

The impact of the Ukraine conflict at the European level

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Inside the Matrioska



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Inside the matrioska: the firms controlled by sanctioned 'oligarchs' across European regions and sectors

This analysis is part of [TOM - The Ownership Monitor](#), a joint-initiative by Transcrime and its spin-off Crime&tech



There are almost 31 thousand firms in Europe with Russian beneficial owners. 1400 of them are controlled by 33 individuals subject to recent sanctions - the so-called 'oligarchs'. Real estate, construction, hotels, the financial and energy sector prevail. In terms of countries, Germany, United Kingdom, Cyprus, the Netherlands, Luxembourg and Austria host most of oligarchs' firms. The value of these firms is higher than 440 billion US dollars (total assets, book value).

Transcrime, 2022, available here: https://www.transcrime.it/wp-content/uploads/2022/03/Inside_the_matrioska.pdf



Funded by the European Union
Internal Security Fund – Police



Inside the Matrioska: key figures (updated)

Focus on firms:

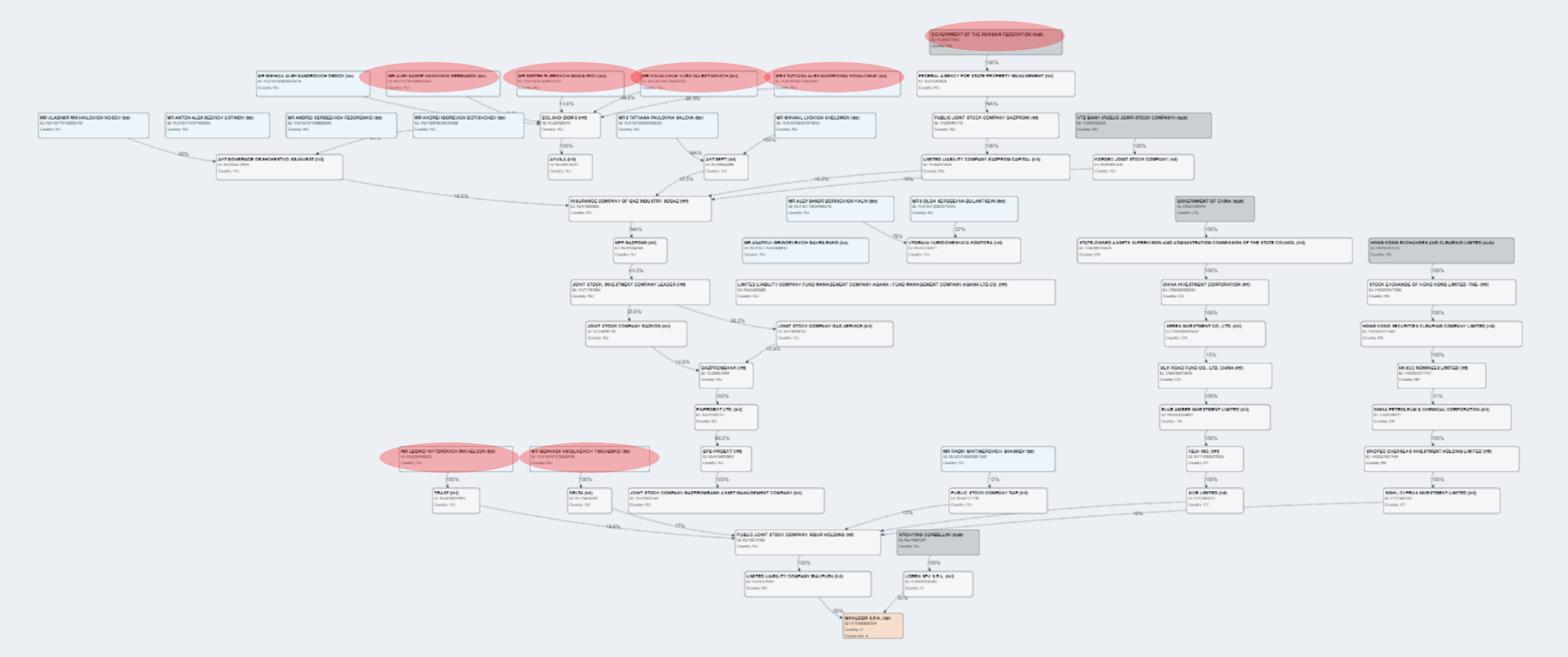
- **31K firms in the EU (+ UK + CH + UA)** with Russian 'beneficial owners'
- **44K** Russian 'beneficial owners'
- **9,601** firms with directorship/ownership links with 1263 sanctioned entities (individuals + entities)
- **3,705** excluding Ukraine
- **All EU countries** are involved
- 7.7% of them (743 firms) are active in **L68 - Real estate activities**

