

Michel Sapin presents his action plan for the Washington meetings

In reaction to the facts revealed by the “Panama papers”, France repeats that it is committed to be at the forefront of the fight against all forms of tax fraud, tax evasion and aggressive tax planning. It has resolutely carried out this fight since 2012 at national level and in all European and international fora. In this context, French Finance minister Michel Sapin presents the proposals that France has crafted and will make this week at the Spring meetings in Washington (G20, IMF meetings).

More demanding requirements in the field of transparency and exchange of information, with a black list system comprising effective sanctions

- 1) France has just reinstated Panama on its list of non-cooperative States and territories and will ask the country’s authorities to give all financial information linked with French tax payers in relation to Panama. With this view, it will ask to re-negotiate its tax convention with Panama.
- 2) Going beyond the 96 countries that are already committed to implement the automatic exchange of information between tax administrations, France asks that all countries join the agreement signed in Berlin in October 2014, with a view to start exchanges by 2018 at the latest.
- 3) France wishes for the G20 to agree on the creation of a black list identifying non-cooperative jurisdictions from a tax point of view, based on the World forum on transparency and exchange of information’s assessments and making it possible to implement coordinated counter-measures.
- 4) The European Union should be a driving force in implementing such a mechanism. It should do so through the means of a directive with a set of deterrent measures jointly aimed at States and territories labelled non-cooperative at international level, whose enforcement would be mandatory in all 28 member States.
- 5) At European level, France asks for the reinforcement of cooperation between financial sector’s supervisory authorities with regard to anti-money laundering and counter-terrorism financing. This should ensure their total access to information, for instance giving the home supervisor of a banking group full access to the data of a branch or subsidiary established in another EU country.

Full access to information on beneficial owners of all forms of entities, notably trusts and other shell companies or offshore companies that are involved in complex financial schemes

- 6) France wishes that all countries set up harmonized registers of beneficial owners, covering all forms of entities (share companies, trusts, foundations, etc.).
- 7) France asks the OECD to work with the FATF in order to create a standard of automatic exchange of information on these owners’ identity.
- 8) France will make public its own register of beneficial owners of trusts and favors all countries doing the same.

- 9) France asks the OECD and the FATF to ensure that all intermediaries in international financial schemes effectively implement their due diligence with regard to tax matters and with regard to anti-money laundering matters.
- 10) France wishes for the European Union to examine possibly reinforcing the effectiveness of sanctions applying to intermediaries that foster or encourage tax evasion.

- 11) Besides, France confirms its willingness that all G20 and OECD countries implement consistently BEPS 15 actions, covering all international tax issues.
- 12) France also wishes to ensure that the automatic exchange of country-by-country reporting between tax administrations will be implemented at global level, so that all countries can have a global view of multinational companies on their territory, their constitutive entities, their establishments, the nature and scope of their activities and their tax burden, starting with 2016 financial period.
- 13) Last, France support setting up at European level an obligation for big companies to publish their activity and tax country by country. A proposal in this direction by the European Commission is expected tomorrow.