

LOOPHOLE MASTERS

How enablers facilitate illicit financial flows
from Africa



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How enablers facilitate illicit financial flows from Africa

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TABLE OF CONTENTS

Executive summary 4

Introduction 7

Methodology 9

Overview of enablers and services provided 11

Types of enablers..... 11

Services provided by enablers 12

What we found..... 14

Criminals and the corrupt enlist foreign enablers... 14

Most enablers are based in secrecy jurisdictions 18

Enablers provide corporate services in third countries 21

Policy implications and recommendations 23

Anti-money laundering regulation and supervision 23

Loopholes in the provision of cross-border services 25

Company ownership transparency 25

Capturing the role of enablers 26

Acknowledgements..... 27

Annex 28

Appendix 1. Detailed methodology 28

Appendix 2. Additional data tables..... 34

Endnotes 39

EXECUTIVE SUMMARY

Transparency International's analysis uncovers policy loopholes and regulatory blind spots that have allowed professionals operating in the non-financial sector to provide high-risk services and enable illicit financial flows out of Africa.

For too long, professionals and businesses operating in the non-financial sector have escaped both public and regulatory scrutiny. Corrupt officials from around the world have taken advantage of this, employing lawyers, company formation agents, real estate agents and notaries at various stages of the process of hiding, laundering and investing of their illicit gains. Lack of scrutiny has also meant that policy-makers have largely been unaware of the specific risks posed by these professionals and businesses.

Transparency International has undertaken an extensive review of available evidence to better examine the role of such intermediaries in facilitating illicit financial flows out of Africa. We collected and analysed 78 cases covering 33 African countries. These are cases which implicate politically exposed persons (PEPs) from across the continent in siphoning off proceeds of corruption abroad or parking their wealth offshore. Our analysis identifies specific enabling behaviours and high-risk services. It also reveals policy loopholes and regulatory blind spots that require decision-makers' attention.

In the reviewed cases, we were able to identify 87 professionals and businesses who fall under seven categories: accountants and audit firms (4), business consultancies (3), law firms or individual lawyers (42), notaries (4), real estate agencies (7), tax advisory businesses (1), and trust and corporate service providers, or TCSPs (26). All these have likely facilitated corruption and the hiding of wealth abroad – either through direct criminal involvement, negligence or failure to address risks related to their clients. In this report, Transparency International refers to them as “enablers” of illicit financial flows.

The seven types of enablers captured in our database performed 15 distinct services for their clients. These are services that are of critical importance to the corrupt as they help them remain anonymous, conceal the illicit origin of funds and circumvent enforcement measures. Services related to the creation or incorporation and management of companies and trusts appeared most frequently in our database, with lawyers and TCSPs providing the majority of these services. In general, lawyers provided the most diverse array of services, followed by TCSPs. Notaries and real estate agents mainly dealt with real estate purchases.

These 87 enablers are registered or incorporated in 30 different jurisdictions. By analysing the data on enablers and mapping the relationships between the jurisdictions where they were registered, where their clients were based and where they were providing their services, we observe three main patterns.

1. Corrupt rely on foreign enablers

In the 88 per cent of times an enabler was involved in a case, they provided services to clients who were based abroad. The British Virgin Islands (BVI), Panama, Switzerland, the United Arab Emirates (UAE) and the United States (US) are connected to a particularly high number of countries of origin for illicit financial flows in our database. The United Kingdom (UK) is particularly strongly linked to Nigerian cases, while Portugal is mostly linked to Angolan cases in our database.

Provision of services to clients abroad may make the due diligence process a lot more difficult. It may also reduce the chances of suspicious activity being flagged in the country where the corrupt individual is based. This is because enablers, when covered by anti-money laundering rules, only have to report suspicious transactions to authorities in the country where they are located and not where the client is based or from which the funds originate.

2. Enablers sell secrecy

Secrecy jurisdictions were the most important hubs for enablers providing services to clients in Africa. In the BVI, Cyprus, Mauritius, Panama, Seychelles, Singapore, Switzerland and the UAE, most enablers provided services related to the creation and management of legal entities and arrangements. The majority of services were related either to creation, administration and provision of nominee services or of an address for legal entities.

The importance of secrecy jurisdictions in these case studies aligns with wider evidence concerning the abuse of legal persons as a means of laundering corrupt funds.

3. Enablers deliver corporate services in third countries

Our analysis also shows that foreign enablers have often provided services from third jurisdictions, rather than where they are registered and regulated. This was the case in 46 per cent of times enablers in our database engaged with a client. Enablers registered in Switzerland provided their services – particularly relating to creating offshore companies and trusts – in the BVI, Panama and Seychelles. Similarly, the UAE emerged as a hub from which services are provided abroad, including in Cyprus, Gibraltar and Spain. Overall, the BVI emerged as the principal jurisdiction where enablers from abroad were delivering their services, largely to create legal entities on behalf of clients.

This provision of services outside of the jurisdiction of registration raises questions about who has the mandate to regulate and supervise these activities as well as relevant authorities' visibility of the entire population of enablers that may be providing services within their jurisdiction. It also raises questions about the types of checks currently conducted when enablers sub-contract local agents to act as intermediaries in a specific country.

RECOMMENDATIONS

While the sample of cases analysed for this study is not representative of the wider phenomenon of illicit financial flows out of Africa, patterns emerging from this analysis align with prior research on the crucial features of corruption and money laundering schemes: foreign enablers and opaque corporate vehicles. Transparency International calls on governments to close the loopholes that allow enablers in the non-financial sector to facilitate illicit financial flows:

- + Governments should ensure that professionals who provide the services covered in this analysis are subjected to anti-money laundering obligations, including customer due diligence, beneficial ownership identification and suspicious transactions reporting. They should require these professionals to undertake additional measures when their clients or the beneficial owners of legal entity clients are domestic or foreign PEPs, their family members or close associates. Governments should also more effectively supervise gatekeeper professions. Enablers who repeatedly fail their duties should lose their licences, in addition to facing other proportionate and dissuasive sanctions. Those found to be complicit should be investigated and prosecuted.
- + Governments of countries offering offshore services should increase regulatory and supervisory efforts of enablers. They should also ensure that those acting as corporate formation agents on behalf of enablers abroad are required to conduct due diligence and collect the necessary data themselves, rather than relying on the information provided by their client firms. Governments should require that, when employing services of third parties, gatekeepers can only engage with providers that are licensed and registered for supervision.
- + Governments should provide the public with adequate access to information on companies' beneficial owners. At a minimum, all those who have a role in preventing, detecting and following up on cases of possible financial crime – including enablers, a broad spectrum of authorities, civil society and the media – should have access.

- + Competent authorities such as law enforcement agencies and prosecutorial bodies should inquire about the role of intermediaries who might have facilitated crimes in their efforts to investigate corruption and money laundering. They should also open investigations against enablers who repeatedly feature in corruption and money laundering schemes. When seeking accountability, they should target both firms and individuals who enable financial crime.

Finally, gatekeepers themselves and their professional associations should strive for the effective implementation of anti-money laundering obligations, moving away from a check-the-box approach to compliance. Instead, they should meaningfully assess the risks posed by their clients and adopt effective measures to mitigate those risks. The profession should not tolerate complicit behaviour.

See pages 23-26 for the full list of recommendations.

INTRODUCTION

It is critical to more systematically examine the role that lawyers, accountants, corporate service providers and other professionals operating in the non-financial sector play in facilitating illicit financial flows out of Africa.

Africa disproportionately suffers from illicit financial flows, which refers to the movement of money that is illegally acquired, transferred or spent across borders.¹ African countries – both individually and collectively – have made commitments to curb illicit financial flows and recover stolen assets, and should undoubtedly be doing more to follow through on their pledges. However, the cross-border nature of illicit financial flows requires simultaneously addressing inadequacies in the frameworks of countries that serve as transit or destination jurisdictions for the funds leaving the continent.

These cross-border flows of funds would not be possible if corrupt officials, criminals and tax abusers across the continent could not enlist the services of enablers of financial crime operating all around the world. Bankers, wealth managers, real estate agents, notaries, lawyers, accountants and corporate service providers are all considered gatekeepers of the financial system. They are in a privileged position to identify, detect and prevent the flows of dirty money. When these professionals fail to do so due to negligence or complicity, they can end up becoming enablers of illicit financial flows.

Major financial data leaks of the past decade have helped demonstrate the critical role such enablers play in illicit financial flows, and in particular when it comes to large-scale, cross-border corruption. As these schemes typically involve layers of obfuscation, complex transactions and corporate structures that hide the true owners behind assets or transactions, the corrupt have availed themselves of services provided by enablers in both financial and non-financial sectors.

While financial institutions such as banks have long been in the spotlight for facilitating corruption and money laundering on a large scale, it is critical to more systematically scrutinise the role of those operating in the non-financial sector. These include: accountant and audit companies, business consultancies, law firms and individual lawyers, notaries, real estate agents, tax advisory businesses, and trust and corporate service providers. Non-financial gatekeeper professions are also often insufficiently regulated, despite international standards requiring that countries subject them to anti-money laundering requirements.

The involvement of enablers in cross-border corruption may vary in degree of complicity. Some enablers might be working with corrupt actors directly and in full knowledge of the criminal origins of their funds, making them professional enablers of financial crime. Others involved in the laundering of corruption might be several steps removed. For example, a lawyer may be preparing documents for the purchase of real estate that is being bought with funds that were previously transferred between numerous shell companies and investment vehicles. These companies would have been created with the help of a corporate service provider, illustrating that enablers can be found at all stages of the laundering process.

