

was planned as an agreement for various states. Nowadays, there are only two agreements in force. The agreements were not as accepted as expected and negotiations were difficult due to violation of the rule of equality.⁴⁹⁷

It seems that the tax justice network was right in forecasting the success of the Swiss-UK tax agreement.⁴⁹⁸ The agreement will raise less money than expected and the full refund of the upfront payment paid by Swiss banks is uncertain.⁴⁹⁹

The agreement itself could be viewed positively, but as with the LDF, the overall aim of reducing pressure, becoming a tax compliant financial centre and thus reducing the risks from abroad failed. Austria and the UK were never the main drivers due to their own positions on confidentiality and off-shore banking.

5.5 Impact on Liechtenstein

The demand from the international community for cooperation, integrity and improved transparency in tax havens will continue.⁵⁰⁰ The signing of the Liechtenstein Declaration, the signing of the LDF and the Liechtenstein-Austria tax agreement are all clear evidence that the government has seen what the future holds and started to think about a change in the financial centre.⁵⁰¹ However, the LDF was seen merely as additional compliance work from most of the small and medium-sized financial intermediaries. They were not equipped with robust IT-systems and thus had to expend a lot of effort manually screening the dossiers. Furthermore, due to a lack of expertise, most of them were unable to attract new British clients who wanted to benefit from the LDF. This might have been different for bigger trust companies and banks.

It is well known that the Kaiser Partner Group was strongly engaged in acquiring new UK clients.⁵⁰² They mention in their annual report of 2011 that, according to a private estimate, a third of all persons interested in the LDF asked for advice from their group.⁵⁰³ Using Liechtenstein Foundations for asset

⁴⁹⁷ Joecks, 2011, p. 443 & 444.

⁴⁹⁸ tax justice network, 2011, p. 24-29.

⁴⁹⁹ SwissBanking, 2013.

⁵⁰⁰ Lauber, 2010, p. 501.

⁵⁰¹ Roth & Thiede, 2013, p. 617.

⁵⁰² They received the Spear's Wealth Management Awards 2011 for instigating the LDF

⁵⁰³ Kaiser Partner Privatbank AG, 2011, p. 7.