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More than 400 Mexicans Named in Bahamas Leak Case

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The International Consortium of Investigative Journalists (ICIJ) has uncovered another case where wealthy individuals created shell corporations in a third country, possibly to hide earnings and avoid paying taxes in their home countries.

Earlier this year, the ICIJ released a list of names of possibly tens of thousands of people who appeared to have evaded tax payments by creating shell companies in Panama. That case, dubbed the Panama Papers, included at least 33 Mexicans (SourceMex, April 13, 2016) and many other prominent Latin Americans, among them President Mauricio Macri of Argentina (NotiSur, May 6, 2016), whose names appeared on 11.5 million documents obtained from the Panamanian law firm Mossack Fonseca.

The details of the most recent case—dubbed the Bahamas Leak—were published by the German newspaper Süddeutsche Zeitung. The list of 1.3 million internal files, obtained from the company register of the Bahamas, includes at least 432 Mexicans and several prominent Latin Americans—Macri, again, and José Roberto Marinho, whose family owns the powerful Brazilian media consortium Grupo Globo. The company register contains the names of directors and some shareholders at nearly 176,000 shell companies, trusts, and foundations, registered between 1990 and early 2016.

“In contrast to the Panama Papers, the information contained [in the Bahama Leaks] is much simpler, although less fundamental in its content,” said the online site Aristegui Noticias, founded by investigative journalist Carmen Aristegui. “For example, the new information does not clarify whether the directors named in connection with a business entity actually have control over the firm or simply serve in the role of representatives of the company.”

Representatives of Aristegui Noticias, the weekly news magazine Proceso, the daily newspaper Milenio, and the organizations Centro de Periodistas de Investigación (Center for Investigative Journalists, CPI), Centro de Periodismo y Ética Pública (Center for Journalism and Public Ethics, CEPET), and Mexicanos Contra la Corrupción y la Impunidad (Mexicans Against Corruption and Impunity, MCCI) are all direct or indirect collaborators with the ICIJ, which released the information for both cases via Süddeutsche Zeitung. The ICIJ is based in Washington, D.C.

The documents provide access to information that had been previously difficult to obtain. “The Bahamas corporate registry is supposed to contain the names and addresses of all directors and officers, and can in theory be consulted online, but there is no requirement to register the owners of a company with authorities,” said the British newspaper The Guardian.

Gaining access to the site can sometimes be difficult. “The Bahamas registry website is often unavailable, and the information it contains is patchy,” said The Guardian. “Importantly, it is not possible to search for names of individual directors, but only by company name, which can make wrongdoing hard to track.” The ICIJ created its own database from information contained in the
Bahamas register. The process took a long time because of the difficulty in obtaining information from the Bahamas site.

**Mexican tax agency launches probe**

The release of the data prompted Mexico’s tax agency (Servicio de Administración Tributaria, SAT) to launch an investigation to determine whether the Mexicans named in the report had evaded payment of taxes to the Mexican government. Tax evasion has been a big problem for Mexico, which ranks 30th among 188 countries in the world in the amount of money that is placed in tax havens overseas. The money that has been hidden from Mexican tax authorities could total as much as US $410 billion, according to the Organization for Economic Cooperation and Development (OECD).

“Regarding the use of structures or companies incorporated in countries that are so-called tax havens, the SAT will review, where appropriate, the taxpayers mentioned,” the Mexican tax agency said in a statement.

Without mentioning specific names, the SAT said enforcement actions taken after the release of the Panama Papers had resulted in the collection of 438 million pesos (US$22.6 million) in unpaid taxes, and the collection of another 187 million pesos (US$9.6 million) from another delinquent taxpayer is in process. A SAT spokesperson said one particular individual who was caught in the Panama Papers case asked to pay his back taxes of 104.7 million pesos (US$5.4 million) in installments, plus 18% interest and other charges.

‘Not necessarily guilty’

Some analysts noted that inclusion on the Bahamas Leak database does not imply guilt. “The fact that these companies are being created in the Bahamas does not necessarily mean that a crime has been committed,” financial analyst David Páramo wrote in the daily newspaper Excélsior. “According to Mexico’s legal framework, a financial operation in that country is not illegal as long as investors report those transactions, and earnings are reported to Mexico’s tax authorities. It is not unlawful to have money or invest in other nations. The crime is not paying taxes.”

Páramo criticized the ICIJ for engaging in speculation and making summary judgments without evidence that a crime has been committed. “This is a filtration of information, not an investigation,” he wrote.

However, the ICIJ argues that the release of the information is a service. “This creates, for the first time, a free, online and publicly-searchable database of offshore companies set up in the island nation that has sometimes been called ‘The Switzerland of the West’,“ the ICIJ said on its website.

“We see it as a service to the public to make this basic kind of information openly available,” noted ICIJ director Gerard Ryle.

