

Funding the Future

Article URL

Published: January 12, 2026, 6:14 pm

As David Cameron was very clearly failing to deliver any change in the behaviour and practice of the UK's tax havens as a result of the Panama Papers Paris and Berlin were at least considering what needs to be done to face the threat posed to the world economy by tax havens, including those whose actions the UK protects. [According to the FT](#):

Paris and Berlin are pressing industrialised nations to pull together a common blacklist of territories that breach transparency standards, in the toughest government responses yet to the Panama Papers affair.

Wolfgang Schäuble, Germany's finance minister, and Michel Sapin, his French counterpart, also emphasised the need for sharing and publishing the names of the ultimate beneficiaries of all corporate structures, including shell companies, trusts and foundations that can offer anonymity to their users.

I have my doubts about blacklists: we have seen so many, and they have not worked. They would only do so now if they were substantial in the demands they made, which would have to include:

- * All accounts on public record, and none of the abbreviated accounting nonsense that is permitted within the EU at present;
- * All beneficial owners on public record, proven by the anti-money laundering records of the bankers that supply services to these companies;
- * The real identity of the directors of these companies on public record, again proven by the banks who supply services to these companies;
- * Similar disclosure for charities, foundations and trusts.

Let me be clear, the UK would fail on this criteria present, and rightly so: our standards fall way below those required to ensure that we can close our [own tax gap](#) meaning that we have every incentive to improve our own performance on this issue, and yet there is a persistent refusal to do so.

If Germany and France want to promote such a standard of excellence, then I am in favour of it. Anything less will be a token gesture and I have no time for those any more: we know that they simply provide tax havens with an opportunity to crow that they are "fully compliant" and "transparent" and "consistent with international

"standards" when the reality has always been that they have continued to supply deliberate capacity intended to protect their customers from scrutiny with the intention of undermining the world's markets, democracies and tax revenues. We can do without providing them with another such opportunity.

I would, at the same time, remind France and Germany that they have the opportunity to evidence their commitment to tax transparency. The EU will be announcing its new plans for country-by-country reporting today. If France and Germany are serious then they must demand that this new requirement should be comprehensive, covering absolutely every jurisdiction in which a multinational company trades. I understand that we will get something less than that, and if that is the case then France and Germany, like the UK, will be acquiescing in the delivery of continuing opacity, and that is not good enough.