In a report on professional money launderers, the Financial Action Task Force (FATF) identified numerous case studies in which lawyers, accountants and corporate service providers complicitly acted on behalf of criminals. Research by Transparency International UK identified and classified a broad range of services provided by

enabler professions in the process of laundering illicit funds and kleptocrats' reputations in the UK, ranging from active compliance to full complicity.² Further, recent scholarship identified that kleptocrats rely on networks of enablers to hide their wealth offshore, with specific reliance on a small number of professionals that provide access to the wider network of offshore wealth management.³

To inform future policy action, this report aims to investigate the role of non-financial enablers in facilitating illicit financial flows linked to corruption in Africa. The objective is to identify patterns and trends in the case studies that illustrate the services provided, the type and location of the enablers. We also aim to identify the key jurisdictions within and outside of Africa that play a significant role in facilitating illicit financial outflows from the continent.

To achieve this, we compiled and analysed dozens of case studies involving cross-border corruption, hiding of offshore wealth and suspected siphoning of wealth from African countries in a database. We used this data to identify the patterns and map relationships between clients, enablers and their services. In doing so, we identify enabling behaviours of particular concern, common and high-risk services, as well as jurisdictions of concern in the context of illicit financial flows relating to these cases.

Gatekeepers or professional enablers?

The 87 non-financial enablers captured in this research appear in our database because they feature in suspected or confirmed cases of corruption and hiding of offshore wealth. In some cases, enablers were likely aware that they were facilitating corruption or money laundering, making them professional enablers. Other cases point to possible negligence or undue risks taken by the enablers. Additionally, some may have duly acted as gatekeepers by following the rules they were subjected to at the time of providing the services.

Because of the types of services they offer, they are highly likely to have facilitated corruption and the hiding of offshore wealth. This report will refer to them as "enablers", capturing all of those whose services are prone to abuse and who have a role to play in stopping the flows of dirty money.

METHODOLOGY

To analyse the role of enablers in facilitating illicit financial flows out of Africa, we collected information on cases available in the public domain. Data constraints have meant that our sample is not representative of the wider phenomenon, however.

Transparency International and our partners compiled cases of illicit financial flows linked to cross-border corruption across Africa and the obscuring of wealth held offshore. We focused on cases that likely resulted in significant⁴ outflows of funds from African countries. We created a database capturing data from 78 cases covering 33 different African countries as the origin of the corruption-related outflows. These include cases beginning in 1989 up to the present day with the majority of cases starting or taking place after 2010. Appendix 1 includes a full list of all the countries involved and a detailed methodology.

To enable a broad overview of different corruption cases in Africa, the case studies relied on a variety of sources. These included court cases resulting in convictions for corruption, indictments for ongoing cases, reports about fines by financial supervisors, as well as media investigations and data from large-scale leaks. The inclusion of media investigations and indictments allows for a more up-to-date view on corruption cases. This is because formal investigations and prosecutions for corruption take a long time, even when strong evidence for wrongdoing is already in the public domain due to journalistic reporting or a leak. The inclusion of data from large-scale leaks further allows us to analyse the mechanisms used to obscure ownership of wealth held offshore.

The case selection means that the analysis is based on cases with different levels of evidence. This means that for many cases involved in the report, there is no conviction and therefore no definitive evidence of criminality or complicity on behalf of an enabler. Due to these restrictions in the availability

of data, the involvement of an enabler in one of the cases covered does not necessarily suggest that they committed a crime, engaged in illegal conduct or knowingly ignored risks associated with their services.

While the database covers a series of issues ranging from the jurisdictions involved in the case, to the use of proxies and nominee services, to asset recovery efforts, we looked into the following elements to assess the role of enablers:

1. services provided by an enabler;
2. jurisdictions where the enablers were registered;
3. jurisdictions where enablers' clients were based;
4. jurisdictions where enablers provided their services;
5. linkages between jurisdictions of origin, enabler registration and service delivery.

When the case studies capture acts of foreign bribery, the focus of the analysis is on the role of enablers facilitating the laundering of the proceeds of the initial corrupt act.

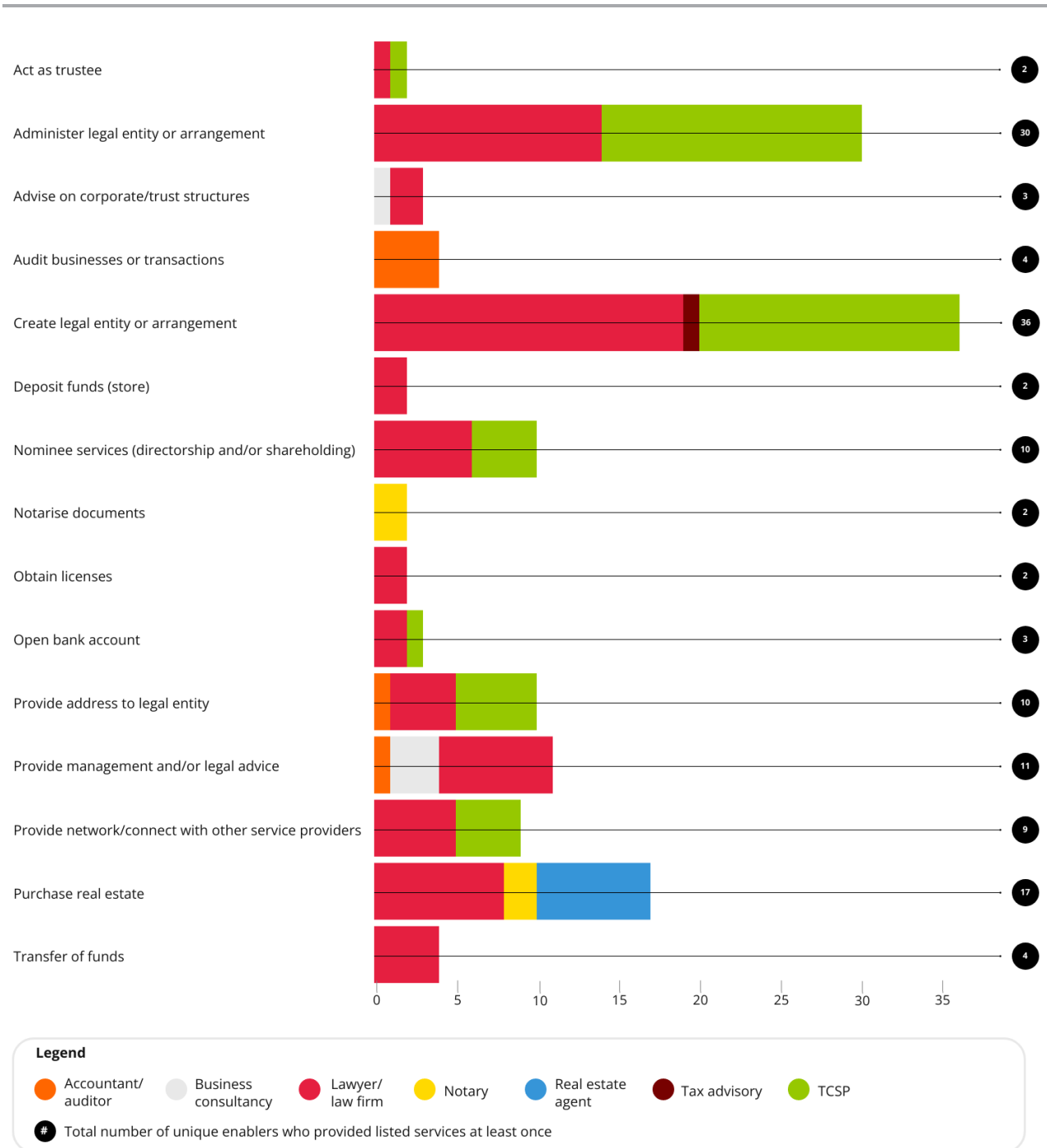
This is the first attempt to assess the role of gatekeepers in cross-border corruption cases that have likely resulted in significant losses to African countries. While comprehensive to the extent possible, the trends we uncovered are not representative of all cases that have resulted in illicit financial flows out of Africa.

There are limitations to this research approach. Due to the illicit nature of these financial flows, research based on open sources has relied on information from countries where court records or other relevant supervisory documents are made available. In addition, investigative reporting and leaks are one

of the few sources of information on the nature in which wealth is held offshore. Therefore, we relied on investigative reporting, which is typically based on large-scale leaks of data originating from individual companies providing their services to clients worldwide. The data used for the analysis is

therefore not representative of the wider phenomenon of illicit financial flows and does not have external validity. The analysis focuses on descriptive observations that are illustrative of patterns viewed in the cases analysed.

FIGURE 1: SERVICES BY CATEGORY OF SERVICE



OVERVIEW OF ENABLERS AND SERVICES PROVIDED

We identified a diversity of enablers who provided an even greater diversity of services to politically exposed persons from Africa. Most services captured in our database were related to the creation and management of companies and trusts.

TYPES OF ENABLERS

In the cases analysed, we identified 87 professionals involved, including accountants and audit firms (4), business consultancies (3), law firms or individual lawyers (42), notaries (4), real estate agencies (7), tax advisory businesses (1), and trust and corporate service providers, or TCSPs (26). Importantly, there may be overlap in the roles played by different enabler types, in particular law firms and TCSPs. Both accountants and lawyers may be specialised in providing offshore corporate services, while accountants may also provide tax advisory services. The data captured followed the identification of the enabler type within the sources. This overlap further indicates that regulatory and supervisory efforts must focus on the types of services provided by professionals.

The prevalence of one type of enabler over another does not necessarily indicate that corrupt elites relied on them more in the cases covered in the analysis. While services provided by some categories

of enablers are highly likely to be needed in corruption and money laundering schemes, the differences in the number of enablers captured in the analysis is also linked to what information is available in the public domain. Certain types of services might not be explicitly mentioned, or little might be known about the involvement of specific enablers. For example, at least 20 of the cases analysed involve real estate properties. However, due to gaps in the information available publicly, we were only able to identify seven real estate agents connected to these cases.