Oligarchs' firms – Ownership anomalies and red-flags

	33 oligarchs' firms in the sample	European firms in the sample
Number of firms	1402	21.5 million
Intermediate owners in the ownership structure (average)	5.9	0.5
Number of layers in the ownership structure (average)	2	0.15
Number of Trusts, fiduciaries, foundations – by firm	0.15	0.01
% intermediate owners registered in blacklisted/grey listed countries	4%	0.3%
Owners and BOs already mentioned in <i>Panama Papers</i> , <i>Paradise Papers</i> and other offshore-leaks	321	-

Fonte: Transcrime, 2022

One example



Challenges in tracing and freezing assets

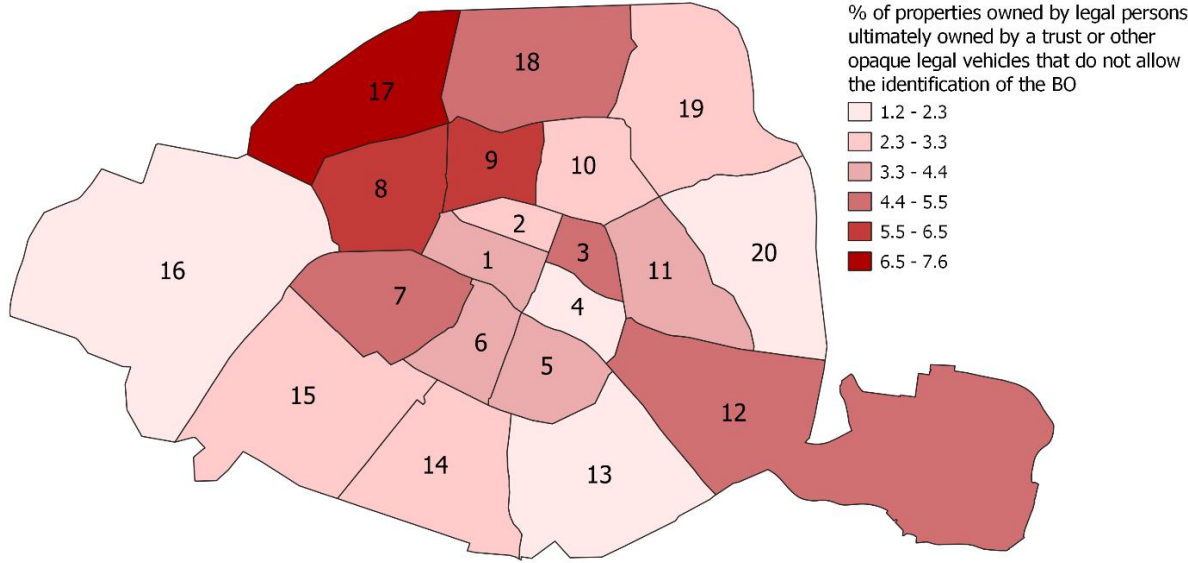
- › Sanction lists are constantly changing
- › Differences across sanction lists (e.g. EU v. US OFAC v. UK)
- › Concepts of “ownership” and “control” not straightforward
- › Problems of *aliases*, *identity mismatch*, transliteration
- › Complex and transnational ownership structures
- › Figureheads and sanction evasion techniques
- › Access to registers: both corporate, BO and land registries

