

Swiss whistleblower Falciani arrested in Spain on order from Switzerland

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On Wednesday, April 4, Hervé Falciani was arrested in Madrid. The whistleblower, who is expected to be extradited to the Swiss authorities, was released from custody the following Thursday under strict regulations.

As reported in the *Guardian* as well as other news sources, Falciani was previously an IT specialist at the HSBC Bank in Geneva, Switzerland. He provided a great service to the British, French and German tax authorities by sending them data on thousands of cases of tax fraud.

Falciani has lived undisturbed in Spain for the past five years. Switzerland sentenced him to prison on grounds of “economic espionage” in 2015 and requested his extradition. Until now, Spain has failed to carry out this request.

That could now change. When Falciani was released from custody on Thursday, the court confiscated his passport, and a judge passed strict regulations against him. He is no longer allowed to leave the country and must check in regularly with the court.

The proceedings of the Spanish judiciary against Falciani fall directly in line with the suppression of the Catalan separatists and the prosecution of the former Catalan president, Carles Puigdemont. It is believed that Falciani will be used as a piece in a trade deal for the two Catalan politicians, Anna Gabriel and Marta Rovira, both of whom emigrated to Switzerland in the previous weeks.

Falciani moved from Switzerland to France at the end of 2008. He carried in his luggage the names of 130,000 individuals and organisations that he knew through his work at HSBC Bank to be using Swiss banking secrecy to commit money laundering and tax evasion. He then presented this knowledge to the French, British and German tax authorities, an action

that would go down in banking history as the “Swiss-Leaks Affair.”

Switzerland would then sentence Falciani to five years of imprisonment in his absence, for revealing banking data to foreign tax authorities. He was arrested in July 2012 in Barcelona and held for months in custody.

However, the Spanish judiciary opposed the extradition in that case. The Spanish state prosecution ruled in May 2013 that the accusations against Falciani were not punishable in Spain but, to the contrary, that he had acted in accordance with Spanish laws against money laundering and tax evasion.

The documents of the scandal were published in 2015 and revealed that thousands of customers of HSBC, including heads of state, kings, sport stars and other celebrities, committed tax fraud and money laundering. The Spanish government was even able to profit off of Falciani’s revelations, and collected over €300 million in tax revenue.

However, the whistleblower was arrested on Wednesday as he made his way to a presentation at a Madrid university. Under the title “When It’s Heroic to Tell the Truth,” Falciani was expected to deliver remarks on tax evasion and corruption.

The Spanish government is obviously working towards getting hold of not just Puigdemont, but other Catalan politicians as well. A visit is planned for April 23 by the Spanish foreign minister, Alfonso Dastis, to Bern, Switzerland. An extradition of Falciani could be used as part of a deal to assure the extradition of the Catalonians Gabriel and Rovira.

Gabriel, floor leader of the CUP (Candidacy of the People’s Unity) in the Barcelonan parliament, supported the referendum on October 1 of last year over the independence of Catalonia. Gabriel fled Spain

earlier this year to avoid arrest after receiving a summons from the Spanish Supreme Court.

Rovira, general secretary of the ERC (Republican Left of Catalonia), also emigrated to Switzerland recently so as to avoid being thrown in prison. The Spanish judiciary has already arrested a string of Catalanian politicians since the referendum.

Switzerland renewed its demands for extradition to Spain. As Folco Galli, speaker of the Swiss Office of Justice (BJ), explained, an official petition for the immediate extradition of the whistleblower has recently been finished.

Galli denied any connection to the extradition of the other Catalanian politicians and stated that there is “absolutely no scope of discretion for such deals.” However, the speaker refrained from answering questions as to a petition of extradition from Spain for Gabriel or Ravira. He defended this, claiming that such international correspondence is confidential and is to be released at the discretion of the foreign offices.

The proceedings against Falciani are accompanied by moves towards a police-state across all of Europe. The European governments, including the non-European Union member Switzerland, are working together very closely to advance the interests of the banks.



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