurisdiction where most of the offshore entities were created by Mossack Fonseca^{xiii}.

Figure 14: Distribution of intermediaries in North and Central America (in %)



1.5 SOUTH AMERICA, OCEANIA AND AFRICA: THE SMALL PLAYERS

South America, Oceania and Africa represent a vast number of countries but only account for about 10% of all the hosting of intermediaries mentioned in the Offshore Leaks database. Therefore, we have grouped them into one

category. Looking at the regional level, we notice that South America accounts for nearly 60% of the intermediaries registered in this group, which also explains the breaking down by country (in Figure 15).

Figure 15: Top 10 South American, Oceanic and African countries where intermediaries operate

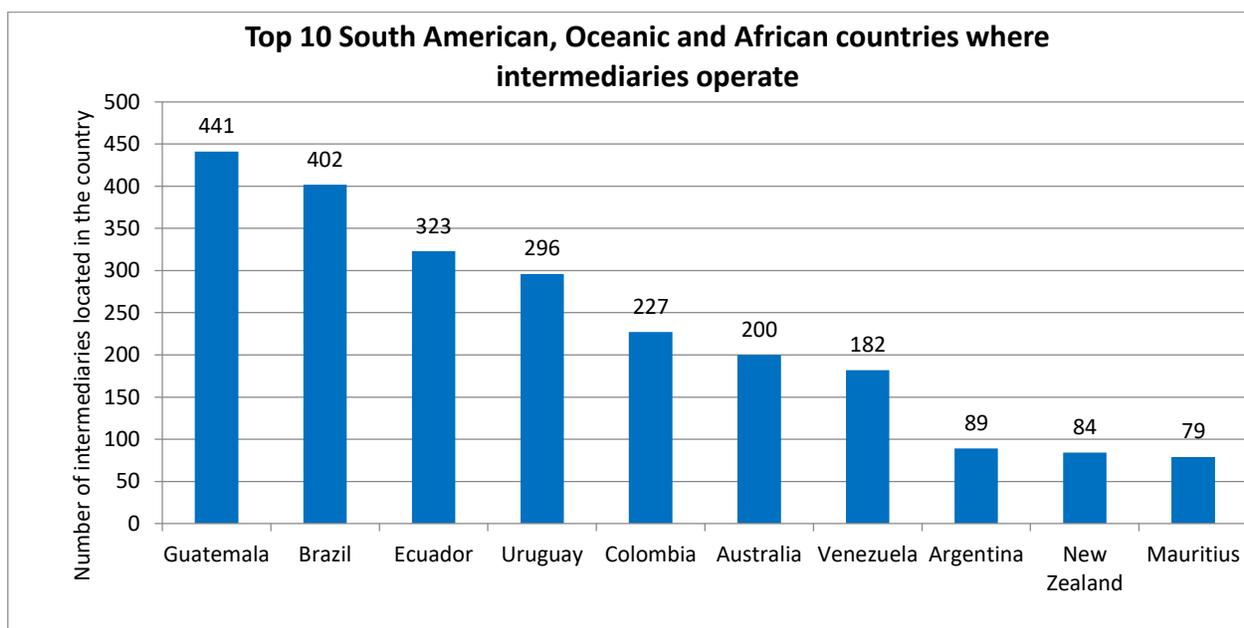
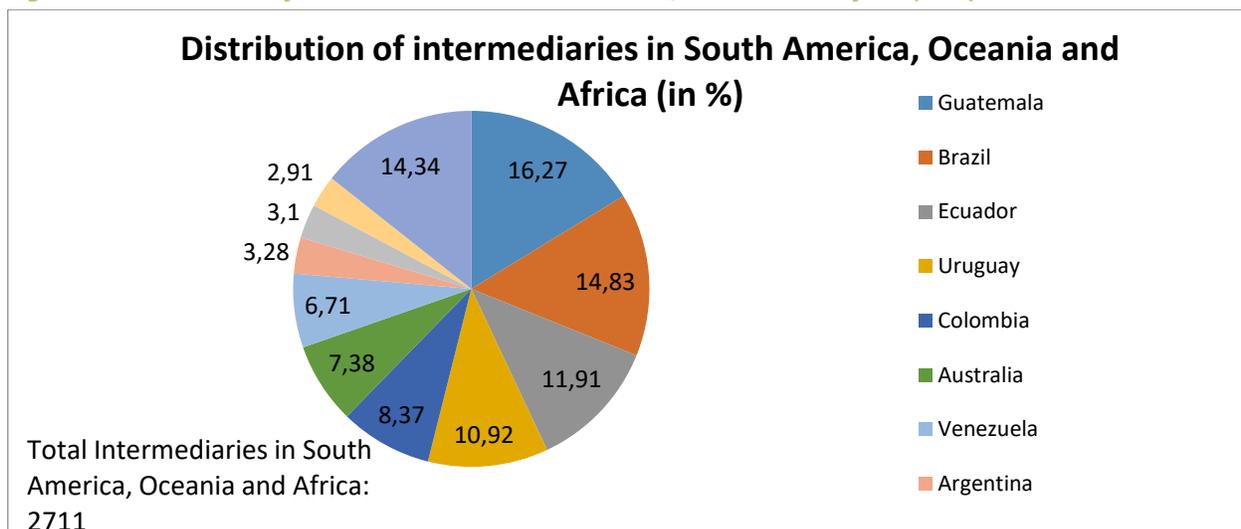


Figure 16: Distribution of intermediaries in South America, Oceania and Africa (in %)



2.A CLOSER LOOK INTO SOME INTERMEDIARIES

This section aims at providing additional information as to whom are the intermediaries involved in the Panama Papers, Offshore Leaks and Bahamas Leaks scandals. It will look at the top intermediaries from an international

and then European perspectives and will afterwards focus on the scale of involvement of several big banks and the big 4 accountancy firms.

2.1 WHO ARE THE INTERMEDIARIES WORKING AT THE INTERNATIONAL LEVEL?

Since the business of creating and running offshore company is a global phenomenon, it seems reasonable to take a closer look on the intermediaries which operate internationally. For this purpose, we have considered an internationally operating intermediary as an entity, whose business units appear in at least three different countries in the database¹⁴. We have found 140 of them.

