

THE **COM**BATTING **FISCAL**
FRAUD AND **EM**POWERING
REGULATORS (COFFERS)
TRAINING EVENT

11-13 SEPTEMBER 2019
COPENHAGEN BUSINESS SCHOOL



COFFERS
EU Horizon 2020 Project



THE COURSE

The second COFFERS training event arrives towards the end of the three year European Commission research project. COFFERS explores issues of money laundering, tax evasion and tax avoidance in the European context with the express purpose of tackling Europe's expanding inequalities. The consortium has produced a wide range of research outputs. These include the COFFERS tools. These tools are purposed to empower regulators, researchers and civil society. The COFFERS training event focuses on these tools, detailing their composition, outlining the considerations made in their development, and providing instruction on how to use them. We also introduce some of the COFFERS research cases.

OBJECTIVES

- To highlight the tools created to empower regulators during the Coffers project
- To provide insights into how these tools might be used
- To analyse COFFERS cases

OPTIONAL EXAM (5 ECTS)

- Written submission of a case study using a tool

TARGET AUDIENCE

Those in government, tax authorities and most especially NGOs and civil society organisations with concern about tax abuse, money laundering, financial crime and the use of tax havens and other structures to facilitate illicit financial flows, together with journalists and researchers who want to know more about these issues.

ADMINISTRATION

- Start at 1pm on day 1
- Finish at 1pm on day 3
- Three sessions on four tools
- COFFERS case work
- All sessions are interactive workshops
- Details of the tool will be issued in advance of the course
- Each session focuses on problem solving using the tool

THE TOOLS

- Corporate Tax Haven Index (CTHI) Leyla Ates (Altinbas University)
- The Bilateral Financial Secrecy Index (BFSI) Lucas Millan (The Tax Justice Network)
- Anti Money Laundering (AML) Codebook, Joras Ferwerda (University of Utrecht)
- Tax Spillover Analysis, Richard Murphy (City, University of London)



Picture: Vladislav Reshetnyak (Pexels)

DAY 1

13:00 - 13:30 Coffee and Welcome

13:30 - 14:15 The COFFERS Framework: Duncan Wigan (Copenhagen Business School):

This talk introduces the COFFERS project and its founding premises. In highlighting the work of the COFFERS consortium, and the intentions that inform that work, the talk foregrounds the content of the training programme.

14:15 - 14:45 Coffee

TOOLS 1 & 2

14:45 - 16:45 The Bi-lateral Financial Secrecy Index (BFSI) and Corporate Tax Haven Index (CTHI): Lucas Millan (The Tax Justice Network) and Leyla Ates (Altinbas University):

The Bilateral Financial Secrecy Index and the Corporate Tax Haven Index complement the Financial Secrecy Index, which ranks tax havens according to levels of financial secrecy provision and footprint in global financial services market. The new indexes have two functions. The CTHI ranks the world's most important tax havens for multinational corporations: It does this on the basis of how aggressively and how extensively each jurisdiction contributes to helping these corporations escape paying tax, thereby eroding the tax revenues of other countries. It also indicates how much each place contributes to a global 'race to the bottom' on corporate taxes. The BFSI addresses the receiving side of financial secrecy, providing each country with a breakdown of the greatest suppliers of financial secrecy to its jurisdiction. The session discusses the choices made in the construction of the indexes and tutors students in their uses.

16:45 - 17:15 Coffee

17:15 - 18:30 Workshop: Case study development BFSI and/or CTHI. Group work.

DAY 2

TOOL 3

09:00 - 10:30 Anti Money Laundering (AML) Codebook: Joras Ferwerda (University of Utrecht):

Money Laundering is fast becoming a key instrument in the fight against tax evasion. Since money launderers and tax evaders use offshore centers to hide their identity and business, it was only a matter of time before the two fields – tax evasion and money laundering – merged. An EU directive included tax crimes as a designated offence for money laundering in the EU. But tax crimes are defined very differently in different EU countries, if defined at all. This shift in regulation is a game changer for tax criminals and regulators. Utrecht University created a tool to provide an overview of the current situation and understand the effects of the different legal situations in EU countries. In the workshop, we play a game where students are put in the shoes of a tax criminal or regulator and must use the tool to find the best country for committing or fighting tax evasion.

10:30 - 11:00 Coffee

11:00 - 12:15 Workshop: Case study development AML Codebook. Group work.

12:15 - 13:15 Lunch

TOOL 4

13:15 - 15:00 Tax Spillover Analysis Richard Murphy (City, University of London):

Tax spillovers are the effects one country's tax rules and practices have on other countries. Tax spillovers have been assessed in aggregate terms by the IMF using econometric models, and were found to have a 'significant and sizable' impact in reducing corporate tax bases and rates in developing countries. However, a widely accepted form of country level spillover analysis remains elusive, despite demands from non-governmental organizations and international organizations. The session presents the first framework for conducting comprehensive national level spillover analyses using a qualitative evaluation framework that assesses relationships between four direct taxes and a number of administrative and institutional features of tax systems. Initial pilot qualitative assessments for the UK and Denmark, involving scores, risk dashboards and visualizations are presented before we turn to case study development.

15:00 - 15:30 Coffee

15:30 - 16:45 Workshop: Case study development Tax Spillover Analysis

16:45 - 17:00 Coffee

17:00 - 17:30 Examination preparation (Duncan Wigan and Richard Murphy)

17:30 - 18:30 KEYNOTE The UN/OECD Tax Inspectors Without Borders (TIWB) John Christensen (Governance Board TIWB, Chair Tax Justice Network)

19:00 COURSE DINNER (participant funded; 975 DKK)

DAY 3

COFFERS CASE STUDIES

09:00-10:00 Case 1 The Global Legal Entity Identifier System. Nikiforos Panourgias (University of Leicester):

The Global Legal Entity Identifier System (GLEIS) is a nascent global identification infrastructure to enable the data-driven regulation of financial markets through the development and implementation of a standard global Legal Entity Identifier (LEI) for firms involved in financial markets transactions. The case presents an account of the GLEIS development process and provides insights into the material and institutional arrangements that need to be put in place in order to make possible ‘big data’ approaches to regulation in what is referred to by policy-makers and regulators as ‘techreg’.

10:00 - 11:00 Case 2 UBER and the Platform Economy. Duncan Wigan(Copenhagen Business School):

This session focuses on the platform and ‘gig’ economy. It explores the rise of Uber as a dominant provider of urban transport solutions to consider the fiscal implications of companies that grow revenue rapidly, do not make profits and purport not to have employees at the delivery end of the service. Although Uber has not made profits to date, the case suggest such business models have profound implications for fiscal authorities and government.

11:00 - 11:30 Coffee

11:30 - 12:30 Case 3 Professional Ethics. Sheila Killian (University of Limerick):

This session on professional ethics in taxation will consider the salience of “profession” to tax workers in various situations, and review some ways in which ethical frames of various kinds might impact on decision-making for different categories of tax workers. Findings from a study on ethics and spirituality among tax experts worldwide will be presented and discussed

12:30 - 12:45 Wrap up Duncan Wigan and Richard Murphy

12:45 Light lunch and departure

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