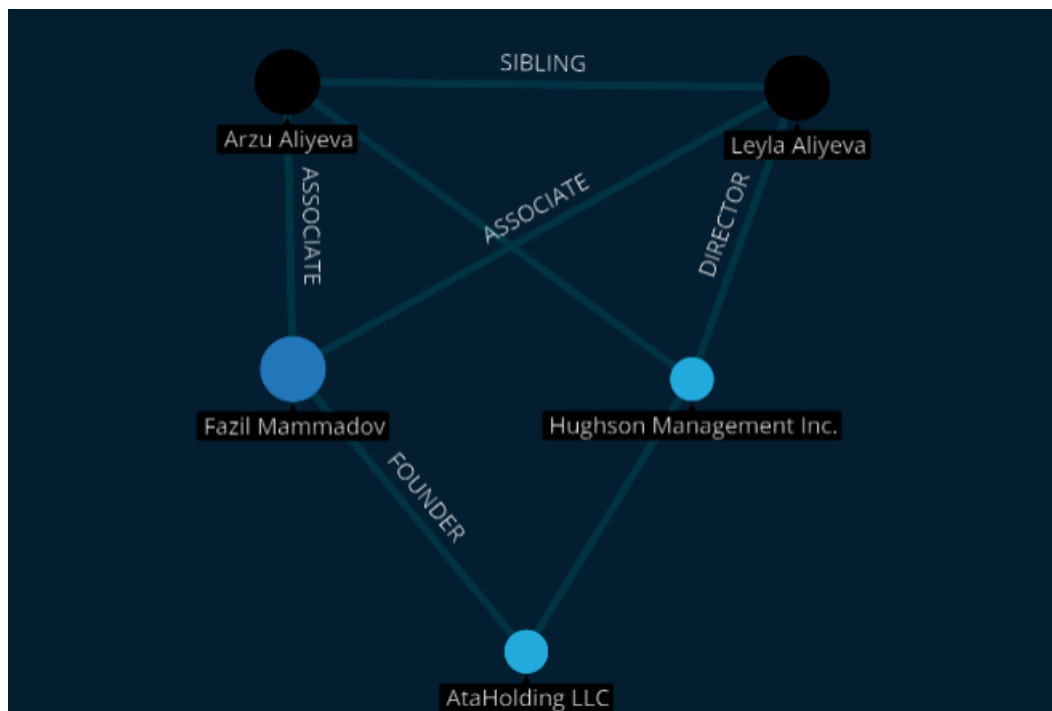


## Network Insight: AtaHolding and Triangle

The former tax ministry officials behind the offshore companies that bought and sold overseas real estate on the sisters' behalf

Leyla and Arzu Aliyeva are linked to a network of former Azerbaijani tax ministry officials who set up and ran AtaHolding, one of the sisters' Azerbaijani conglomerates, and went on to manage offshore companies that bought and sold high-value overseas properties on their behalf.<sup>[664] [971] [536]</sup>

The network centers around Azerbaijan's former tax minister, Fazil Mammadov (now deceased). During his 17 years in post, corruption in the ministry skyrocketed to epic proportions, with multiple scandals and dismissals of mid-ranking officials.<sup>[965] [966] [969] [970] [1364] [1365]</sup> In parallel to his official duties, Mammadov secretly set up and ran AtaHolding, an Azerbaijani financial conglomerate.<sup>[534]</sup> This is despite Azerbaijani law forbidding officials from engaging in business.<sup>[1164] [1170]</sup> If it wasn't for the Panama Papers leak of information from offshore law firm Mossack Fonseca, his secret business dealings would never have been exposed. Nor would it be known that Leyla and Arzu Aliyeva went on to acquire a majority stake in AtaHolding via a Panama shell company called Hughson Management Inc.<sup>[534]</sup>