The majority of enablers in the cases assessed are only involved in one case. All the enablers that are involved in three cases or more are either law firms or TCSPs. Many of the enablers that appear in more than one case were central to the data leaks that resulted in the investigative reporting used as a basis for the case studies in the first place. For example, the enabler firm linked to the highest number of cases is the British Virgin Islands subsidiary of Mossack Fonseca (9), the firm at the centre of the Panama Papers leak.

Real estate agent used by Nigerian political exposed persons

While perpetrators of corruption in the cases assessed seem to rely on different professional enablers, we were able to identify at least one UK-based real estate agent, Daniel Ford & Co. Ltd., which appears to have catered to several Nigerian politically exposed persons (PEPs).

According to allegations brought forward by US investigators, two Nigerian businessmen allegedly conspired to bribe former Nigerian petroleum minister Diezani Alison-Madueke by purchasing real estate in and around London for her benefit. The businessmen reportedly used Daniel Ford & Co. to purchase the real estate properties for Alison-Madueke's benefit in 2011 via companies from the British Virgin Islands and Seychelles. The bribes were allegedly paid to secure oil contracts in Nigeria.⁵ According to media reports, the real estate agent responsible for the transaction was later arrested by Nigerian anti-corruption authorities.⁶

In another case, investigative journalists reported that Nigerian Senator and former Minister of Aviation Stella Oduah reportedly transferred US\$71,973 to Daniel Ford & Co. via one of her Nigerian companies. The transfer occurred one month before the purchase of a GBP 5.6 million London apartment. The corresponding bank reportedly flagged the transaction as possible money laundering in a suspicious transaction report to the US Treasury's Financial Crimes Enforcement Network.⁷

SERVICES PROVIDED BY ENABLERS

One of the principal areas of interest when analysing the role of enablers in the case studies covered in the database is the type of services that the enablers provided. The FATF standard requires the imposition of customer due diligence and record-keeping requirements for the professions captured in this report due to the type of services they may provide to their clients.⁸ These activities carry with them an inherent risk of facilitating corruption or laundering of the proceeds of corruption. For example, a company set up by a lawyer on behalf of a corrupt politician can be used to hide embezzled funds, or a real estate purchase can be funded with the proceeds of corruption.

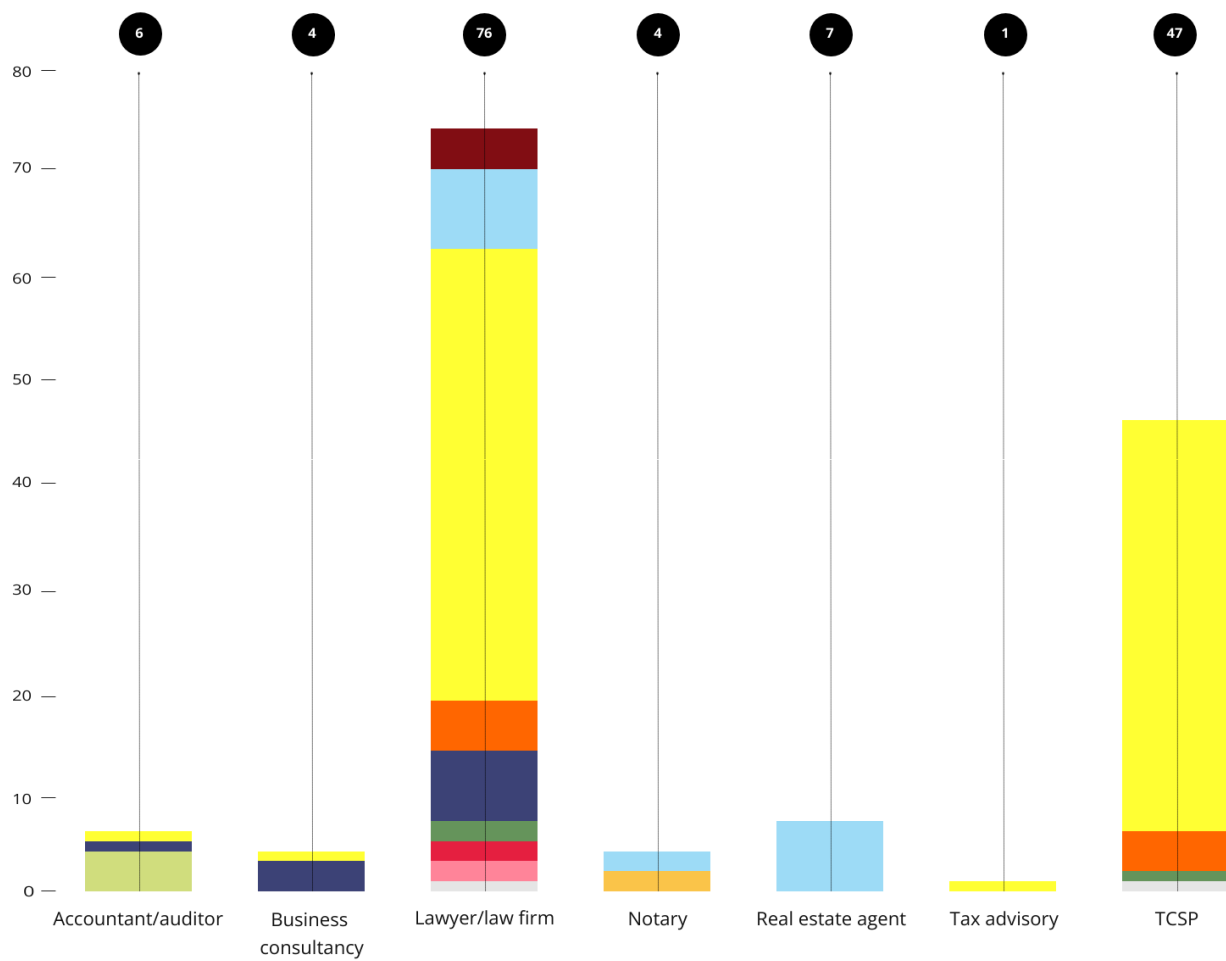
While not all services carried out by professional enablers directly support an act of corruption, they are usually crucial to helping corrupt elites operate.

We identified a wide range of services that may have facilitated the laundering of the proceeds of corruption from African countries (see Figure 1 or Table 6 in the Annex).

The most prominent activities were the creation or incorporation of a legal entity or arrangement as well as the administration of such a legal entity or arrangement. This is likely due to two main reasons: (i) the known role of shell companies in corruption cases,⁹ which requires this type of service to be provided; and (ii) the fact that many cases come from leaks from offshore service providers, which offer exactly this type of service.

The analysis shows that certain services may be provided by different types of enablers. As such, the data reveals two main groups of enablers. The first group offers a wide variety of services, while the second group specialises in concrete services. Lawyers provided the most diverse services (13 different services), followed by TCSPs (7 different services). This could be because lawyers and TCSPs are versatile and offer many services that could be useful to laundering corrupt money. It might also be because there are more of these enablers in our dataset. In contrast, notaries and real estate agents mainly dealt with real estate purchases.

FIGURE 2: SERVICES BY TYPE OF ENABLER



Legend

- Act as trustee
- Deposit funds (store)
- Obtain licenses
- Provide management and/or legal advice
- Provide trust and company services*
- Transfer of funds
- Audit businesses or transactions
- Notarise documents
- Open bank account
- Provide network/connect with other service providers
- Purchase real estate

● Total number of unique enablers who provided listed services at least once

* "Provide trust and company services" category includes the following services: Administer legal entity or arrangement; Advise on corporate/trust structures; Create legal entity or arrangement; Nominee services (directorship and/or shareholding); Provide address to legal entity. See Table 6 in the Annex for a detailed breakdown.

WHAT WE FOUND

By analysing the data on enablers and mapping the relationships between the jurisdictions of where they were registered, where their clients were based and where they were providing their service, we made three key observations.

CRIMINALS AND THE CORRUPT ENLIST FOREIGN ENABLERS

The data clearly shows that the majority of enablers are providing services to foreign clients. In 88 per cent of times an enabler was involved in a case, they provided their services to clients who were based abroad (see Figure 3).¹⁰ This is further illustrated by the large number of enablers from Europe captured in the dataset (see Figure 4). Only in the case of notaries and real estate agents is there a more significant participation of domestic professionals.

This illustrates the importance of foreign enablers for corrupt individuals seeking to launder the proceeds of crime. While they will also rely on domestic professional enablers, many of the services required to launder their funds are being provided by enablers abroad.

The connection between jurisdictions of origin of illicit financial flows and the countries in which the enablers are registered is further illustrated when mapping the connections between the two. Figure 5 illustrates each unique combination of a client and enabler.

The BVI, Panama, Switzerland, the UAE and the US are connected to a particularly high number of countries of origin for the illicit financial flows. The UK is particularly strongly linked to Nigerian cases, likely reflecting the nature of the underlying cases.¹¹ Portugal is also largely linked to Angolan cases, with only Mozambique being represented as an end-client of a Portuguese enabler.

Nigeria also stands out as having a higher number of domestic enablers involved in cases than in comparable jurisdictions. This is due to cases involving, for example, Nigerian lawyers managing trusts on behalf of their clients that are then used to move funds abroad. The prominence of Nigerian enablers in the data is likely due to high levels of detail on the role of enablers being available for the Nigerian cases but could also reflect the large professional services sector in the country.

The assessment illustrates the role of foreign enablers in the analysed cases across Africa. Secrecy jurisdictions are of particular importance to a wide range of countries, while some cases indicate specific links to former colonial powers, particularly for Angola and Nigeria.