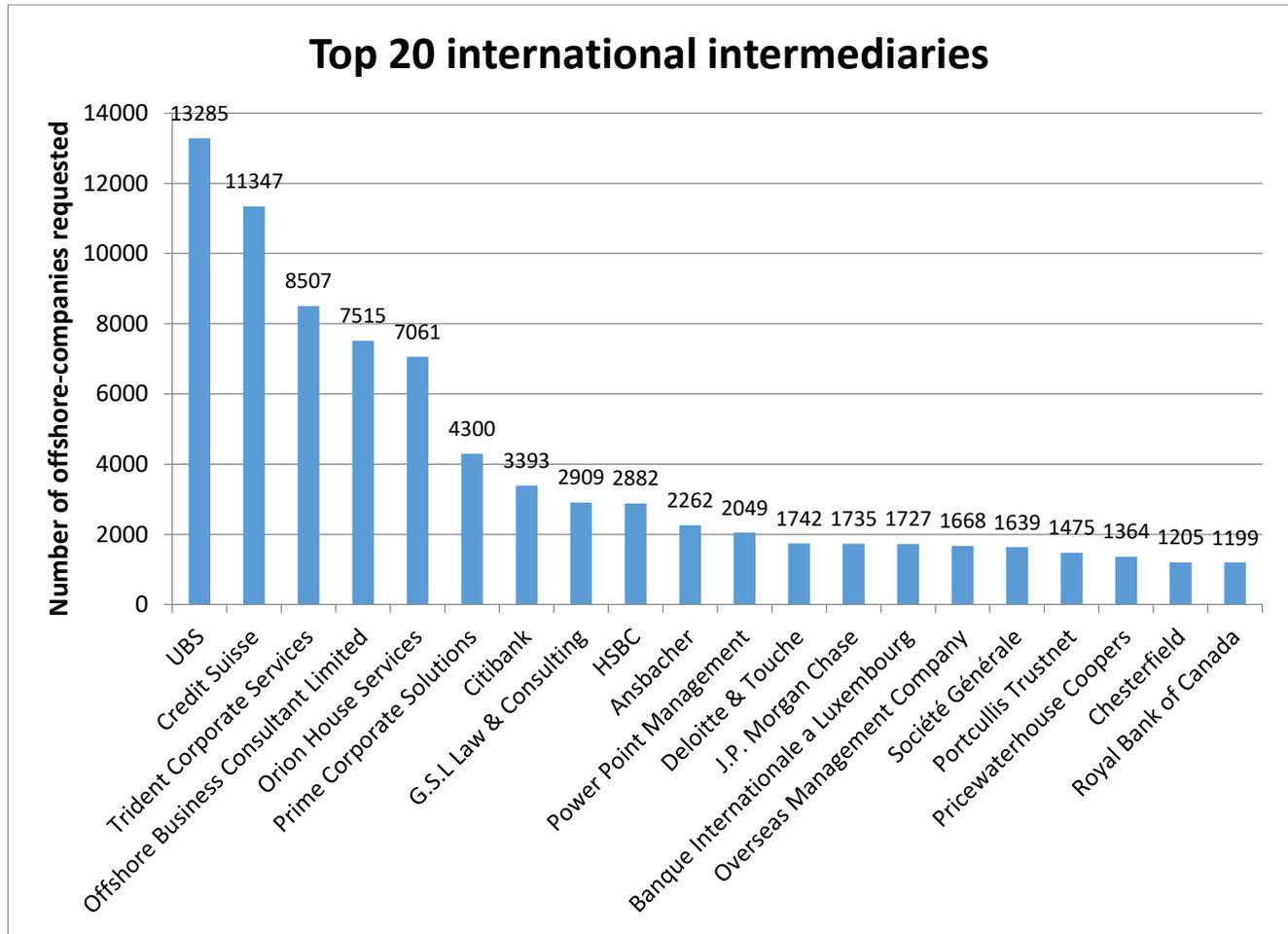
In the figure below, we have compiled the top 20 international intermediaries according to the number of offshore companies associated with them in the database. **Swiss banks UBS and Crédit Suisse top the ranking with respectively 13285 and 11347 offshore companies associated to them** (24632 entities all together). Another nearly 23000 offshore companies are associated with number 3 to 5 in Figure 17, namely:

- **Trident Corporate Services** (linked to Bahamas, British Virgin Islands, Guernsey, Jersey and Isle of Man in the database)
- **Offshore Business Consultant Limited** (linked to Hong Kong and China in the database) and
- **Orion House Services** (linked to Belize, Hong Kong and Jersey in the database).

Among the top 20 international intermediaries, 8 are banks and 2 are members of the big 4 accounting firms.

The other 10 are corporate service providers less known to the public but play a key role nonetheless in helping their clients setting up offshore entities.

Figure 17: Top 20 international intermediaries



To expand a bit, we have classified all the 140 international intermediaries (operating in three countries or more) mentioned in the Panama Papers, the Offshore Leaks and the Bahamas Leaks. The table below provides an overview of which countries they operate and the number of offshore companies they requested based on available data. Indeed, the above mentioned

scandals represent the tip of the iceberg, the leaked part of this business. In reality, it is wise to imagine that the business of offshore company intermediation is much larger than these three leaks. The number of offshore companies requested is therefore to be taken as a minimum here, based on public information.

Table 1: International intermediaries and the countries they operate in

Position	Name	Countries	Number of offshore companies requested
1	UBS	Bahamas, Cayman Islands, France, Germany, Hong Kong, Jersey, Luxembourg, Monaco, Singapore, Switzerland, Taiwan, UK, US, Indonesia, Canada,	13285
2	Crédit Suisse	Singapore, Switzerland, Taiwan, UAE, UK, US, Bahamas, China, Gibraltar, Guernsey, Liechtenstein, Monaco,	11347
3	Trident Corporate Services	Bahamas, British Virgin Islands, Guernsey, Jersey, Isle of Man	8507
4	Offshore Business Consultant Limited	Hong Kong, China, Unidentified	7515
5	Orion House Services	Belize, Hong Kong, Jersey	7061
6	Prime Corporate Solutions	Hong Kong, Luxembourg, Gibraltar	4300
7	Citibank	UK, Singapore, Jersey, Switzerland, Hong Kong, Indonesia, US, Bahamas, Jersey	3393
8	G.S.L Law & Consulting	Russia, Cyprus, Unidentified	2909
9	HSBC	Singapore, Guernsey, Hong Kong, Isle of Man, Isreal, Jersey, Lebanon, Luxembourg, Singapore, Switzerland, Taiwan, UK, US, Guernsey, Bahamas, Switzerland	2882
10	Ansbacher	Bahamas, Switzerland, British Virgin Islands	2262
11	Power Point Management	Taiwan, Vietnam, Unidentified	2049
12	Delloite & Touche	Taiwan, UK, Isle of Man, Chile, Luxembourg, China, Hong Kong, Panama	1742
13	J.P. Morgan Chase	Isle of Man, Bahamas, Jersey, Switzerland, Hong Kong, Singapore, UK, South Korea, US	1735
14	Banque Internationale du Luxembourg	Jersey, Luxembourg, Switzerland, Mauritius	1727
15	Overseas Management Company	Argentina, Hong Kong, Bahamas, Panama, British Virgin Islands	1668
16	Société Générale	Hong Kong, Panama, Monaco, Singapore, Bahamas, Mauritius, Guernsey, Jersey, Monaco, Switzerland,	1639