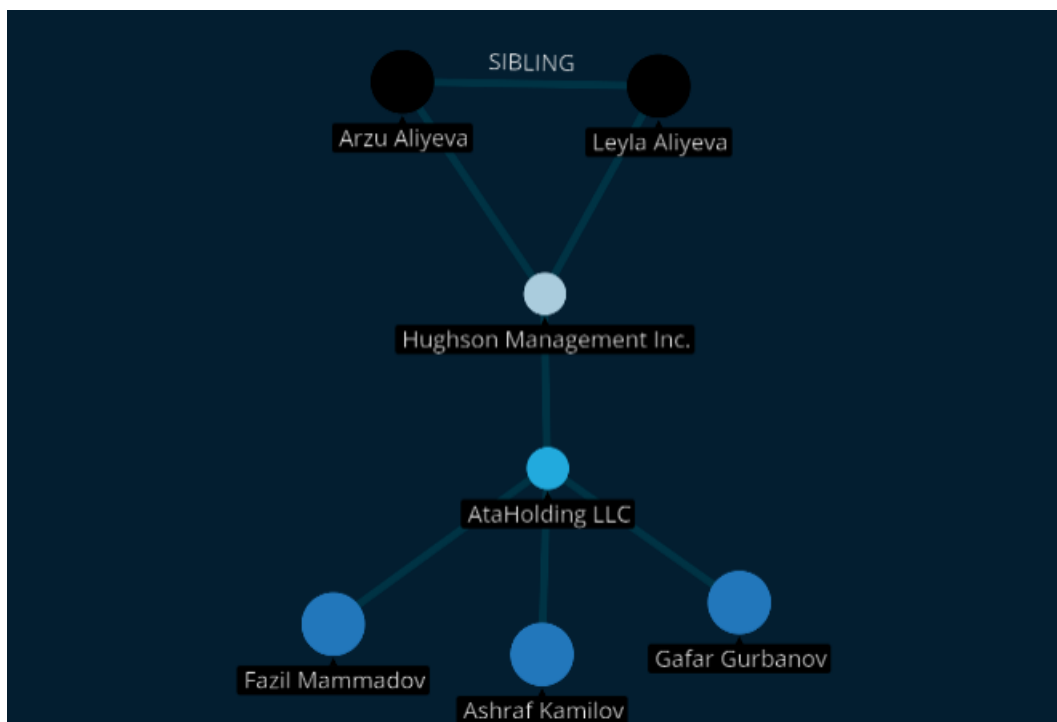


This secretive setup indicates that senior officials used third parties to acquire and engage in business on their behalf, which is a popular tactic in Azerbaijan to side-step anti-corruption laws.<sup>[1294]</sup> In addition, the use

of corporate vehicles and intermediaries to obscure beneficial ownership is a red flag for suspicious activity, according to the Financial Action Task Force (FATF).<sup>[1294]</sup> \*

AtaHolding owns the five-star Excelsior Hotel & Spa in Baku,<sup>[1366]</sup> as well as a poultry farm in Shamkir, in the country's northwest.<sup>[544]</sup> In 2015, AtaHolding's assets were worth 634 million manats (\$600 million), but by the end of 2019, the last year it published records, they had shrunk to just 85 million manats (\$50 million).<sup>[544]</sup> <sup>[248]</sup> <sup>[251]</sup>

Large conglomerates owned by powerful families need loyal managers to function smoothly. Several of AtaHolding's senior managers are former Azerbaijani tax ministry officials, including its former chairman, Gafar Gurbanov, and its most recent chief executive, Ashraf Kamilov.<sup>[540]</sup> <sup>[533]</sup> <sup>[521]</sup> <sup>[536]</sup>



After proving themselves at the helm of a first family firm, Kamilov and Gurbanov moved on to arranging overseas real estate deals on behalf of members of the family, including Leyla and Arzu Aliyeva.