Challenges for registers

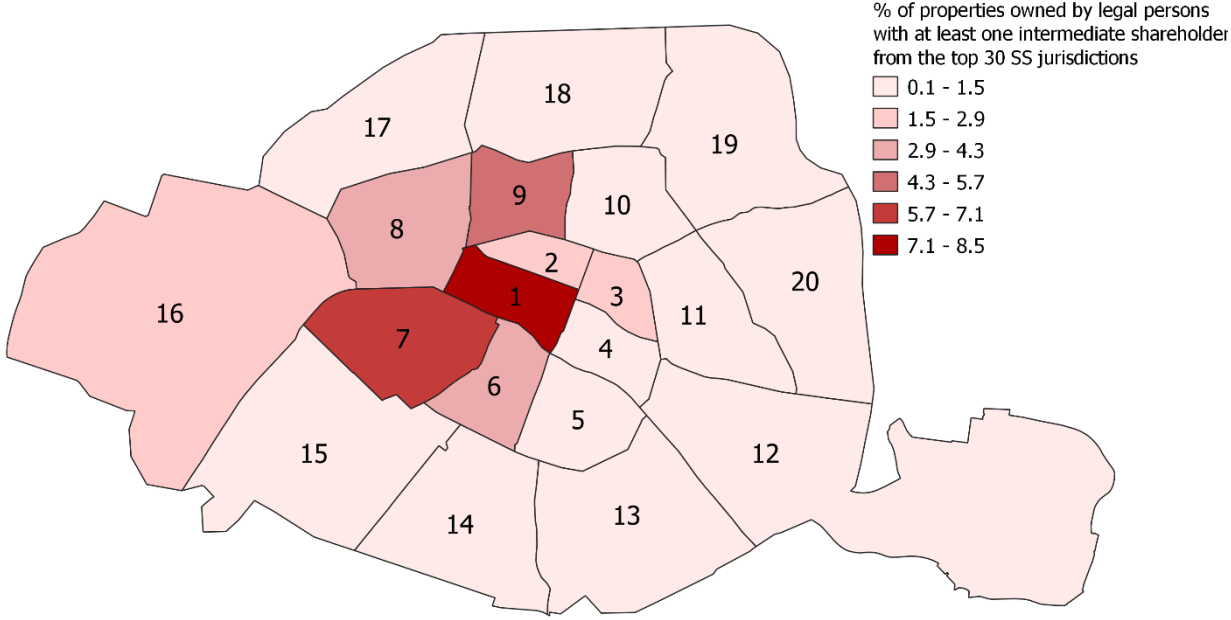
- **Role of registers is crucial**
 - › Company registers
 - › BO registers
 - › Land and real estate registers
- **How registers can help:**
 - › Accessibility
 - › Interoperability (across assets and across countries)
 - › Not just data, but analytics
- **Transparency and accessibility of registers is best way to strengthen democracies**
- **But how to find a balance with privacy? (see EU Court of Justice ruling)**

Interconnecting registers – the Paris example

Properties owned by legal persons controlled by trusts or other legal arrangements



Properties owned by legal persons with ownership links to high-risk jurisdictions



1. Louvre; 2. Bourse; 3. Temple; 4. Hôtel-de-Ville; 5. Panthéon; 6. Luxembourg; 7. Palais-Bourbon; 8. Elyseo; 9. Opéra ; 10. Entrepôt; 11. Popincourt; 12. Reuilly; 13. Gobelins; 14. Observatoire; 15. Vaugirard; 16. Passy; 17. Batignolles-Monceau; 18. Buttes-Montmartre; 19. Buttes-Chaumont; 20. Ménilmontant.

Source: Transcrime, 2022

THANK YOU

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