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Directorate-General for Communication
Directorate for Media
Media Services Unit

Round table meeting with Chair and Co-Rapporteurs Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion (PANA)

Tuesday 12 December 2017
10:00 - 12:00

European Parliament, Strasbourg

Programme

Louise WEISS building, room LOW R 5.1

10:00 - 10:15 **Opening and introduction - technical briefing**

- * Yannis DARMIS, Acting Director for Media and Head of the Media Services Unit
- * Ron KORVER, Administrator, Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion

10:15 - 10:45 **Meeting with the Chair of PANA Committee**

- * Werner LANGEN (EPP, DE)
- Q&A

10:50 - 11:50 **Round table with Co-Rapporteurs**

- * Jeppe KOFOD (S&D, DK)
- * Petr JEZEK (ALDE, CZ)

Q&A

Moderator: (tbc)

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Interpretation: DE, FR, EN, CZ

Background info

The European Parliament press service is holding a roundtable for journalists on the inquiry report and the recommendations of the Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion (PANA). The Parliament is to debate and adopt its position on these documents during the December plenary session.

Invited journalists will have the opportunity to discuss the issues with Werner Langen (EPP, DE), Chair of PANA Committee, and both Co-Rapporteurs: Jeppe Kofod (S&D, DK) and Petr Jezek (ALDE, CZ).

Panama papers scandal

Following the Panama Papers leaks, the European Parliament 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).

In the course of its mandate, the Pana Committee held 27 public meeting and organised seven delegation visits (United Kingdom, Luxembourg, the United States (Washington and Delaware), Malta, Portugal, Cyprus and Switzerland). Hundreds of experts were heard, including Commissioners, national politicians, investigative journalists, money laundering- and tax experts, academics, prosecutors, financial intelligence experts, lawyers, accountants, bankers and NGO representatives. Moreover, the Committee had commissioned nine academic studies on subjects of special interest.

Report and recommendation

The draft inquiry report presents the Committee's findings on discrepancies between the practices revealed in the Panama Papers and EU law, notably the Directives on Anti-money Laundering (AMLD) and on Administrative Cooperation in the field of Taxation (DAC). This report includes a factual part collecting and analysing the evidence taken into account by the Committee to arrive at its findings as well as the conclusions identifying contraventions of EU law and instances of maladministration.

The draft motion for Parliament recommendation to the Council and the Commission contain the co-rapporteurs' recommendations on how to improve the EU framework regarding, inter alia, Anti-money laundering and administrative cooperation in the area of taxation. Only this document will be open for amendments and will be voted by Parliament as a whole.

EU countries fail to fight money laundering and tax evasion, finds committee

Some EU member states are obstructing the fight against money laundering, tax avoidance and evasion, the EP committee of inquiry into the "Panama Papers" leaks concluded. The Committee of Inquiry into Money Laundering, Tax Avoidance and Tax Evasion (PANA) approved its final report by 47 votes to 2 with 6 abstentions on Wednesday 18 October, after an 18-month probe into breaches of EU law in relation to money laundering, tax avoidance and evasion. The committee also approved the inquiry recommendations, by 29 votes for to 2 votes against, with 18 abstentions.

Maltese investigative journalist Daphne Caruana Galizia, killed in a car bomb explosion

The committee paid tribute with a minute of silence to Maltese investigative journalist Daphne Caruana Galizia, who was killed in a car bomb explosion on Monday 16 October. Ms Caruana Galizia gave the committee evidence about her work on the Panama Papers at a meeting in February 2017 in Malta.

An oral amendment brought forward by David Casa (EPP, MT) condemning the “assassination” of the journalist, was overwhelmingly supported. The text described Ms Caruana Galizia as being “on the frontline of the battle against money laundering”.

Lack of political will among EU countries

MEPs expressed regret that “several EU member states featured in the Panama Papers.” They pointed to the “lack of political will among some member states to advance on reforms and enforcement.” This, they suggested, had allowed fraud and tax evasion to continue.

The committee was sharply critical of the secrecy surrounding the work of the Council’s Code of Conduct Group and highlighted how moves to counter tax evasion are often “blocked by individual member states.” It wants the Commission to use its authority to change the unanimity requirement on tax matters.

Common definitions of tax havens

The committee backed a call for a common international definition of what constitutes an Offshore Financial Centre (OFC), tax haven, secrecy haven, noncooperative tax jurisdiction and high-risk country. It gave overwhelming backing to a call for the Council to establish by the end of this year a list of EU member states with “where Non-cooperative Tax Jurisdictions exist.”

The committee members also supported a proposal that any entity with an offshore structure should have to justify to authorities their need for such an account.

The committee stressed the need for “regularly updated, standardised, interconnected and publicly accessible beneficial ownership (BO) registers.” It also called for proposals to close loopholes which allow for aggressive tax planning as well as more dissuasive sanctions at both EU and national level against banks and intermediaries “that are knowingly, wilfully and systematically involved in illegal tax or money laundering schemes.”

Quotes

Co-rapporteur Jeppe Kofod (S&D, DK) said: “Europe needs to get its own house in order before it can end the scourge of systematic money laundering, tax avoidance and evasion. It is clear that urgent reform is needed, not least within the Council Code of Conduct Group on business taxation. The citizens of Europe have a right to know what their national governments are doing - and not doing - in the Council to help end harmful cross-border tax practices.”

Co-rapporteur Petr Jezek (ALDE, CZ) suggested that the practices revealed by the Panama Papers were not inevitable. “Our conclusions are clear: had the EU and its member states played a more proactive role in the past, the problems revealed by the Panama Papers could have been avoided. They arose because EU legislation against money laundering and exchange of tax information was not properly implemented,” he said.