Gurbanov co-founded and runs Triangle Investments and Development Limited, a London-based real estate investor and private wealth manager.<sup>[646]</sup> <sup>[538]</sup> Kamilov became a client of Triangle as the beneficial owner—on corporate documents hidden offshore—of a 212.5 million GBP (\$292 million) Central London real estate investment called Holborn Links that was arranged by Triangle in 2014.<sup>[971]</sup> <sup>[544]</sup> <sup>[533]</sup> <sup>[521]</sup> <sup>[536]</sup> <sup>[645]</sup> <sup>[646]</sup> <sup>[972]</sup> It is

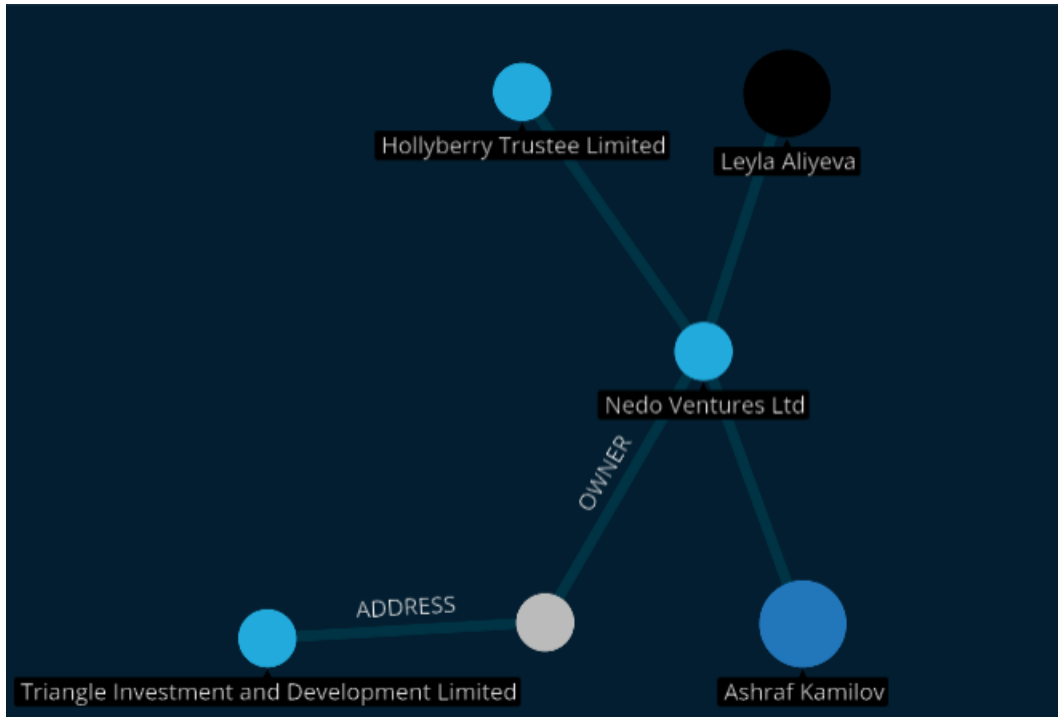
---

\* The Financial Action Task Force (FATF) is an international body that develops and promotes policies to protect the global financial system and sets standards for money laundering controls.

unclear how a former tax ministry official was able to amass the wealth required for such a large investment, but Kamilov is a partner with the first family—via his Azerbaijani conglomerate Synergy Group—in other business deals.<sup>[531] [521] [534]</sup>



Between 2010 and 2016, Triangle Investment and Development Limited was based out of an office at 8 Cavendish Square in Marylebone, Central London.<sup>[990] [991]</sup> In 2009, the entire office block was acquired by Nedo Ventures Ltd, a British Virgin Island company, for 9.5 million GBP (\$13.8 million).<sup>[275]</sup> At the time of the property purchase, Kamilov controlled Nedo Ventures, according to the Organized Crime and Corruption Reporting Project.<sup>[275]</sup> Ownership of Nedo Ventures was later transferred to Leyla Aliyeva, then on to her grandfather Arif Pashayev, and then to an Aliyev family trust administered on the Isle of Man.<sup>[276] [275] [303] [539] [642] [521] [675] [536] [538] [676]</sup>