FIGURE 3: ENABLERS' DOMESTIC AND FOREIGN CLIENTS

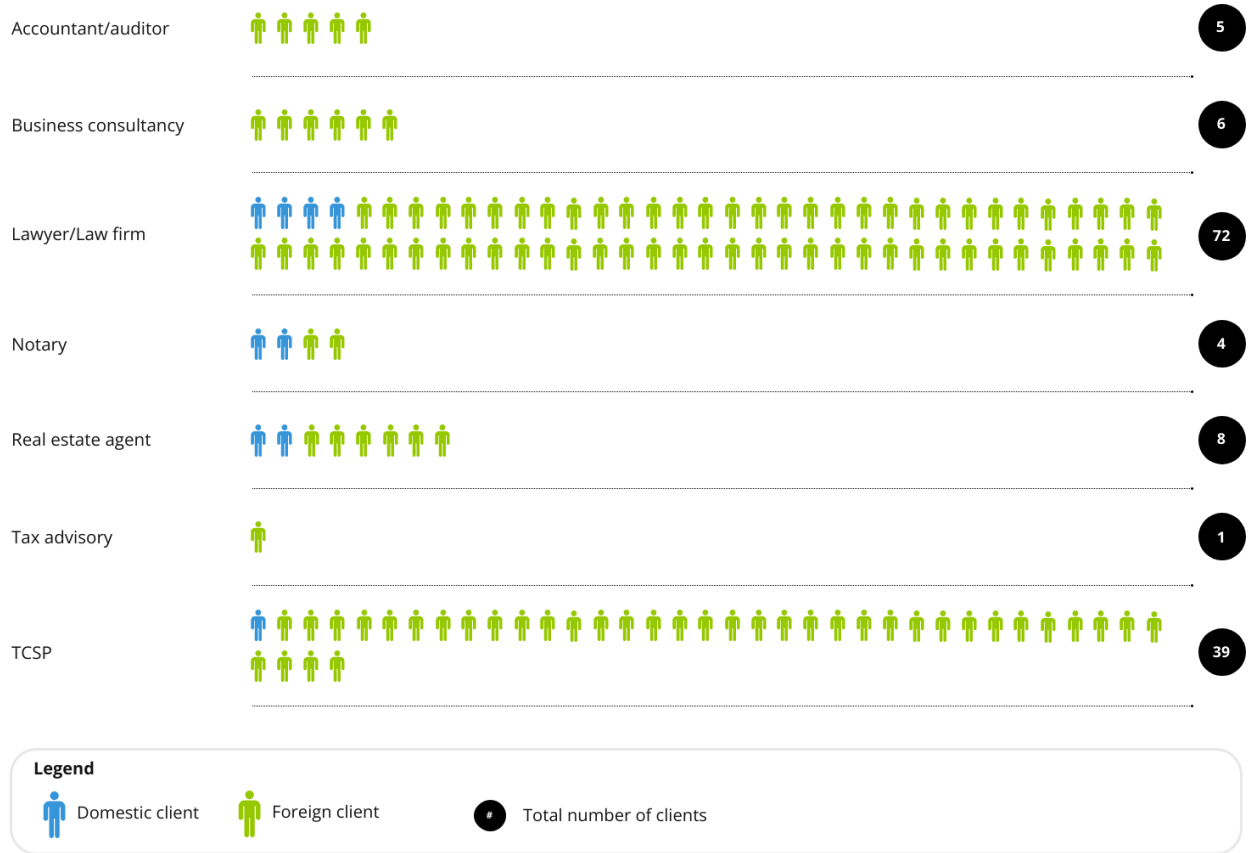
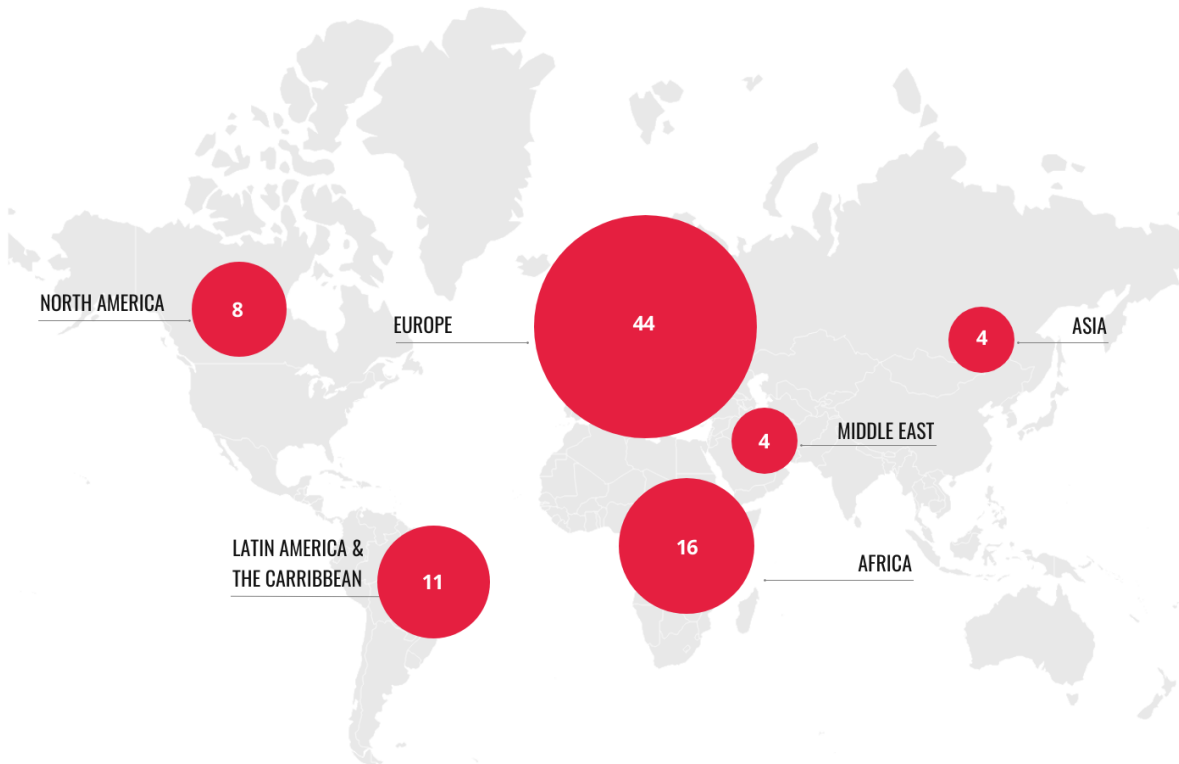


FIGURE 4: ENABLERS BY REGION



Denis Sassou-Nguesso’s offshore company

The case of Congolese president Denis Sassou-Nguesso’s alleged ownership of a company registered in the British Virgin Islands provides a good example of the pattern of enablers providing services to clients abroad. According to investigative reporting based on the Pandora Papers leak, Denis Sassou-Nguesso was the owner of a BVI-registered company which was registered and administered by Panamanian law firm and offshore services provider Alemán, Cordero, Galindo & Lee (Alcogal). This company reportedly owned shares in another BVI company, Ecoplan

Finance Ltd., which in turn owned shares in a Congolese construction and real estate company that held rights to diamond mines in the Republic of Congo.¹²

The leaked document from Alcogal lists a Swiss wealth management company, FID Elite Wealth Services SA, as the correspondent contact for the company.¹³ It is not reported whether Sassou-Nguesso was a direct customer of Alcogal, or whether they were hired via the wealth management company. The document suggests that FID Elite Wealth Services provided an address to the BVI company. It is not clear whether it was also involved in the administration of the company’s operations.

MOST ENABLERS ARE BASED IN SECRECY JURISDICTIONS

Enablers captured in the dataset were registered or incorporated in 30 different jurisdictions. The most common jurisdiction of registration based on individual enablers involvement in a case are: the British Virgin Islands (17), followed by Switzerland (12) and the United Kingdom (11).

In the BVI and the UK, lawyers and law firms accounted for the majority of times an enabler was involved in a case (14 and 7), while in Switzerland it was TCSPs (7).

Not coincidentally, four of the top five jurisdictions where enablers are based – the BVI, Switzerland, the UAE and the US – also feature among the top secrecy jurisdictions in the Tax Justice Network’s 2022 Financial Secrecy Index.¹⁴ Furthermore, the BVI, Panama, Seychelles, Singapore and the UAE, all of which feature in the top 10, all have the worst possible score on legal entity transparency (100/100), meaning that they have particularly poor corporate ownership transparency.¹⁵ Mauritius (98/100), Switzerland (90/100) and the United States (93/100) also have poor scores for legal entity transparency.¹⁶

Secrecy jurisdictions such as Cyprus, Mauritius, Monaco and Singapore also appeared multiple times (each tied with 3 observations). Table 8 in the Annex contains details for all 30 jurisdictions captured in the dataset.

