

GUE/NGL proposals for the work programme of the Panama Papers

Committee of Inquiry (PANA)

1. **Continued access** for MEPs, political advisors and APAs working on PANA to **COM meeting minutes and the full set of room documents** for Council working groups on matters relevant to the PANA's work. This would include at least:

- a. High Level Working Party on Tax Questions
- b. Working Party on Tax Questions
- c. Code of Conduct Group on business taxation
- d. Working Group dealing with AMLD issues
- e. Working Group dealing with company law issues (accounting directive etc.)

As work progresses, additional fora may become relevant and the scope of this point should hence be understood to cover all documents relevant to the fulfilment of the committee's mandate.

2. **Follow-up of TAX2** matters that were not completed due to time or external constraints (e.g. late delivery of documents by COM):

- a. Hearings with Member States' finance ministers on the findings of the TAX2 document analysis (hearings should generally be public, but where relevant information is exclusively contained in confidential documents, they could be organised in camera);
- b. Re-invitation of Marius Kohl and invitation of Wim Piotte from PwC Luxembourg as well as Fabien Grasser from Le Quotidien Luxembourg on allegations of administrative corruption in the context of the Luxembourg tax ruling practice¹;
- c. Follow-up with the COM on implementation of EP resolutions and requests therein (incl. TAXE, Dodds/Niedermayer, TAX2), in particular as regards elements with relevance for the work of PANA, e.g. provisions on financial and legal intermediaries, the protection of whistleblowers, measures against non-cooperative jurisdictions and the prevention of untaxed outbound profit transfers into third countries.

3. **Studies** to be requested (*once studies are commissioned, Members should be given the chance to comment on outlines at an early stage of the drafting process so as to bring final studies as much as possible in line with the committee's needs and expectations*):

- a. For each (legal) reference in the PANA mandate, summary paper on
 - i. specific connection of EU-level provisions with areas of PANA mandate,
 - ii. transposition and implementation of provisions in Member States and

¹ <http://www.lequotidien.lu/economie/luxleaks-quand-pwc-rendait-service-au-fisc/>

- iii. actions taken by Member States at national level;
 - b. Follow-up to TAX2 study on the role of the financial sector with a special focus on areas covered by the PANA mandate;
 - c. Follow-up to TAX2 study on the influence of EU law on the Member States' overseas territories and crown dependencies with a special focus on areas covered by the PANA mandate;
 - d. Study on/mapping of outbound profit transfers from the EU to third countries (including dependent and associated territories) and the role of Double Tax Agreements played in this context;
 - e. Assessment of UK (including dependent territories) policy in the area covered by the PANA mandate as well as taxation more broadly with a focus on existing arrangements as well as new developments as a consequence of the Brexit vote;
 - f. Practices and provisions of corporate criminal law in EU MS and the USA (or other relevant third countries) with a focus on authorities' capacity to prevent and prosecute tax, money-laundering or related crimes as well as the assistance or promotion of such crimes by legal and financial advisors or institutions;
 - g. The role of provisions and related pay schemes in the legal and financial intermediary industry with alleged contraventions of provisions in the area of the PANA mandate.
4. **Hearings/workshops** to be organised (*the format of hearings needs to be overhauled compared with TAXE/TAX2 for them to contribute to the fulfilment of PANA's mandate, i.e. more in-depth preparation by secretariat and more collaboration by all Members with a view to enticing information effectively and preventing evasive or empty answers*)
- a. Based on the endorsement of the TAX2 chair and several TAX2 coordinators following the TAX2 delegation to Washington D.C., a workshop with [Elise Bean](#), former staff director and chief counsel of the US Senate's Permanent Subcommittee on Investigations, as early as possible in the process so as to be able to build our work on conclusions from the extensive body of experience in the US with similar investigations;
 - b. ICIJ, in particular Gerard Ryle and Marina Walker, director and deputy director of the network, as well as journalists involved in the Panama Papers reporting;
 - c. The role of financial and legal intermediaries (separate hearings) in the creation and promotion of shell or letterbox companies, in particular where this results in the covering of, or constitutes in itself, contraventions of provisions in the area of the PANA mandate.

- i. Hearings with legal service providers should obviously include Mossack Fonseca, but also the even bigger players in this field (following claims that MF is the 4th largest offshore service provider globally);
 - ii. Hearings with financial service providers, in particular banks featuring in the Panama Papers revelations, should be complemented by an in-depth debate with financial/banking supervision authorities (including SSM) on their respective roles in preventing financial crime linked to offshore activities;
- d. A workshop on the ground at the premises of HSBC London on the practical workings of anti-money laundering and tax due diligence procedures and potential remaining regulatory gaps and shortcomings;
- e. Hearing with authorities (commissioners, national authorities) whose names have been directly or indirectly evoked in the context of the Panama Papers in order to allow them clarification of their relationship with Mossack Fonseca and to examine any possible inconsistencies;
- f. Technical hearing/workshop with experts from the Tax Justice Network and other stakeholders on potential gaps and regulatory shortcomings in the fourth and fifth anti-money laundering directive as well as other legal text of relevance to the mandate of the committee;
- g. With national competent ministers on the transposition and implementation of the anti-money laundering framework and other legal texts with relevance to the mandate of the committee. This hearing should in particular include Member States like Germany that have so far prevented more far-reaching transparency measures like a public beneficial ownership register, in contrast to the EP's position;
- h. With David Cameron on his alleged role in preventing the coverage of trust services already in the 2014 compromise on the anti-money laundering directive;