17	Portcullis Trustnet	Malaysia, Singapore, Hong Kong, British Virgin Islands, Cayman Islands, Cook Islands, Indonesia,	1475
18	Pricewaterhouse Coopers	Cayman Islands, Colombia, Cyprus, Gibraltar, Hong Kong, Isle of Man, Jersey, Luxembourg, Macao, Malta, Mauritius, Panama, South Africa, Taiwan, Uruguay, Antigua and Barbuda, Bahamas, Hong Kong, Indonesia	1364
19	Chesterfield	Isle of Man, Cyprus, Switzerland	1205
20	Royal Bank of Canada	Bahamas, Switzerland, Hong Kong, Jersey, Guernsey, Isle of Man	1199
21	Butterfeld	Bahamas, Bermudas, UK, Guernsey, Hong Kong	1174
22	Nautilus Trust	Hong Kong, Mauritius, Jersey	1172
23	Citco	British Virgin Islands, Bahamas, Jersey, Singapore	1145
24	Bank J.Safra Sarasin	Luxembourg, Monaco, Singapore, Switzerland, UK, Hong Kong, Canda, US, Bahamas	1124
25	First Names Group	Hong Kong, Jersey, Guernsey	1016
26	Credit Agricole	Luxembourg, Monaco, Singapore, Switzerland, Hong Kong, Bahamas	1005
27	Minerva	UAE, Mauritius, UK, Jersey	953
28	New World Trustees	Switzerland, Jersey, Bahamas	897
29	ILS Fiduciaries	Bahamas, Isle of Man, UK, Switzerland, Urguay	832
30	BNP Paribas	Hong Kong, Jersey, Liechtenstein, Luxembourg, Singapore, Switzerland, Taiwan, Bahamas	782
31	Rothschild Bank	Bahamas, Bermuda, Guernsey, Hong Kong, Luxembourg, Monaco, Switzerland, UK	752
32	EFG Bank	Switzerland, Bahamas, Luxembourg, Singapore, Hong Kong, US, Greece, France, Guernsey, Jersey,	720
33	Horizon Group	Cyprus, Switzerland, Jersey	694
34	Santander	Guernsey, US, Bahamas	680
35	Offshore Incorporations Limited	British Virgin Islands, Bahamas, Hong Kong	663
36	Pictet Bank	Switzerland, Luxembourg, Bahamas	658
37	Intertrust	Netherlands, Bahamas, Cayman Islands, Hong Kong, Guernsey, UK	641
38	Royal Bank of Scotland	aymand Islands, Switzerland, Hong Kong, Guernsey, Isle of Man, Jersey, Lichtenstein, Singapore, US, Bahamas	624
39	Kleinwort Benson	Guernsey, Hong Kong, Jersey, Isle of Man	590
40	Rhone Trustees	Switzerland, Bahamas, Unidentified	522
41	STM	Cyprus, Gibraltar, Jersey, Malta	507
42	Pinnacle	Singapore, Jersey, Isle of Man, Taiwan	496

43	KPMG	Bahamas, Taiwan, China, Jersey, Canada, Cook Islands, Guernsey, Hong Kong , US, Switzerland, Uruguay	480
44	Commerzbank	Panama, United States, Switzerland, Singapore, Luxembourg, Malaysia	468
45	Bank Julius Baer	UK, Switzerland, Singapore, Monaco, Bahamas, Guernsey, Hong Kong	462
46	Deutsche Bank	Guernsey, Hong Kong, Mauritius, Luxembourg, Switzerland, Thailand	446
47	BDO	Venezuela, Vanuatu, Bahamas, Luxembourg, Jersey, Malta, Switzerland, UK, Ecuador, Taiwan, Panama	440
48	Alba Corporate Enterprises	Isle of Man, Cyprus, Unidentified	428
49	Salamanca Group	Jersey, Switzerland, Mauritius	424
50	Fortis	Hong Kon, Luxembourg, Bahamas, Switzerland, Singapore	407
51	Nordea Bank	Luxembourg, Switzerland, Isle of Man	405
52	Fidnam Treuhandgesellschaft	Switzerland, Hong Kong, Unidentified	397
53	Meridian Corporate Services	Switzerland, Bahamas, Isle of Man, Turks and Caicos Islands	396
54	Alpha	UK, Seychelles, Panama, Hong Kong, UAE, Luxembourg, Brazil, China	391
55	Lombard Odier	Bahamas, Switzerland, Gibraltar, Bermuda	381
56	TMF	British Virgin Islands, Jersey, Hong Kong, Luxembourg, Switzerland, Uruguay	371
57	Ernst & Young	Barbados, British Virgin Islands, Gibraltar, Hong Kong, Isle of Man, Jersey, New Zealand, Taiwan	357
58	Barclays	France, Guernsey, Hong Kong, Isle of Man, Jersey, Singapore, US, Cayman Islands	330
59	Amicorp	UK, Hing Kong, Luxembourg, Monaco, Bahamas	315
60	T & T	Gibraltar, UK, Hong Kong, Netherlands, Switzerland	309
61	Union Bancaire Privee	Bahamas, Luxembourg, Switzerland	303
62	BSI	Brazil, Monaco, Hong Kong, Luxembourg, Bahamas, Switzerland, Guernsey	300
63	Lloyds Bank	Bahamas, Switzerland, US, Uruguay	296
64	Apex	Hong Kong, Switzerland, Jersey	295
65	Baker Tilly	Gibraltar, Hong Kong, Isle of Man, Dominican Republic, Russia	293
66	MF Consulting	Venezuela, US, Hong Kong	285
67	Horwath	Switzerland, Singapore, Taiwan, UK, Australia, Jersey, Taiwan, Hong Kong	278

68	Moore's Rowland	Hong Kong, Monaco, Vanuatu, Jersey, Uruguay, Monaco, Guernsey, Indonesia	277
69	Herald Group	Hong Kong, Taiwan, Jersey	276
70	Standard Bank	Isle of Man, Mauritius, Jersey	246
71	JD-Infinum	Hong Kong, Switzerland, Unidentified	245
72	ATC	Hong Kong, Bahamas, Cayman Islands	235
73	Baker & McKenzie	Colombia, Hong Kong, UK, Taiwan, Switzerland, Sweden, Thailand, Singapore, France	228
74	Chartwell	Switzerland, Singapore, Unidentified	224
75	Bridgewater's	Bahamas, UK, Isle of Man	209
76	EBC	UK, Jersey, Monaco	208
77	Abacus	Bahamas, Guernsey, Singapore, Jersey, Cyprus, Isle of Man, Hong Kong	201
78	Investec	Guernsey, UK, Switzerland	192
79	Fortress	Singapore, Isle of Man, UK	187
80	Mayfair	UK, Seychelles, Luxembourg	186
81	Compagnie Bancaire Helvétique	Switzerland, Bahamas, Unidentified	170
82	Bank Leumi	Israel, Luxembourg, Switzerland	165
83	Jordans	British Virgin Islands, Jersey, Singapore, UK, Isle of Man	158
84	Vistra	Hong Kong, UK, Jersey, Switzerland	152
85	RSM	South Africa, Luxembourg, Australia, Russia, Hong Kong, Uruguay	144
86	HLB	Cyprus, Hong Kong, Colombia, UAE	134
87	Hermes Global	UAE, Monaco, Luxembourg	125
88	Oak International	Switzerland, Guernsey, UK	122
89	Fidelity	Taiwan, Gibraltar, Bahamas, Antigua and Barbuda, Switzerland	120
90	Trinity Group	Mauritius, Guernsey, UAE, Isle of Man	109
91	LGT Bank	Switzerland, UK, Singapore, Hong Kong, Liechtenstein,	108
92	Appleby	Bermuda, Mauritius, Cayman Islands, UK, Jersey	97
93	Professional Trust	Panama, Liechtenstein, Switzerland, Jersey	96
94	Heritage	Hong Kong, UK, Singapore, Guernsey	93
95	Intercorp	Costa Rica, US, Luxembourg	91
96	RBC	Jersey, Hong Kong, Singapore, Canada, Bahamas, US, Guernsey	90
97	Kingston	Hong Kong, Guernsey, Isle of Man, Hong Kong	87
98	ICS	Canada, Hong Kong, Unidentified	85
99	Rawlinson & Hunter	British Virgin Islands, Bermuda, Guernsey, Jersey, Switzerland	82
100	Coudert Brothers	US, Hong Kong, Singapore	77