## Citations

- 1 Elena Golovanova, “Above the Roof,” Baku Magazine, 2009, pp. 54-60.
- 248 Ata Holding Open Joint Stock Company, “Consolidated Financial Statements for the Year Ended December 31, 2015,” June 29, 2016, on file with The Sentry.
- 251 AtaHolding MMC, “Consolidated Financial Statements for the Year Ended December 31, 2019,” May 31, 2020, on file with The Sentry
- 275 Organized Crime and Corruption Reporting Project, “A Virtual Tour of the Aliyev’s London,” available at: <https://www.occrp.org/en/the-pandora-papers/the-aliyev-familys-london-property-empire>
- 276 Organized Crime and Corruption Reporting Project, “A Virtual Tour of the Aliyev’s London,” available at: <https://www.occrp.org/en/the-pandora-papers/the-aliyev-familys-london-property-empire>
- 303 Transparency International, “Through the Keyhole: Emerging Insights From the UK’s Register of Overseas Entities,” February 2023, available at: <https://www.transparency.org.uk/uk-register-overseas-entities-property-money-laundering-corruption>
- 521 Miranda Patrucic, Ilya Lozovsky, Kelly Bloss, and Tom Stocks, “Azerbaijan’s Ruling Aliyev Family and Their Associates Acquired Dozens of Prime London Properties Worth Nearly \$700 Million,” Organized Crime and Corruption Reporting Project, October 3, 2022, available at: <https://www.occrp.org/en/the-pandora-papers/azerbaijans-ruling-aliyev-family-and-their-associates-acquired-dozens-of-prime-london-properties-worth-nearly-700-million>
- 531 Kelly Bloss, “Major Azerbaijani Construction Materials Plant Had a Secret Co-Owner: President Ilham Aliyev’s Daughter,” Organized Crime and Corruption Reporting Project, October 3, 2021, available at: <https://www.occrp.org/en/the-pandora-papers/major-azerbaijani-construction-materials-plant-had-a-secret-co-owner-president-ilham-aliyevs-daughter>
- 533 Banker.az, “‘AtaHolding’ Director Changed,” September 24, 2020, available at: <https://banker.az/ataholdingin-r%C9%99hb%C9%99ri-d%C9%99yisdi/>
- 534 Will Fitzgibbon, Miranda Patrucic, and Marcos Garcia Rey, “How the Family That Runs Azerbaijan Built an Empire of Hidden Wealth,” Organized Crime and Corruption Reporting Project, April 4, 2016, available at: <https://www.occrp.org/en/panamapapers/azerbaijani-first-familys-hidden-wealth/>
- 536 Roxana Jipa, Victor Ilie, and Daniel Bojin, “Building on a Shaky Foundation,” Organized Crime and

- Corruption Reporting Project, December 4, 2015, available at: <https://www.occrp.org/en/corruptistan/azerbaijan/2015/12/04/building-on-a-shaky-foundation.en.html>
- 538 United Kingdom Companies House, “Triangle Investments and Development Limited: Persons With Significant Control,” available at: <https://find-and-update.company-information.service.gov.uk/company/06292655/persons-with-significant-control> (last accessed July 3, 2023).
- 539 Triangle Group website, available at: <https://www.triangle.co.uk>
- 540 AzerNews, “AtaHolding Appoints New Board Chair,” April 13, 2011, available at: <https://www.azernews.az/business/31632.html>
- 544 AtaHolding website, available at: <http://ataholding.az/en>
- 642 United Kingdom Companies House, “Triangle Investments and Development Limited,” available at: <https://find-and-update.company-information.service.gov.uk/company/06292655> (last accessed July 3, 2023).
- 645 Teacher Stern Solicitors, “Triangle Enlists Deutsche Bank for Holborn Links Deal,” June 11, 2014, available at: <https://www.teacherstern.com/triangle-enlists-deutsche-bank-for-holborn-links-deal/>
- 646 Triangle Group, “News: Triangle Group Completes on Holborn Links,” October 21, 2014, available at: <https://www.triangle.co.uk/triangle-group-completes-on-holborn-links/>
- 664 Juliette Garside, Luke Harding, David Pegg, and Holly Watt, “London Law Firm Helped Azerbaijan’s First Family Set Up Secret Offshore Firm,” The Guardian, April 5, 2016, available at: <https://www.theguardian.com/news/2016/apr/05/panama-papers-london-law-firm-helped-azerbaijan-first-family-set-up-secret-offshore-firm>
- 675 United Kingdom Companies House, “Gafar Gurbanov: Appointments,” available at: <https://find-and-update.company-information.service.gov.uk/officers/Tzid5lWs5HA50-XXSQG4a9xxSoY/appointments> (last accessed July 4, 2023).
- 676 United Kingdom Companies House, “Triangle Investments and Development Limited: Filing History,” available at: <https://find-and-update.company-information.service.gov.uk/company/06292655/filing-history?page=1> (last accessed July 4, 2023).
- 965 US Department of State, “Azerbaijan 2006 Investment Climate Statement,” available at: <https://2001-2009.state.gov/e/eeb/ifd/2006/62315.htm> (last accessed September 9, 2023).