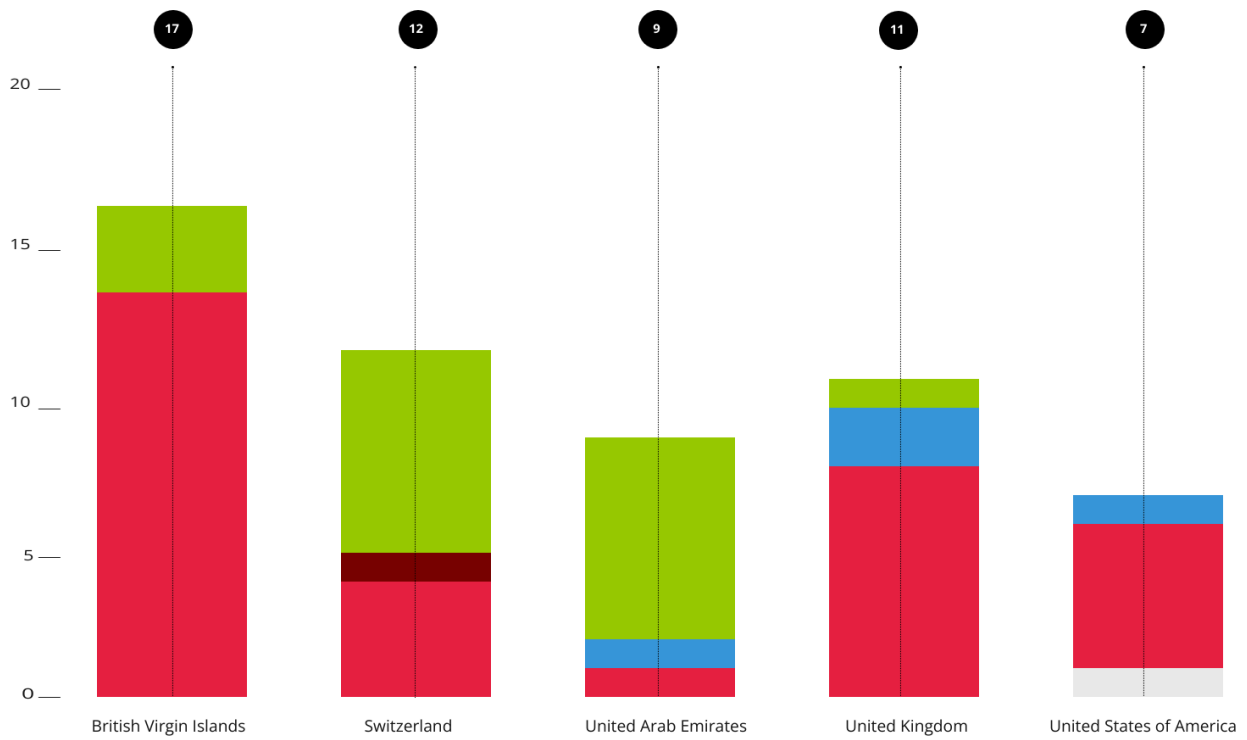
Nigerian and Portuguese enablers appear in our database multiple times as well. This is likely linked

to the underlying case study selection. There are a high number of detailed cases available for Nigeria, which has resulted in a significant number of Nigerian enablers being captured in the dataset. For Portugal, the large and complex case of the former Angolan president’s daughter Isabel dos Santos’ alleged corruption exposed in the Luanda Leaks reporting has highlighted the role that Portugal-based enablers played in supporting her business empire.¹⁷

While enablers in secrecy jurisdictions appear more frequently in the data, an analysis of the services provided by the enablers registered in the top 5 jurisdictions provides a more nuanced picture (see Figure 7). In the BVI, Switzerland and the UAE, the enablers largely provided services related to the creation and management of legal entities and arrangements. The majority of services recorded are either the creation of a legal entity, the administration of a legal entity, the provision of nominee services, the provision of an address for a legal entity, or connecting clients with other enablers.

The UK and the US, in turn, appear to have a wider diversity of services being provided by the enablers registered there. While also providing the many of the services linked to the creation and management of legal entities, they also provided services linked to the purchasing of real estate, providing management and legal advice, and financial transactions such as transferring funds on behalf of a client. This likely both reflects the strength of their respective professional services industries (especially in the UK and the US) as well as the prominence of Angolan and Nigerian case studies in the dataset.

FIGURE 6: ENABLERS IN TOP 5 JURISDICTIONS

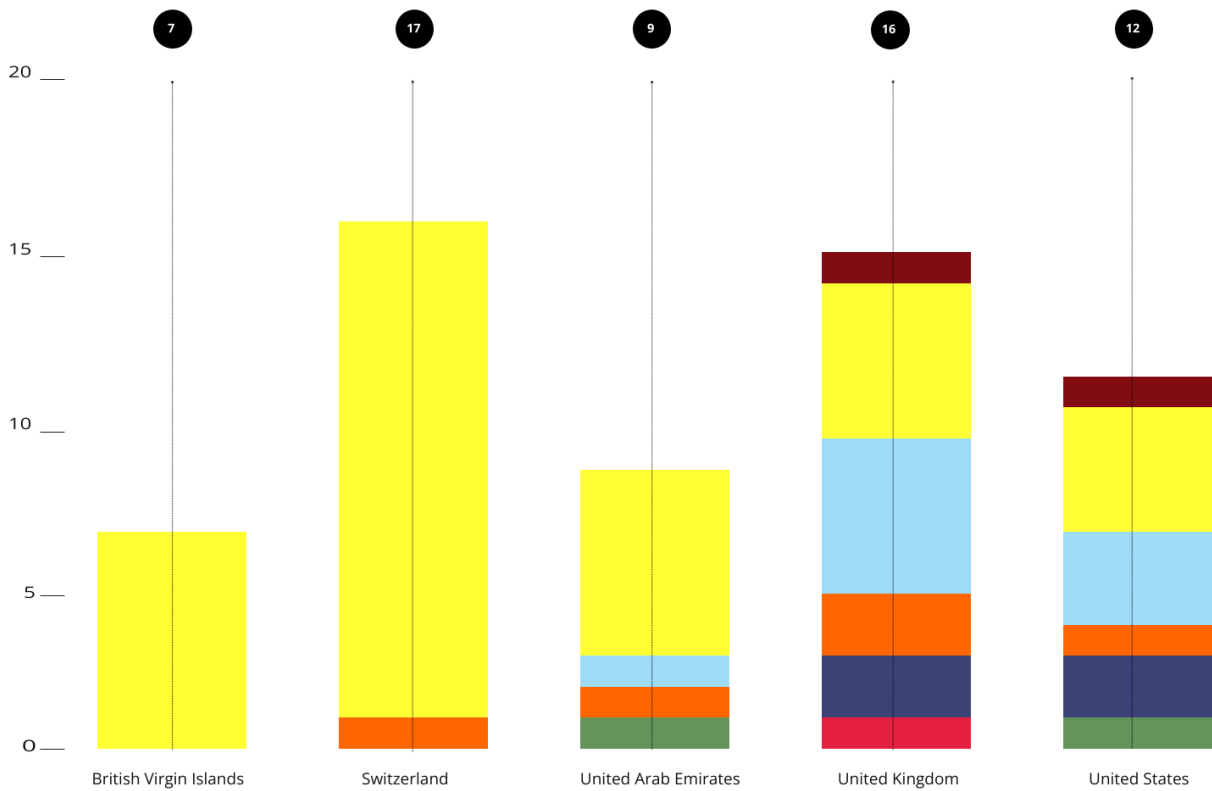


Legend

- Accountant/auditor
- Business consultancy
- Lawyer/law firm
- Notary
- Real estate agent
- Tax advisory
- TCS

Total number of times that unique enablers were involved in the cases

FIGURE 7: SERVICES IN TOP 5 JURISDICTIONS



Legend

- Act as trustee
- Deposit funds (store)
- Obtain licenses
- Provide management and/or legal advice
- Provide trust and company services*
- Transfer of funds
- Audit businesses or transactions
- Notarise documents
- Open bank account
- Provide network/connect with other service providers
- Purchase real estate
- Total number of unique enablers who provided listed services at least once

* "Provide trust and company services" category includes the following services: Administer legal entity or arrangement; Advise on corporate/trust structures; Create legal entity or arrangement; Nominee services (directorship and/or shareholding); Provide address to legal entity. See Table 7 in the Annex for a detailed breakdown.

ENABLERS PROVIDE CORPORATE SERVICES IN THIRD COUNTRIES

Enablers sold their services in third countries in 46 per cent of instances they engaged with a client.¹⁸ Notaries and real estate agents in particular provided the majority of services where they were registered (100 per cent and 88 per cent respectively), which is to be expected given the nature of real estate transactions.

Lawyers (44 per cent) and TCSPs (54 per cent) had a decidedly more mixed profile, likely reflecting the diversity of services they provide as well as the focus on providing offshore corporate services. Business consultancies and the one case involving a tax advisory firm saw more services being provided abroad.