101	Merill Lynch	US; Hong Kong, Singapore, Switzerland	75
102	ING Bank	Hong Kong, Singapore, Jersey, Netherlands	75
103	Quorum	UAE, Bermuda, Jersey	74
104	Capco	UK, Jersey, Isle of Man	62
105	Moore Stephens	Malaysia, Hong Kong, Guernsey, Jersey, Monaco, Isle of Man, UK	57
106	Standard Chartered Bank	Hong Kong, Jersey, Mauritius, Singapore, Taiwan, US	55
107	Regent	Jersey, UK, Hong Kong, Switzerland	54
108	PKF	UK, UAE, Isle of Man, Taiwan	52
109	Paramount	Taiwan, US, Hong Kong, Cayman Islands	46
110	GT	Hong Kong, Luxembourg, Vanuatu, Hong Kong	43
111	Hottinger	Luxembourg, Bahamas, Switzerland	35
112	Orcra	Isle of Man, UK, Mauritius, Hong Kong	34
113	Attendus Treuhandgesellschaft	UK, Switzerland, Liechtenstein	32
114	Mutual Trust Management	Cyprus, Switzerland, Isle of Man	32
115	AMS	British Virgin Islands, Hong Kong, United Kingdom	31
116	ABN Ambro	Hong Kong, UK, Switzerland, Singapore, Isle of Man, Luxembourg	30
117	BBVA	Jersey, US, Panama, Uruguay	30
118	Bermuda Trust	Hong Kong, Jersey, Guernsey	29
119	Consulado de Panama	Germany, UAE, Switzerland	28
120	Greenfield	Hong Kong, Croatia, Unidentified	27
121	Northern Trust	US, Guernsey, UK	27
122	ABC	Andorra, Hong Kong, Mauritius, UK	26
123	Biscayne Bank	US, Ecuador, Bahamas	23
124	Alliance	Hong Kong, Bahamas, Monaco, Norway, Singapore, Mauritius	22
125	Union Bank of Switzerland	Jersey, Hong Kong, Panama, Singapore, Switzerland	21
126	Guardian Trust	Jersey, Switzerland, Singapore	19
127	Company Formations	Hong Kong, UK; Ireland	17
128	Rabobank	Hong Kong, British Virgin Islands, Singapore, Indonesia	17
129	Asset Protection	South Africa, UK, US	15
130	Indusuez	UK, Hong Kong, Unidentified	15
131	Rathbone trust	Jersey, British Virgin Islands, UK	11
132	Walbrook	UK, Guernsey, Jersey	11
133	Axis	Singapore, UK, Mauritius	10

134	The investors of Glasgow Global Fund	British Virgin Islands, Mauritius, Samoa,	10
135	Scottia Bank	Hong Kong, Bahamas, Jersey	8
136	Orbis	Singapore, Liechtenstein, Jersey	7
137	Federal Trust	Mauritius, Singapore, Guernsey	6
138	Cliftion	Costa Rica, Seychelles, Guernsey, UK	5
139	Royal Trust Bank	Switzerland, Isle of Man, Jersey	5
140	Sanpaolo Bank	Switzerland, Luxembourg and a third unidentified country	5

2.2 THE SIGNIFICANT ROLE OF INTERMEDIARIES LOCATED IN EUROPE

As mentioned in Section 1 of this report, Europe was the host region for nearly a quarter (24%) of all intermediaries listed in the ICIJ Offshore Leaks database. But table 1 above adds to the picture. Indeed, **on the 140 identified international intermediaries, 127 have at least one active business unit or subsidiary located in Europe.** These 127 international intermediaries are highlighted in green in the table.

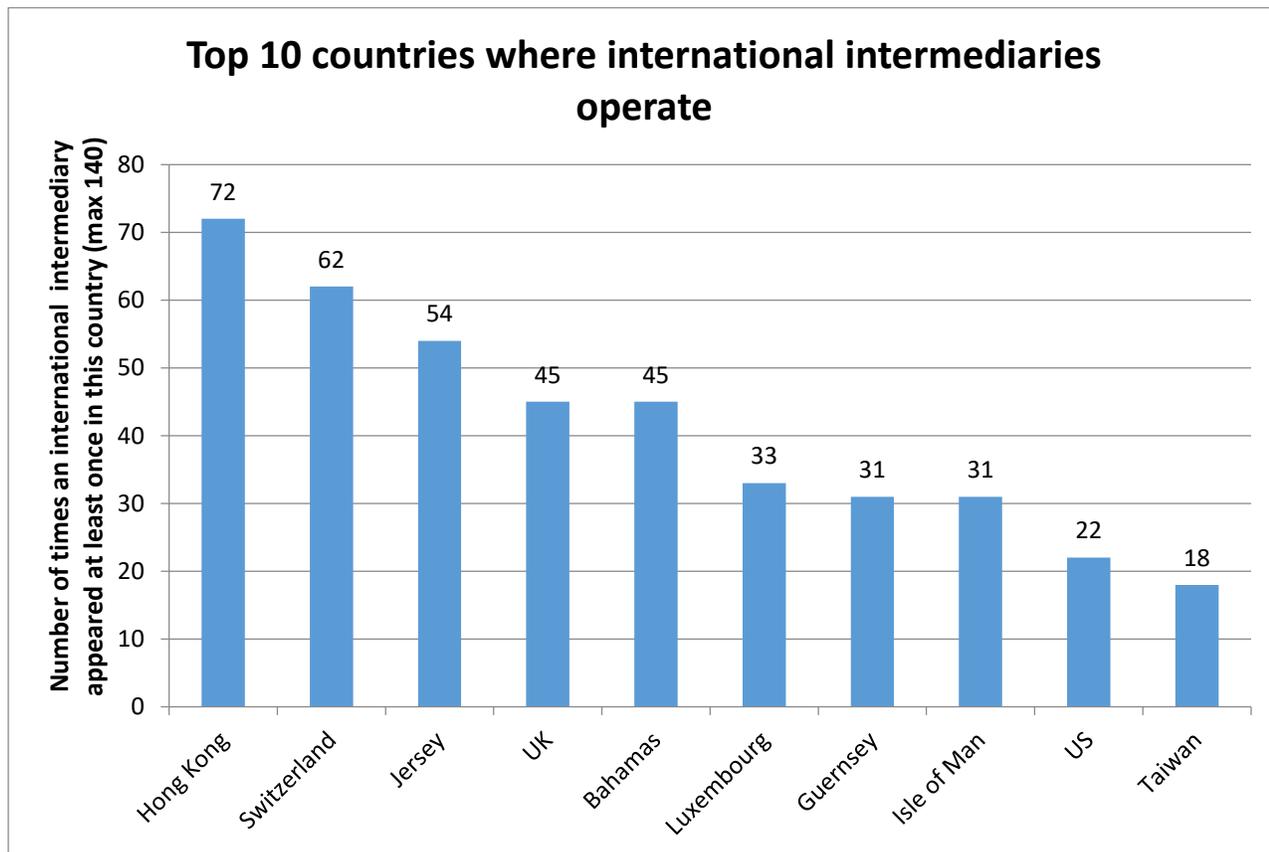
This shows that Europe is a must-be location for nearly 90% of all international intermediaries. Surely, these intermediaries locate in Europe because they aim to enter into business with European clients. This raises question on the need to regulate these intermediaries and on the possible sums lost by European States in tax evasion and money laundering.