- 966 Ceyhun Osmanli, “Azerbaijan: Snap Elections Are Coming – and a New Generation of Politicians,” Euractiv, December 4, 2019, available at: <https://www.euractiv.com/section/azerbaijan/opinion/azerbaijan-snap-elections-are-coming-and-a-new-generation-of-politicians/>
- 969 Musavat, “Terrible Corruption on Behalf of Fazil Mammadov,” January 18, 2012, available at: [https://musavat.com/news/iqtisadiyyat/FAZ%C4%B0L-M%C6%8FMM%C6%8FDOVUN-ADINDAN-M%C3%9CDH%C4%B0%C5%9E-KORRUPS%C4%B0YA\\_116142.html?d=1](https://musavat.com/news/iqtisadiyyat/FAZ%C4%B0L-M%C6%8FMM%C6%8FDOVUN-ADINDAN-M%C3%9CDH%C4%B0%C5%9E-KORRUPS%C4%B0YA_116142.html?d=1)
- 970 Xezer News, “How Did Fazil Mammadov Manage the Corruption Network?,” December 13, 2017, available at: <https://xezernews.az/?c=news&id=32301>
- 971 Jack Sidders, Laura Benitez, Donal Griffin, and Luca Casiraghi, “In Adler’s Orbit, Deals Lead to Azeri First Family,” Bloomberg, January 13, 2022, available at: <https://www.bloomberg.com/news/articles/2022-01-13/in-adler-s-orbit-a-string-of-deals-leads-to-azeri-first-family#xj4y7vzkg>
- 972 Xe, “Currency Table: GBP - Great Britain Pound,” June 14, 2014, available at: <https://www.xe.com/currencytables/>
- 990 United Kingdom Companies House, Triangle Investments and Development Limited change in registered address, April 7, 2010, on file with the Sentry.
- 991 United Kingdom Companies House, Triangle Investments and Development Limited change in registered address, September 12, 2016, on file with the Sentry.
- 1164 Republic of Azerbaijan, Law of the Republic of Azerbaijan About Ownership Activity, December 15, 1992, section 1, item 3, article 2, available at: <https://e-qanun.az/framework/7920>
- 1170 Ministry of Justice of the Republic of Azerbaijan, Law of the Republic of Azerbaijan About Rules for Submission of Financial Information by Officials, June 24, 2005, Section 5.1, available at: <https://e-qanun.az/framework/10662>
- 1294 Financial Action Task Force, “Politically Exposed Persons (Recommendations 12 and 22),” June 2013, available at: <https://www.fatf-gafi.org/content/dam/fatf-gafi/guidance/Guidance-PEP-Rec12-22.pdf.coredownload.pdf>
- 1364 Modern.az, “A Criminal Case Was Opened Against the Employees of the Ministry of Taxes - LIST,” May 22, 2019, available at: <https://m.modern.az/az/news/201464/verqiler-nazirliyinin-emekdaslarina-cinayet-isi-acildi-siyahi>

- 1365 Modern.az, "Two Officials of the Ministry of Taxes Were Caught in the Act of Bribery - INCIDENT," February 24, 2013, available at: <https://modern.az/az/news/34622/vergiler-nazirliyinin-iki-memuru-rusvet-basinda-yaxalandi-hadise>
- 1366 AtaHolding, "Excelsior Hotel & Spa Baku," available at: <http://ataholding.az/en/ExcelsiorHotelBaku>