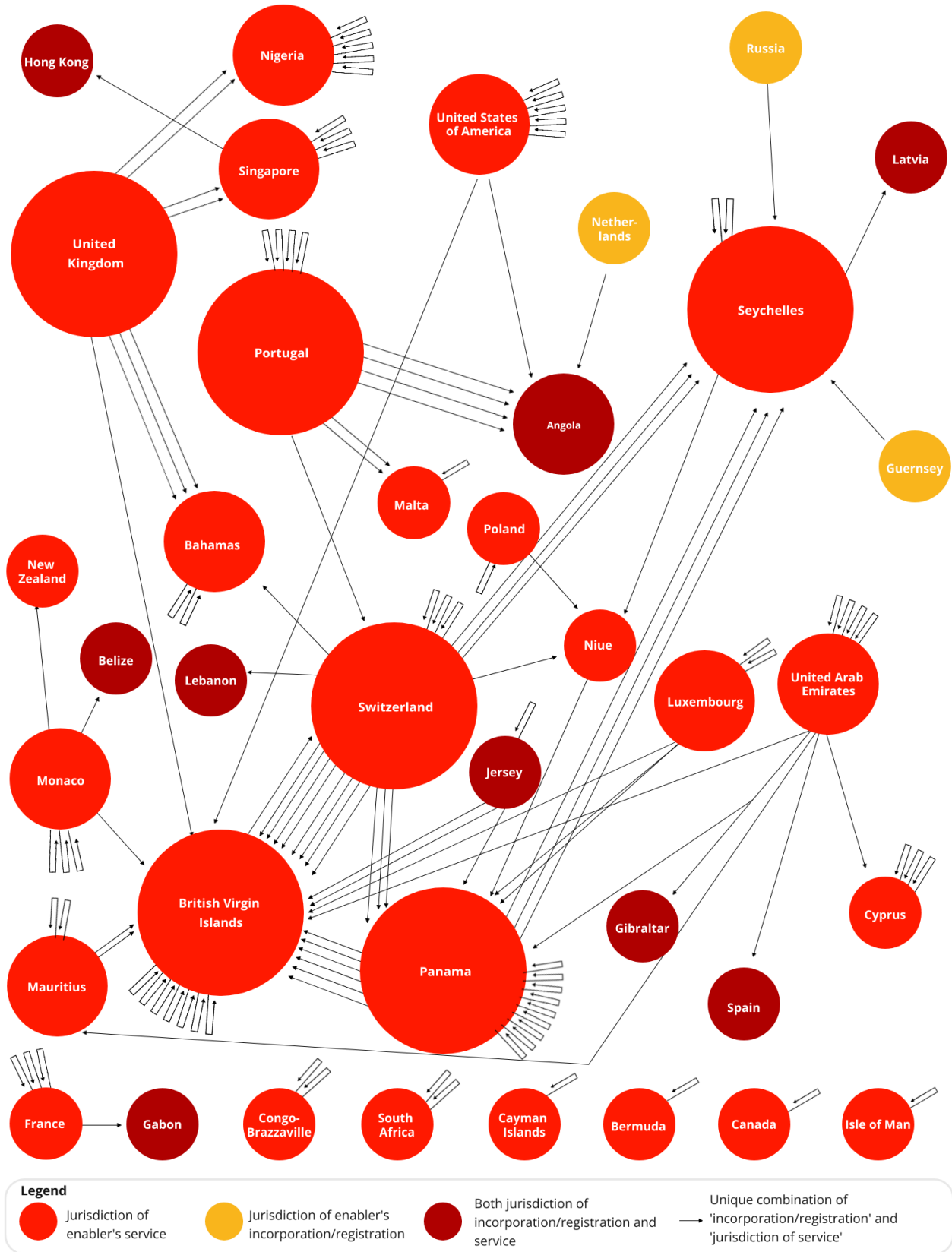
When mapping the connection between the jurisdiction in which an enabler is registered and where they provide their service, the linkages between enabler hubs and secrecy jurisdictions become even more apparent (Figure 8). There are significant linkages between Switzerland and several secrecy jurisdictions as well as between Panama and other secrecy jurisdictions. Enablers registered in Switzerland provided their services, particularly those relating to creating offshore companies and trusts, in the British Virgin Islands, Panama and Seychelles. Similarly, the United Arab Emirates emerge as a hub from which services are provided abroad, including in Cyprus, Gibraltar and Spain.

Enablers can provide their trust and corporate services in other jurisdictions largely through two approaches. Either they act on behalf of clients and directly incorporate companies or serve as trustees or nominee directors in a third country, or they sub-contract local enablers to provide those services on their behalf. Each mechanism has its own risks. In the former, the authorities in the jurisdiction where the services are being provided do not have a full view of who is providing high-risk services and whether or not that enabler is subject to anti-money laundering obligation. Foreign enablers providing these services may also not be required to report suspicious transactions concerning these services to the authorities where they are delivering the service. In the latter, the sub-contracting of services provides an additional layer of distance between the final client and the enabler, making it more difficult to identify and report suspicious cases.

This pattern raises questions about how the provision of such services outside of the jurisdiction

of registration is regulated and supervised. Supervisors in the hub countries, such as Switzerland, may not know where the non-financial enablers are providing their services. Similarly, regulators in the British Virgin Islands or in Seychelles may not know the extent to which service providers from abroad are hiring registering agents in their jurisdictions to create companies.

FIGURE 8: JURISDICTIONS OF ENABLERS' REGISTRATION AND THEIR SERVICES



POLICY IMPLICATIONS AND RECOMMENDATIONS

Governments should address regulatory and policy gaps that allow enablers to facilitate illicit financial flows. Gatekeeper professions need to move away from a check-the-box approach to compliance. Civil society should scrutinise the enablers more.

ANTI-MONEY LAUNDERING REGULATION AND SUPERVISION

The analysis shows that the services provided by enablers are of critical importance to individuals and entities reportedly engaged in corruption. Enablers have been providing, knowingly or unknowingly, a wide range of services needed by the corrupt to maintain anonymity, conceal the illicit origin of funds and circumvent regulations. As they have access to crucial information, enablers are also well-positioned to detect suspicious cases early on and to report them to authorities. When they are not obliged or fail to do so, the impacts are highly detrimental to society and the financial system.

The cases we analysed show that, almost always, lawyers and TCSPs were used to incorporate companies, serve as nominee directors or shareholders, or provide an address for companies. However, in many countries where these professionals are based, including many of those appearing in this analysis, they are not required to ask questions about the individuals owning the company, nor to report suspicious transactions to authorities. In some countries, certain professionals have these obligations, while others providing exactly the same services do not.

The findings underscore the need for countries to have a comprehensive approach when implementing anti-money laundering regulations. All professionals that are engaged in activities that could be abused by corrupt individuals and money launderers are in a privileged position to detect suspicious behaviour, and should be required to do

so. To achieve this, they need to have a good understanding of who the ultimate beneficial owners of their clients are and conduct enhanced checks in cases considered to be at high-risk of money laundering.

Legal professionals have regularly raised concerns about client confidentiality and sought exemptions from anti-money laundering obligations. However, such concerns should not impede regulation of these types of services. In the case of lawyers, in particular, a distinction between the provision of corporate and financial services should be made compared to traditional legal representation. Client confidentiality should only be applied in the latter case and should never be used to cover up complicit behaviour by the lawyer.

Our analysis also demonstrates that most of the companies used in the analysed corruption schemes relied on professional services for their management. This raises questions about the role of nominee directors and shareholders, as well as trustees, and the extent to which they adequately fulfil their functions. Administering a legal entity or arrangement entails specific responsibilities. Countries should ensure that those performing these functions professionally are, in fact, executing the expected responsibilities and are sufficiently informed about the legal entity or arrangement, and not simply assigning their name or turning a blind eye to suspicious activities. As a starting point, they should be required to have a licence to provide these services, be subject to anti-money laundering regulations, and disclose their nominee status to authorities, including to the company register. Countries should also establish measures to

address and potentially punish nominee directors who do not fulfil their obligations or are found to be complicit. These can vary from fines to disqualification, to civil or criminal charges.

Moreover, as the cases we analysed focus on cross-border corruption, most of the clients we were able to identify are politically exposed persons (PEPs). In some cases, family members or close associates of PEPs seem to have been the ones to whom services were provided, while in others the actual PEP is recorded in documents or correspondence with enablers. For some of the services provided, it is very clear that the profile of the client did not match or justify the services provided (e.g., creating an offshore company or opening offshore bank accounts). This in itself should have raised red flags, particularly because some are well-known figures and a simple web search could have been sufficient to gain detailed insight into their background.

Enablers must pay special attention to clients who are PEPs, or who are close associates or family members of PEPs. Enhanced due diligence should be conducted to understand the source of funds and how the services being provided fit with the profile of the person. International standards also call for senior management approval when clients are PEPs. This, however, may be more challenging to implement when services are provided by individual professionals or smaller firms. It is therefore crucial that effective supervision is in place, including on-site visits and reviews/audits of due diligence checks conducted to ensure the risk appetite of enablers is adequate, and that the needed checks and reporting are actually being conducted.

Recommendations

- + Governments should ensure that all professionals providing services that raise money laundering risks are required to be licensed and registered for anti-money laundering supervision in the country where they operate.
- + Governments should ensure enablers are subjected to anti-money laundering obligations, including customer due diligence, beneficial ownership identification and suspicious transactions reporting. Given that certain types of services can be provided by various types of enablers, government regulation should follow an activities-based approach rather than sectoral.
- + Government authorities should require enablers acting as professional nominee directors, resident agents or trustees of legal entities and arrangements to disclose their status to government authorities. Their name, licence information and nominee status should be disclosed and made available in the company register and accessible to the public. The failure to fulfil their obligations in the administration of the legal entity or arrangement should be subject to sanctions, including temporary or permanent disqualification, fines or criminal charges.
- + Governments should require enablers to undertake additional measures when their clients or the beneficial owners of legal entity clients are domestic or foreign PEPs, their family members or close associates. This should include conducting enhanced due diligence, checking the source of funds and, when relevant, seeking senior management approval.
- + Governments should also more effectively supervise gatekeeper professions. The level of scrutiny and focus on specific activities or sectors should be informed by risk. Adequate on-site and off-site inspections should be regularly conducted, including a review/audit of client documentations and reports submitted to authorities, with a focus on effectiveness rather than simple compliance with the rules. While not ideal, if supervision is the responsibility of professional bodies, they must be subjected to clear rules and government oversight.
- + Governments should also dedicate adequate resources to targeting professional enablers of financial crime. Those found to be complicit should be investigated and prosecuted. Enablers who repeatedly fail their duties should lose their licences, in addition to other proportionate and dissuasive sanctions.
- + Enablers and their professional associations should strive for the effective implementation of anti-money laundering obligations, moving away from a check-the-box approach to compliance, and meaningfully assessing the risks posed by different clients and the mitigation measures to be adopted. Complicit behaviour should not be tolerated within the profession.

LOOPHOLES IN THE PROVISION OF CROSS-BORDER SERVICES

The analysis shows that individuals suspected of corruption are likely to use the services of enablers based in a foreign country. This may make the due diligence process a lot more difficult. It may also reduce the chances of suspicious activities being flagged in the country where the corrupt individual is based. This is because enablers, when covered by anti-money laundering rules, only have to report suspicious transactions to authorities in the country where they are located and not where the client is based or where the funds originate.

Our analysis also shows that, in some cases, foreign enablers have offered services from third jurisdictions and not those where they are officially based (and regulated). For instance, enablers registered in financial hubs such as Switzerland, the UK and the UAE were the focal points from which services were provided abroad. The BVI emerges as the principal jurisdiction where enablers from abroad were providing their services, largely to create legal entities on behalf of their clients.