In the top 20 of international intermediaries, only 4 of them do not have a business unit or a subsidiary located in Europe (they seem to focus mainly on Asia). Several of

them are probably also headquartered in Europe (like UBS, Crédit Suisse or Banque Internationale du Luxembourg) but it is difficult to verify for all, as we are not familiar with many of the international intermediaries mentioned¹⁵.

It is worth noticing however that the geographical location of *international* intermediaries is significantly different from the one of *all* intermediaries mentioned before (comparing Figure 19 and Figure 2). While Hong Kong still ranks first, the gap with the rest of the other countries is not as wide. After Hong Kong, the order of countries is also different. Switzerland and Jersey seem to host a higher number of international intermediaries (in proportion of the total number of intermediaries they host). Furthermore 7 out of the top 10 countries hosting international intermediaries are from Europe, while previously only two European countries appeared (see Figure 2).

Figure 18: Top 10 countries where international intermediaries operate



2.3 THE PRESENCE OF BIG EUROPEAN BANKS AND “BIG 4” ACCOUNTANCY FIRMS

This sub-section looks at the importance and the involvement of European banks and consulting companies (the “Big 4”) in the business of offshore company intermediation based on the Offshore Leaks database and ICIJ’s analysis of the Panama Papers¹⁶ matched with the 20 largest European banks (based on market capitalization) and the biggest consulting companies in Europe (based on market share).

Regarding European banks, one can see the **Swiss banks (UBS and Crédit Suisse) have requested more offshore companies than all the other analysed banks combined.** Nevertheless most of the other analysed European banks have also heavily participated in the business of offshore company intermediation. Since the dataset only

captures a small fraction of all offshore companies registered, it is reasonable to imagine that the amount of offshore companies requested by them is in reality higher.

Unsurprisingly, banks from Switzerland and Luxembourg are at the heart of the business of offshore company intermediation. But major French banks seem to have been very involved as well, since three of the main French banks (Société Générale, Crédit Agricole and BNP Paribas) rank among the Top 10 European banks and have requested more offshore companies for their clients than the likes of the Deutsche Bank, Goldman Sachs and Banco Santander.

Figure 19: Top 10 European banks that requested the most offshore companies

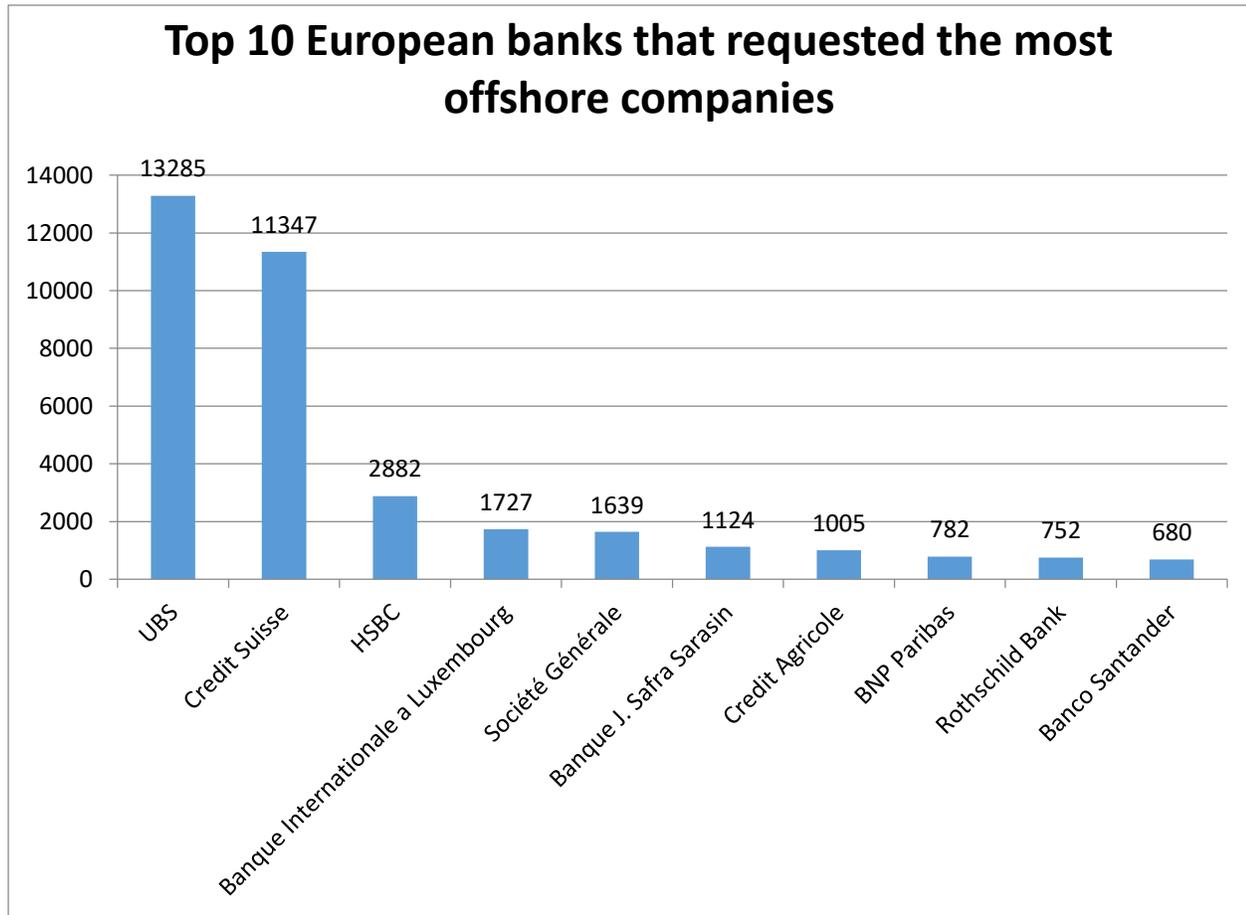


Table 2: European banks in the international intermediaries (ranked by number of offshore entities they are connected to in the Offshore Leaks database*)

Name	Entities linked to this intermediary	Position
UBS	13285	1
Crédit Suisse	11347	2
HSBC	2882	9
Banque Internationale du Luxembourg ¹⁷	1727	14
Société Générale	1639	16
Banque J. Safra Sarasin	1124	24
Crédit Agricole	1005	26
BNP Paribas	782	30
Rothschild Bank	752	31

Banco Santander	680	34
Royal Bank of Scotland	624	38
Commerzbank	468	45
Deutsche Bank	446	46
Nordea Bank	405	51
Barclays	330	58
Lloyds Bank	296	63
ING Bank	75	102
Standard Chartered	55	106
Intesa Sanpaolo	5	140

* The analysis included the largest European Banks (based on current market capitalization) in the dataset, and the 10 most active banks resulting from the analysis of the panama Papers.