**Extensive list**

The list of Mexican citizens in the Bahamas Leaks database includes lawyers, former officials, and entrepreneurs. Among the politicians who appear are former Nuevo León Gov. Fernando Canales Clariond, who also served as energy secretary and economy secretary during the administration of ex-President Vicente Fox, a member of the conservative Partido Acción Nacional (PAN). The shell company associated with Canales Clariond is Yukali Subsidiary Corp., which was incorporated in 2015.
According to Aristegui Noticias, another important former public official on the list is Fernando Gómez Mont, who served as interior secretary during the administration of ex-President Felipe Calderón. Gómez Mont’s law partners acknowledged that the company Majo don’t B Laight Ltd. was incorporated in the Bahamas in 2014, but not for economic gains. “The business has never had nor currently has any bank accounts, nor has it managed any money,” said representatives of the law firm Zinser, Esponda y Gómez Mont.

Another prominent name on the list was Niurka Sáliva Benítez, wife of former Cancún mayor and gubernatorial candidate Greg Sánchez, formerly of the center-left Partido de la Revolución Democrática (PRD) and now with the Partido del Trabajo (PT). Sánchez was imprisoned in 2010 on charges of drug trafficking and money laundering (SourceMex, June 2, 2010, and Aug. 10, 2011), but later released (SourceMex, Oct. 31, 2012). Sáliva Benítez is associated with Limesprings Enterprises Ltd., launched in 2014.

The list includes a handful of names in the field of journalism: radio reporter Martha Debayle from W Radio, and Grupo Imagen Multimedia owner Olegario Vázquez Raña and his son and co-owner Olegario Vázquez Aldir. Grupo Imagen Multimedia, a subsidiary of the business conglomerate Grupo Empresarial Ángeles, operates the daily newspaper Excélsior, the radio network Imagen Radio, and the online broadcasting operation Excélsior TV. Grupo Empresarial Ángeles operates several properties in the tourism, medical, and financial services fields, including 40 hotels, 18 hospitals, a bank, a brokerage company, an insurance company, and a team in Mexico’s top professional soccer league.

Vázquez Raña is listed on the Bahamas Leaks database as the owner and director general of a company known as Marshalls Creeks Ltd., while Vázquez Aldir heads a firm known as Albion Hall Holdings Ltd., and Debayle appears as the owner-creator of Camuchito Ltd. All three said the companies were created to manage family finances, and that all appropriate taxes have been paid to the Mexican government. “The company was created as a means to secure the financial future of my daughters,” Debayle told Aristegui Noticias. “The firm has been properly registered according to the applicable laws and in compliance with national and international tax laws.”

Other individuals listed in the Bahamas registry are linked to the poultry processing and egg producing company Bachoco. Those individuals—Juan Salvador Robinson Bours and Cristina Guadalupe Robinson Bours—are identified as stockholders in a company named Veneranda Corp.

Also on the list is Ricardo Martín Bringas, the majority owner of the supermarket chain Grupo Soriana, which in October 2015 announced the acquisition of 157 stores from one of its principal competitors, Comercial Mexicana. “Martín Bringas owns a company in the Bahamas called Two Plus Four Interprise Ltd., registered in June 2014,” said MCCI, the anti-corruption group.

The Bahamas Leaks list also includes a handful of high- and mid-level officials from the state-run oil company PEMEX who set up the company Pasco International Ltd. in the Bahamas. Even though the company remains listed in the Bahamas register, Pasco International Ltd. ceased operations in the final quarter of 2015. “The company was created in the Bahamas in June 1967, and it was turned over to [the PEMEX affiliate] Pemex Gas y Petroquímica Básica as part of a transaction concluded in 1994,” MCCI said, quoting PEMEX officials.

According to the report, Pasco International Ltd. was the holding company for two other entities: Pan American Sulphur Company Ltd. (which had ties to the United Kingdom) and Pasco Terminals,
Inc. (which had connections to the US). PEMEX said that the mid- and high-level officials had participated in Pasco International Ltd. as part of the duties spelled out in their job descriptions.

Another Mexican on the list to raise eyebrows is Ricardo Pierdant, who has connections to President Enrique Peña Nieto and Angélica Rivera, Mexico’s first lady. Pierdant recently made headlines with the revelation that he paid about US$29,700 in property taxes for a home that Rivera owns in Miami. Pierdant has conducted business in the US and Mexico through at least 15 companies.

The Bahamas register listed Pierdant as the owner of two companies—Grantley Ventures Ltd. and Crimson Worldwide Ltd. Both firms were registered in November 2012, a month before Peña Nieto was sworn in as president of Mexico.

“When Pierdant paid Rivera’s property taxes in Miami on March 3, 2014, the companies that he set up in the Bahamas had already been in existence for one year and four months,” said MCCI. “The Mexican presidency has said that this was simply a favor [on the part of Pierdant], and that there was no conflict of interest.”

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