Understanding where enablers are registered and where they actually deliver their services is therefore key to understanding their involvement in facilitating illicit financial flows. This provision of services outside of the jurisdiction of registration raises questions about who has the mandate to regulate and supervise these activities as well as the visibility for the relevant authorities of the whole population of enablers that may be providing a service within their country. It also raises questions about the types of checks currently conducted when enablers sub-contract local agents to act as intermediaries in a specific country.

For example, Panama requires that foreign gatekeepers use local agents when opening companies. However, there is no requirement for these gatekeepers to obtain information on clients from foreign enablers, if these are subject to anti-money laundering requirements. Additionally, even though local agents are in theory subject to anti-money laundering legislation, FATF found that only 12 per cent of them had registered for supervision.¹⁹

Governments should ensure that any professional operating in their countries on behalf of clients should be regulated and supervised for anti-money laundering. If the involvement of a professional is not required to open a company, governments should ensure that the company register is

mandated and resourced to conduct checks, and required to submit suspicious transactions reports.

Recommendations

- + Governments of countries offering offshore services should increase regulatory and supervisory efforts of enablers. They should also ensure that those acting as corporate formation agents on behalf of enablers abroad are required to conduct due diligence and collect the necessary data themselves, rather than relying on the information provided by client firms.
- + Governments should ensure that company registers are empowered and have the resources for conducting checks and reporting suspicious transactions when legal entities are incorporated directly by the ultimate owner, without the involvement of professional service providers.
- + Governments should ensure they have a good understanding of the money laundering risks of different sectors, paying particular attention to risks associated with foreign clients, ensuring enablers have the adequate mitigation strategies in place to deal with the identified risks.
- + Governments should require that, when employing services of third parties, gatekeepers can only engage with providers that are licensed and registered for supervision.
- + Governments should consider to proactively share information with foreign counterparts, in particular in relation to suspicious transactions flagged by enablers in their countries with potential links to money laundering and predicate offences in another country.

COMPANY OWNERSHIP TRANSPARENCY

Secrecy jurisdictions were the most important hubs for enablers providing services to clients in Africa. In the BVI, Cyprus, Mauritius, Panama, Seychelles, Singapore, Switzerland and the UAE, most enablers provided services related to the creation and management of legal entities and arrangements. In Nigeria, Portugal, the UK and the US, enablers provided a wider range of activities.

In particular, the jurisdictions which were preferred destinations for the creation of legal entities and arrangements had a key feature in common at the time when the services were provided. They all allowed for the establishment of anonymous

companies. None of them required the beneficial owners of legal entities to be identified and recorded with a government authority. Apart from Switzerland, which still does not have a register of companies' beneficial owners, other countries have since then taken steps to record this information with government authorities. Nevertheless, among other issues, opacity remains the norm across all of them. Information is not available to civil society organisations, journalists or businesses, nor to members of the general public. In some of the countries, beneficial ownership information can be accessed by regulated enablers in addition to competent authorities, but not in all of them.

The importance of secrecy jurisdictions in these case studies aligns with wider evidence concerning the abuse of legal persons as a means of laundering corrupt funds. While the sample of cases analysed is not representative of all illicit financial flows out of Africa and we cannot point to specific trends on the preference of one secrecy jurisdiction over the other, their analysis does align with prior research on the topic.²⁰ It illustrates how jurisdictions offering secrecy are likely to attract corrupt individuals.

Recommendations

- + Governments which have not yet done so must set up centralised registers to record and track companies' beneficial owners. This should be in addition to ensuring that data is collected and maintained by companies themselves, but also by enablers. Government agencies need to independently verify ownership information.
- + Governments should provide the public with adequate access to beneficial ownership information. At a minimum, all those who have a role in preventing, detecting and following up on cases of possible financial crime – including enablers, a broad spectrum of authorities, civil society and the media – should have access.
- + Special attention needs to be paid towards ensuring that adequate checks are in place when companies are created, and that information is recorded appropriately.
- + The international community should increase pressure on financial centres to adequately implement beneficial ownership transparency reforms. They should encourage countries that have chosen to not make beneficial ownership registers widely accessible to ensure that at the very least foreign competent authorities are able to directly consult them.

CAPTURING THE ROLE OF ENABLERS

Historically, corruption reporting and law enforcement action have focused on perpetrators. To comprehensively address illicit financial flows, it is crucial to also scrutinise the role of enablers without whose specialised services cross-border financial schemes would not be possible. This study helps address this gap by capturing and assessing the role of non-financial enablers who have likely facilitated illicit financial flows from Africa.

In the 78 cases analysed, we were able to identify 87 professional enablers who performed 22 distinct services, which is illustrative of the diversity of intermediaries that criminals and the corrupt rely on. This is at least partly thanks to investigative journalists, who are increasingly reporting on enablers. However, in some cases, not all enablers were named by our sources, further underscoring the need for greater efforts to identify all actors in corruption schemes. Lack of scrutiny has also meant that authorities are largely unaware of the risks posed by such enablers. For example, the World Bank has found that 90 per cent of jurisdictions assessed by the FATF or its regional-style bodies faced problems with assessing the risk of non-financial enablers.²¹

Recommendations

- + Civil society, including non-governmental organisations, journalists and academia, should increasingly scrutinise the role of non-financial enablers in corruption and money laundering schemes.
- + Competent authorities such as law enforcement agencies and prosecutorial bodies should inquire about the role of intermediaries who might have facilitated crimes in their efforts to investigate corruption and money laundering. They should also open investigations against enablers who repeatedly feature in corruption and money laundering schemes. When seeking accountability, they should target both firms and individuals who enable financial crime.
- + Governments should seek to better understand risks connected to non-financial professionals and businesses, as well as the services that they provide. In turn, these risk assessments should inform regulatory and supervisory efforts.

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- + Kenya: Transparency International Kenya
- + Mauritius: Transparency Mauritius
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- + Nigeria: Civil Society Legislative Advocacy Centre (CISLAC)
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ANNEX

APPENDIX 1. DETAILED METHODOLOGY

Countries involved and topics of analysis

To better understand the extent of illicit financial flows connected to corruption in Africa, Transparency International has created a database of cross-border corruption cases. The cases include both instances of confirmed corruption (i.e., where there has been a court conviction) as well as credible allegations of corruption reported in media investigations, including those that were based on leaked financial data (e.g., the Panama and Pandora Papers). The cases also include reporting of incidences in which officials were found to be hiding their wealth offshore, often in violation of local asset disclosure rules.

We collected confirmed and suspected corruption cases over the last 30 years in the African countries listed in the following table. Some cases involved illicit financial flows from more than one country.

In addition to collecting more evidence on the topic, the database was designed to allow for systematic analysis of the cases for certain themes and research questions, including:

1. the role of financial and non-financial enablers in facilitating illicit financial flows originating in Africa;
2. common transit and destination countries for illicit financial flows originating in Africa;
3. the use of legal entities or arrangements to move and hide funds across borders.

The analysis is largely based on combined data from the case studies. Specific examples and cases are highlighted to illustrate particular patterns or exceptions.

Research questions

The analysis presented in this report was guided by the following research questions:

1. What services are non-financial enablers providing to facilitate illicit financial flows out of Africa?
2. How do these services compare by type of enabler?
3. Where are non-financial enablers registered?
4. Where are they delivering their services?
5. Are there particular linkages between jurisdictions of origin, registration and service delivery?

Table 1: Overview of cases by country

Country	Region	Number of cases*
Algeria	North Africa	4
Angola	Central Africa	6
Botswana	Southern Africa	2
Burkina Faso	West Africa	2
Cameroon	Central Africa	2
Chad	Central Africa	3
Comoros	East Africa	2
Côte d'Ivoire	West Africa	4
Democratic Republic of Congo	Central Africa	5
Egypt	North Africa	1
Equatorial Guinea	Central Africa	2
Gabon	Central Africa	2
Guinea	West Africa	2
Kenya	East Africa	3
Liberia	West Africa	1
Libya	North Africa	2
Mauritania	West Africa	1
Mauritius	East Africa	2
Morocco	North Africa	2
Mozambique	East Africa	2
Namibia	Southern Africa	1
Nigeria	West Africa	17
Republic of Congo	Central Africa	5
Senegal	West Africa	2
Sierra Leone	West Africa	1
Somalia	East Africa	1
South Africa	Southern Africa	1
Tanzania	East Africa	1

Country	Region	Number of cases*
The Gambia	West Africa	1
Tunisia	North Africa	1
Uganda	East Africa	2
Zambia	East Africa	1
Zimbabwe	East Africa	2

* Note that some of the 78 cases involved multiple African countries.

Data collection methods

Data collection involved two main steps: case search and data collection.

We pre-selected cases that contained an element of cross-border corruption or hiding of offshore wealth based on publicly available information. The case selection focused on cases that included a variety of asset types and the abuse of companies, trusts or other legal entities or arrangements to hide wealth outside of Africa. We collected these cases from the following sources:

1. Open-source search using keywords of interest. We used investigative reports into corruption cases and other news sources. We also reviewed evidence collected by other civil society groups as well as parliamentary committees.
2. Consultation with national partners and Transparency International's partners. We used a simple questionnaire to gather relevant cases in order to benefit from their knowledge in the field as local stakeholders.
3. Court cases. We reviewed court records pertaining to cases of corruption and/or tax abuse following a scoping of available databases and collection of data from accessible documents.

We collected data on the cases into a database on the Airtable platform with unified variables of analysis for each case. The variables were chosen to identify mechanisms used to launder the proceeds of crime as part of outgoing illicit financial flows from Africa. The variables relevant for this analysis of the role of professional enablers included:

- + name and type of enabler;
- + whether the enabler was a subsidiary or part of a group of companies;
- + whether the enabler was a local branch of a company;
- + jurisdiction of registration of the enabler;
- + jurisdiction of service provided by the enabler;
- + jurisdiction of the end-client of the enabler;
- + an additive list of services provided by the enabler.