We notice a similar situation when looking at the four big accounting firms, also known as the Big 4: Deloitte & Touche, Pricewaterhouse Coopers, KPMG and Ernst &

Young. They also rank relatively high among the international intermediaries and appear multiple times in the database.

Figure 20: Offshore companies requested by European accounting firms (the "Big 4")

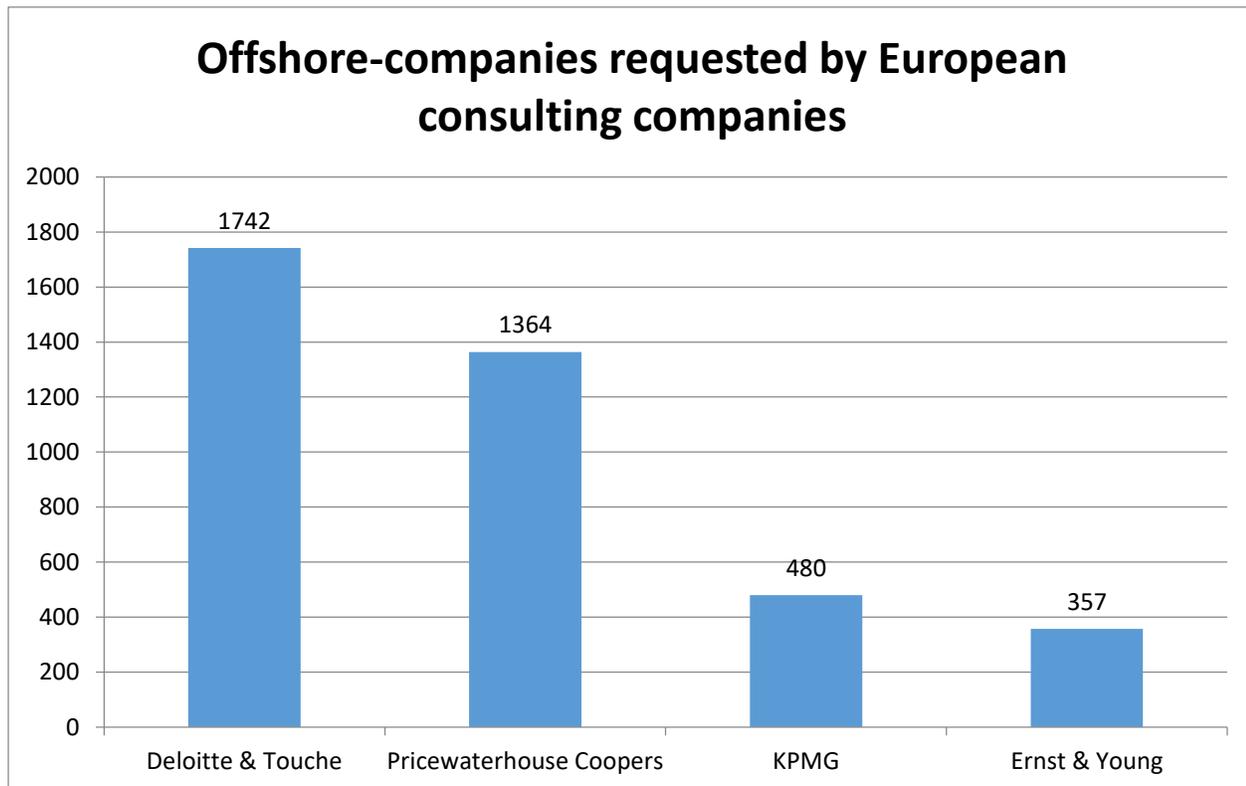


Table 3: European accounting firms

Name	Entities linked to this intermediary	Position
Deloitte & Touche	1742	12
Pricewaterhouse Coopers	1364	18
KPMG	480	43
Ernst & Young	357	57

Altogether, it looks like European banks and accountancy firms have been relatively more active than their Asian or North American counterparts. Indeed, 7 out of the top 20 global international

intermediaries are European banks or accounting firms, while there are only two North-American and no Asian banks amongst the top 20.

CONCLUSIONS AND RECOMMENDATIONS

One striking conclusion from the ICIJ data, confirmed by the preliminary investigations of the European Parliament inquiry committee on the Panama Papers, is that the problem of tax evasion and money laundering is much larger than one had imagined. This is not just a “Panama only” or “Bahamas only” problem. Many of the world’s leading economies – including several European Member States – seem to let stakeholders registered in their territories play a big part in the offshore tax evasion industry. Moreover, we have listed over a hundred international intermediaries, often active in the European Union, which were unheard of before and deserve some follow-up research in the future.

Europe has to get its own backyard in order: it is the region with the second highest number of registered intermediaries. Additional research would be needed on the geographical location of ultimate beneficial owners of offshore companies mentioned in the ICIJ revelations but it is fair to assume that a large volume are European clients as well. This raises questions on the amount of tax uncollected by European governments and shows the need for the European Union to do more against tax evasion and money laundering. Transparency seems an obvious first step: if creating an offshore company is not in itself wrong, then the ultimate beneficial owners should have no problem with being listed on public registries.

As several pieces of tax legislation will soon be implemented - especially on automatic information exchange with the Directive on Administrative Cooperation - we believe that it is not yet time to shout ‘victory’ and rest on our laurels. More coordinated European action is needed, especially on disincentivising promoters and enablers of tax evasion, money laundering and aggressive tax planning.

In light of all the expressed above, we call on the following recommendations to be implemented:

- 1** All European Member States should start inquiring as to the role of intermediaries mentioned in this report and whether they helped their clients to breach European and national laws against tax evasion and money laundering.
- 2** In the framework of the revision of the 4th Anti-Money Laundering Directive, all European Member States and the European Parliament should agree on measures to strengthen enforcement authorities’ powers and capacities to ensure that legislation against money laundering and tax evasion is fully and properly implemented by intermediaries registered in the EU. We recommend the creation of a European Financial Intelligence Unit in charge of coordinating its national counterparts and promoting best practices for better cooperation among the Member States
- 3** Member States should - if not already the case - adopt national legislation to ensure proper and independent supervising authorities for all types of intermediaries involved in the recent revelations. Self-supervision, often the case for law firms or accounting companies, have proven their limits.

4

Member States should adopt and apply stronger sanctions - coordinated at the European level - against intermediaries providing assistance to any individual or entity (no matter their geographical location) involved in money laundering, tax evasion or aggressive tax planning.

5

The European Commission should present as soon as possible a legislative proposal with concrete measures to disincentive advisors and intermediaries from providing potentially aggressive tax planning schemes. We welcome the ongoing public consultation launched by the European Commission but recall this is one of the commitments from the OECD Base Erosion and Profit Shifting Action plan taken by G20 leaders in 2015.

6

European Member States should - in addition to their screening of third jurisdictions for the future EU blacklist of tax havens - start a political dialogue with Hong Kong, Switzerland and the United States over the regulation of intermediaries and coordinated actions to ensure anti-money laundering standards are consistently applied by these countries.

7

Members of the European Parliament inquiry on the Panama Papers are invited to use the findings of this report for the final committee conclusions expected in 2017. We would be extremely grateful if journalists from the ICIJ consortium - or anyone else having relevant information - could provide the PANA committee with additional information (including first-hand documents from the Panama Papers) highlighting the precise role of above mentioned intermediaries in the setting-up of offshore companies for their clients.

ANNEX 1: Methodology regarding combined intermediation in section 1

The ICIJ dataset used in this report consisted of 24183 entries in its original version. But seven of them were actually not related to any country of address and didn't have a source. As they did not provide any information, they were left out for the purpose of our analysis, therefore based on 24176 entries, which include the name, address, country of origin and the current status (active, inactive, suspended) of intermediaries from the Panama Papers, Offshore Leaks and the Bahamas Leaks.

While we welcome the existence of the database and its public access, we have noticed some limits in its use. Since the dataset was obtained by merging the leaked data from different sources, it is relatively unorganised and some intermediaries are classified under several countries. This made the breaking down of intermediaries per country more difficult, especially when ranking the Top 10 countries where intermediaries are located.

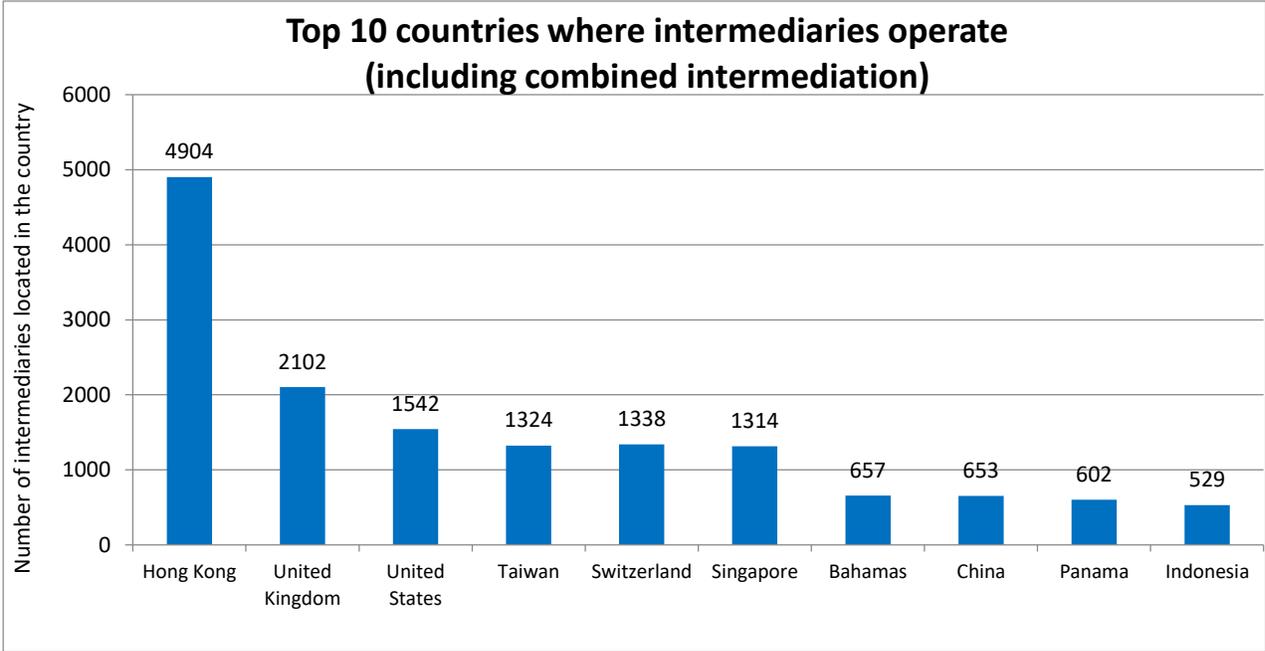
Therefore, we have chosen in Section 1 to focus on ranking the 10 first countries by using only intermediaries listed in one country. This gave the list of countries as mentioned in Figure 2 of the report: Hong Kong, United Kingdom, United States, Taiwan, Switzerland, Singapore, Bahamas, China, Panama and Indonesia.

Things change slightly if we had included the intermediaries which are not clearly assigned to one specific country. In the figure below, entries in the data base like "Singapore; Switzerland" or "Jersey; United Kingdom" are attributed to both countries respectively (combined intermediation). While the number of intermediaries in every other country remains relatively unchanged (compared to Figure 2), the UK jumps from 1540 to 2102. This results from the entries of the Channel Islands and the Isle of Man now mostly being attributed to the UK.

This approach is leading to double counting which is why we have only mentioned Figure 2 in the report. For exhaustiveness, we have compiled the ranking of the Top 10 countries with the combined intermediation just mentioned.

Furthermore, as a majority of the entities listed in the database come from the Panama Papers revelations and documents from the law firm Mossack Fonseca, the author has decided not to consider Mossack Fonseca as an intermediary for the purpose of this report. The inclusion of the Panamanian law firm in this category would have distorted the different ranking in the study.

Figure 21: Top 10 countries where intermediaries operate (with combined intermediation approach)



ANNEX 2: Additional information on international intermediaries and the limits of the Offshore Leaks database

The ICIJ database used in this report consisted of 24176 entries, which include the name, address, country of origin and the current status (active, inactive, suspended) of intermediaries from the Panama Papers, Offshore Leaks and the Bahamas Leaks. Unfortunately it did not compile the number of offshore companies requested by the intermediaries, such data were extracted manually from the ICIJ search website.

While we welcome the existence of the database and its public access, we have noticed some limits in its use. Since the dataset was obtained by merging the leaked data from different sources, it is relatively unorganised and the intermediaries often are not classifiable by type of business or mentioned as related to a certain parent company.

In addition, the ICIJ only merged exact duplicates and thus many duplicates, with the name of the company spelled only slightly differently, still appear twice in the database. For instance “INTERTRUST BAHAMAS LTD.” and “Intertrust Bahamas Limited” are treated as different intermediaries, although they most likely are the same company.