Description of the data

The cases collected cover activity starting from 1989 to the present day with the majority of cases starting or taking place after 2010. The dataset contains both cases where corruption and resulting illicit financial flows have been confirmed through a judicial process (e.g., a corruption conviction or a deferred prosecution agreement), as well as cases containing allegations of corruption based on journalistic reporting and data leaks.

Table 2: Overview of data

Description	Number
Cases analysed	78
Distinct non-financial enablers captured	87
Jurisdictions in which non-financial enablers are registered or incorporated	30
Distinct services provided by non-financial enablers	15

Table 3: Distinct enablers captured in the cases

Type of enabler	Number
Accountant/auditor	4
Business consultancy	3
Law firm/Lawyer	42
Notary	4
Real estate agent	7
Tax advisory	1
Trust and company service provider (TCSP)	26

Constraints

While the database contains a large number of enablers and a large number of observations (i.e., the number of times an enabler was involved across all cases), the sample is not representative. Due to the illicit nature of these financial flows, direct data can only be obtained from cases that have been made public either through judicial action, regulatory notices or journalistic reporting. The data obtained through these cases therefore contain a selection bias reflecting the characteristics of the cases that make them more likely to have been made public. As such, any quantitative observations based on the data do not have external validity.

Additionally, due to the limited rate at which illicit financial flows are detected, a significant number of cases are based on journalistic reporting following large-scale leaks of financial data (e.g., Panama Papers, Paradise Papers and the Luanda Leaks). A total of 48/78 (61.5 per cent) of cases covered in the database originate from reporting based on leaked data. These leaks have been crucial in shining a light on the way secrecy jurisdictions have been used by the global elite to hide both their licit and illicit wealth. However, as the leaks typically originated from individual firms providing their services to clients worldwide, it is possible that the data disproportionately represents the companies, services and the jurisdictions in which they operate.

The analysis therefore focuses on descriptive analysis of the cases covered in the database. As a medium-n case study analysis, the findings of this report focus on identifying patterns in the type of enablers involved in the cases as well as their services and jurisdictions of registration and jurisdiction of service. Individual cases are highlighted where they provide an illustrative example of the patterns observed in the data.

Table 4: Variables used for the analysis

Name	Description
Name and nature of service provider	Name of the service provider and whether it was a subsidiary of another service provider
Type	Categorisation of enablers into the following types: accountant/auditor, bank, business consultancy, central bank, investment manager, lawyer/law firm, notary, real estate agent, tax advisory, trust and corporate service provider
Services provided	Coded categorisation of services provided by the enabler at least once in a case; see the full list of all services captured below
End-client jurisdiction	Nationality of the service provider's end-client
Jurisdiction of registration/incorporation	Jurisdiction in which the relevant service provider was incorporated or registered; where no data was available on whether a subsidiary or the parent company was used, the parent company was logged
Jurisdiction of service	Jurisdiction in which a service was provided; in case of cross-border services (e.g., transfer of funds), both the sending and receiving jurisdictions were captured

Table 5: Categories of services

Service	Description
Act as a trustee	Providing trustee services in a legal arrangement. This refers to enabler if named as the trustee in a trust arrangement, typically making them the legal owner of the trust's assets.
Administer legal entity or arrangement	Managing or otherwise administering a legal entity or arrangement by carrying out at least some operational activities and/or filing paperwork. This activity includes filing annual tax returns on behalf of a company, fulfilling any type of legal obligations for the legal entity under management and so on as a paid-for service.
Advise on corporate/trust structures	Providing advice on how to structure legal entities or arrangements on behalf of clients. This includes both paid-for and non-paid-for advice on how to structure legal entities or arrangements, corporate ownership structures, etc.
Audit businesses or transactions	Providing auditing services to a relevant legal entity or specific transactions. This activity covers both audits of company records as well as individual transactions.
Create legal entity or arrangement	Creating a new legal entity or arrangement or selling a "shelf company" to a client in the case. This service also covers when an enabler purchases this service on behalf of a client from another service provider. For example, an accountant buying a shelf company on behalf of their client.
Deposit funds (store)	Financial service company (typically a bank) allowing the depositing of corrupt funds via deposits or via incoming transfers. This typically occurs at the beginning of the process of laundering the proceeds of corruption but may also be the only step taken. This also covers when a bribe is paid into the account of a client.
Nominee services (directorship and/or shareholding)	An enabler providing a specific service of nominee directorship of nominee shareholding. This only applies to a service provided in exchange for payment and does not cover proxies used by corrupt individuals to obscure ownership.
Notarise documents	Service provided by a notary to authenticate and notarise a document.
Obtain licences	Helping a client obtain business licences or other relevant licences.
Open bank account	Allowing the opening of a bank account to a client or opening a bank account on behalf of a client. This typically applies to banks but may also cover non-financial enablers helping their clients open personal bank accounts or accounts for their legal entities or arrangements.
Provide address to legal entity	Providing a correspondence address to legal entities or arrangements used by corrupt clients. This is typically (but not exclusively) linked to administering a legal entity or arrangement. To include if there is evidence of a service provider being used to send/receive correspondence.
Provide documents	Providing supporting documents on behalf of clients. This may include forging documents on behalf of a client. This can include providing documents to evidence source of wealth or funds, or to support business licencing processes.
Provide management and/or legal advice	Providing advice on business or legal matters outside of advising on structures for legal entities or arrangements. Legal advice only covers advice given in the economic/commercial context. This activity does not cover providing legal advice or representation in criminal law matters.

Service	Description
Provide network/connect with other service providers	Connecting a client with other service providers that they in turn hire for specific services. This may be a paid or non-paid service. This activity applies where there is evidence of the service provider merely putting a client in touch with another service provide instead of hiring another service provider on their behalf. For example, a bank's account manager putting a client in touch with a TCSP to set up a company.
Purchase luxury goods	Purchasing luxury goods on behalf of a client or using funds managed on behalf of the client.
Purchase real estate	Facilitating the process of purchasing real estate. This activity includes conveyancing, or any other service provided by a obliged entity (according to the FATF definition) involved in the process of purchasing real estate.
Transfer of funds	Executing a transfer of funds (e.g., wire transfer) on behalf of a client. This also covers funds managed on behalf of a client. Typically carried out by a bank. Can also refer to other enablers if transfer initiated as an intermediary (e.g., lawyer transferring client funds on their behalf).

APPENDIX 2. ADDITIONAL DATA TABLES

Table 6: Services provided by each type of enabler

Service	Accountant/ auditor	Business consultancy	Lawyer/ law firm	Notary	Real estate agent	Tax advisory	TCSP
Act as trustee			1				1
Administer legal entity or arrangement*			14				16
Advise on corporate/trust structures*		1	2				
Audit businesses or transactions	4						
Create legal entity or arrangement*			19			1	16
Deposit funds (store)			2				
Nominee services (directorship and/or shareholding)*			6				4
Notarise documents				2			
Obtain licences			2				
Open bank account			2				1

Service	Accountant/ auditor	Business consultancy	Lawyer/ law firm	Notary	Real estate agent	Tax advisory	TCSP
Provide address to legal entity*	1		4				5
Provide management and/or legal advice	1	3	7				
Provide network/connect with other service providers			5				4
Purchase luxury good							
Purchase real estate			8	2	7		
Transfer of funds			4				

The table shows the number of times a distinct professional enabler provided the relevant service at least once in the case studies covered.

Services marked with an asterisk (*) were grouped into "Provide trust and company services" in Figure 2.

Table 7: Services provided by enablers in the top five jurisdictions

Service	British Virgin Islands	Switzerland	United Arab Emirates	United Kingdom	United States
Act as trustee					
Administer legal entity or arrangement*	3	5	1	2	
Advise on corporate/trust structures*				1	
Audit businesses or transactions					
Create legal entity or arrangement*	4	8	2	2	2
Deposit funds (store)					
Nominee services (directorship and/or shareholding)*		2	2		1
Notarise documents					
Obtain licences				1	
Open bank account			1		1

Service	British Virgin Islands	Switzerland	United Arab Emirates	United Kingdom	United States
Provide address to legal entity*		1	1		1
Provide management and/or legal advice				2	2
Provide network/connect with other service providers		1	1	2	1
Purchase luxury good					
Purchase real estate			1	5	3
Transfer of funds				1	1

The table shows the number of times a distinct professional enabler provided the relevant service at least once in the case studies covered.

Services marked with an asterisk (*) were grouped into "Provide trust and company services" in Figure 7.

Table 8: Jurisdictions of enablers' registration

Jurisdiction	Accountant/ auditor	Business consultancy	Lawyer/Law firm	Notary	Real estate agent	Tax advisory	TCSP
Bahamas			2				
Bermuda			1				
British Virgin Islands			14				3
Canada			1				
Cayman Islands							1
Congo-Brazzaville				2			
Cyprus			1				2
France			1	1	1		
Guernsey							1
Isle of Man							1
Jersey							2
Luxembourg	1						1
Malta			1				
Mauritius			2				1
Monaco				1			2
New Zealand			1				
Nigeria			3		2		
Niue							2
Panama			4				
Poland							1
Portugal	2	2	2				
Russia			1				
Seychelles			4				1
Singapore			1				2

Jurisdiction	Accountant/ auditor	Business consultancy	Lawyer/Law firm	Notary	Real estate agent	Tax advisory	TCSP
South Africa			1		1		
Switzerland			4			1	7
The Netherlands	1						
United Arab Emirates			1		1		7
United Kingdom			8		2		1
United States		1	5		1		

ENDNOTES

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