Manual analysis of the data

Because of these limits, there was no easy way to access the data via a statistical program. Furthermore, since we did not exactly know the all companies we were looking for at first, a simple search engine was not a solution either to proceed with the data. Another possibility to access the data would have been a special algorithm, which would filter the dataset with respect to the most common words in the dataset. But this would also have suffered from at least three major obstacles:

1. A lot of companies, which belonged together, had been written differently from one another. (For instance “SG HAMBROS BANK & TRUST (BAHAMAS) LIMITED” and “SOCIETE GENERALE”). The algorithm would not have accounted for that and would have probably neglected the first company.
2. Many company names often consisted of similar names and words, but did not clearly belong together. For instance “ATLANTIC BANK OF COMMERCE LIMITED” and “ATLANTIC TOWER S.A.” do not belong to the same parent company, but would have been considered as such by the algorithm. Of course one could program the algorithm to only combine companies which share two or more similar words in the company name. But then for instance “KPMG CHANNEL ISLANDS LTD” and “KPMG Peat Marwick (Hong Kong) Ltd” would not have been considered as the same company.
3. A lot of intermediaries were actually individuals and not companies. Therefore names like “Juan” or “Lee” appear very often in the dataset and thus heavily distort the outcome of such a program.

Of course it would somehow be possible to program an algorithm or code a program that accounts for all that, but due to the structure of the data and our time constraints, we proceeded with the data manually.

Establishing the international intermediaries (in three countries or more)

Therefore we worked out all international intermediaries by carefully filtering the data with respect to companies, which business units or subsidiaries appear in at least three different countries. In several cases, some companies shared partly the same name, because some its components were common words (e.g. Prime, Atlas or Financial). If it was not possible to show that those companies actually belong together (which could be the case, since they are named similarly), they were excluded from the analysis.

Very often, it was obvious that intermediaries belonged to the same companies (e.g. “LOMBARD ODIER DARIER HENTSCH PRIVATE BANK & TRUST” and LOMBARD ODIER DARIER HENTSCH PRIVATE BANK LTD) but there were some cases where it was not that easy. We proceeded as followed:

- If two companies had a ‘generic’ word in common, e.g. PRIME X and PRIME Y and there was no obvious connection between the two, we assumed they were not related and we excluded them.
- If two companies had a ‘non-generic’ word in common (like a family name), we tried to establish whether there was a connection thanks to an additional internet research. Unfortunately a lot of smaller intermediaries don’t have websites and if they do, these ones don’t provide much information. If the connection could not be established, such intermediaries were also excluded.
- Only if the similarity between two companies was very striking (e.g. same family name and geographical location in the same of the companies) in the sense that the words used were exceptionally unusual or personal names were mentioned, those companies were included in the analysis.

Thus we tried to exclude all cases where companies shared similar names but were nevertheless not belonging to the same parent company. Despite our best efforts, we cannot however guarantee that we have correctly connected all intermediaries to their parent companies. Some mistakes are always possible but fortunately, in many cases, it was possible to conclude without a doubt to which parent company the intermediary belonged to.

Matching the international intermediaries with the number of offshore entities created

Once the names of the business units and subsidiaries of the international intermediaries were identified, we inserted them one by one into the ICIJ search engine, available on their website (see: <https://offshoreleaks.icij.org/>). This allowed for a connection to be made between the respective intermediary and all the offshore companies established by it. Then we summed up the number of companies linked to the respective business units of the intermediary to provide the overall number of offshore companies linked to the international intermediary in question. In order to replicate our findings it should be noted, that the search engine does not look for the name of the company as a whole, but for the different components of the name. E.g. if you insert “Bahamas Trust” it will show all companies, whose name include the word “Bahamas” and/or “Trust”.

Since we did not look for any connection between companies, if they did not share the same name (e.g. we did not account for subsidiaries with different names than the parent company) the number of entities, which we connected to the international intermediaries should be interpreted as a minimum. For instance: There are *at least 13285 known cases*, where UBS acted as an intermediary of an offshore company.

ANNEX 3: Comparing data on all intermediaries and on international intermediaries

When comparing Figure 2 and Figure 18 it should be noted that Figure 2 shows the distribution of *all* intermediaries, while figure 18 only shows the distribution of the number of times an *international* intermediary appears *at least once* in a certain country.

This is done to exclude duplicates which were not merged by the ICIJ, due to slight differences in spelling (e.g. “MAYFAIR TRUST GROUP LIMITED” and “Mayfair Trust Group Limited”) and business units, which changed or added their legal status (e.g. “MAYFAIR TRUST GROUP LIMITED” and “MAYFAIR TRUST GROUP”).

Those additional business units would distort the actual distribution. Unfortunately we were not able to exclude those cases in Figure 2, due to the structure of the dataset.

END NOTES

ⁱ ICIJ website: <https://panamapapers.icij.org/>

ⁱⁱ 2.5 million secret records about the offshore assets of people from 170 countries and territories

ⁱⁱⁱ 1.3 million documents from the business register of the Bahamas containing information from 175000 offshore companies, trusts and foundations created in the country between 1990 and 2016

^{iv} ICIJ website: <https://panamapapers.icij.org/>

^v ICIJ website: https://panamapapers.icij.org/the_power_players/

^{vi} ICIJ website: <https://panamapapers.icij.org/blog/20161201-impact-graphic.html>

^{vii} ICIJ website: <https://offshoreleaks.icij.org/>

⁸ The results are only slightly different if we add intermediaries which have been assigned to more than one country (e.g. “Singapore; Switzerland” or “Jersey; United Kingdom”). The top 10 countries ranking remains the same but numbers of intermediaries allocated to each country vary a bit. For example, UK jumps to 2102 intermediaries listed (as it gets those from Jersey, Guernsey and Isle of Man for example). See Annex 1 for more explanation and a combined intermediation approach.

⁹ see annex 2 on methodology for more explanation

¹⁰ In this situation, Jersey, Guernsey and Isle of Man are not taken into account. There were 12 cases of double-locations in the database which involve multiple European Member States. Such very small number only marginally affects the results with a combined intermediation approach, which is why we haven’t explored it in this section. Gibraltar is a British Overseas Territory which is listed separately in Figure 9 because it is formally part of the European Union (Article 355(3) of the TFEU) and as a separate jurisdiction to the UK, Gibraltar is responsible for the transposition of EU law into local law (even if Gibraltar’s membership to the EU is not distinct from the UK’s one).

¹¹ <http://www.imd.org/uupload/imd.website/wcc/scoreboard.pdf>

¹² <http://www.financialsecrecyindex.com/>

^{xiii} <https://panamapapers.icij.org/graphs/>

¹⁴ As mentioned before, the analysis of the information in the ICIJ database has limits. Since it is very difficult to clearly determine whether or not two intermediaries, who share a similar or the same name, actually belong together, the analysis is restricted to the companies, with a clear affiliation.

¹⁵ Due to lack of time, the author of this report couldn’t verify for the 140 international intermediaries listed whether they were effectively headquartered in Europe.

¹⁶ ICIJ did not account for all of the business units and subsidiaries of the banks they analyzed e.g. they did not add up all the offshore companies that had been requested by all the different subsidiaries of the Bank. They also didn’t specifically look for European Banks despite all of the top 10 Banks they ranked having a European parent company. See more: <https://panamapapers.icij.org/graphs/>

¹⁷ Note that Experta Corporate & Trust Services also belongs to the Banque Internationale du Luxembourg. In fact this subsidiary contributed heavily to the number of entities linked to the bank.