



UNLOCKING OWNERSHIP DATA

**GUIDELINES FOR IMPLEMENTING MEANINGFUL
ACCESS TO BENEFICIAL OWNERSHIP DATA IN
THE UK'S OFFSHORE FINANCIAL CENTRES**

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Editor: Steve Goodrich (TI-UK)

Researcher: Margot Mollat (TI-UK)

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INTRODUCTION

Since the Panama Paper leaks in 2016, offshore finance has come under mounting international scrutiny. The revelations exposed how shell companies, trusts and complex corporate structures are used to conceal corruption, launder money, and avoid taxes away from public view.

The UK plays a central role in this global system. Through the City of London and its extensive network of Overseas Territories and Crown Dependencies, Britain has been accused of sitting at the heart of a sprawling financial network that enables a shadow economy. This system is estimated to cost governments around the world billions in lost tax revenue each year. According to the Tax Justice Network, the UK and its offshore financial centres are responsible for £125 billion (\$169 billion) in global tax losses annually.¹ Their contribution to global corruption, organised criminality and state-backed threats is also substantial.

There is growing recognition that the secrecy afforded by the UK's offshore financial centres contributes to these global harms. Successive UK Governments have sought to work with these jurisdictions to address this problem, and empower them to open their corporate registers to greater scrutiny. At the November 2024 Joint Ministerial Council (JMC) in London, Overseas Territories who have yet to make this information publicly accessible committed to:

'...implement Legitimate Interest Access Registers of Beneficial Ownership (LIARBOs) with the maximum possible degree of access and transparency, whilst containing the necessary safeguards to protect the right to privacy in line with respective constitutions'.²

This guidance provides a comprehensive legislative blueprint for how they can deliver on this pledge, and work towards publicly accessible registers of beneficial ownership (PARBOs), like the UK's. Given the Crown Dependencies have made similar commitments, this document is also of relevance to them. It is divided into three main sections:

- **Policy context:** A short history of the UK's offshore financial centres and the context for their commitments to greater corporate transparency.
- **Methodology:** How we developed our guidelines for beneficial ownership transparency.
- **Guidelines:** Our legislative blueprint for delivering effective access to beneficial ownership registers.

¹ <https://taxjustice.net/press/tax-haven-ranking-uk-protects-itself-while-keeping-world-defenceless-to-british-tax-havens/> [accessed: 6 August 2025].

² Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, and the Turks and Caicos Islands.

POLICY CONTEXT

The dominance of UK-linked offshore jurisdictions in global finance is no coincidence. Their roots lie in the legacy of the British Empire, including the export of its common law system, low-tax regimes, and a series of fiscal and policy decisions made in London, starting in the 1950s and 60s.³

In response to tight currency controls following World War II, London banks began seeking innovative ways to remain profitable, leading to the creation of the Eurodollar market – a system that allowed UK banks to borrow and lend US dollars outside the jurisdiction of American regulators.⁴ In doing so, they created one of the first offshore markets.

Due to their close proximity to the US and English common law systems, British Overseas Territories in the Caribbean became key destinations for these financial flows. By the late 70s, Caribbean islands accounted for one fifth of total Euro Market operations.⁵ Archival evidence shows that UK Foreign Office officials actively encouraged this development, viewing it as a way for these jurisdictions to become self-funding and reduce their reliance on British aid.⁶

Today, this network is deeply embedded in global finance, with the City of London at its centre. Academics estimate that nearly 70 per cent of all offshore financial centres are located in current or former British territories.⁷ Authors like Nicholas Shaxson have argued London continues to benefit from this – as it provides the essential legal, accounting, and banking services, making a profit on the undertaxed and corrupt wealth that circulates through its network of offshore territories.⁸

The impact of offshore finance: the ‘finance curse’

Though many offshore centres have managed to achieve higher levels of income and development compared to regional peers, researchers have warned that this only goes up to a point, after which it becomes a drag on growth.⁹

Known as the ‘finance curse’, this phenomenon creates heavy dependence on international finance, exposing these economic centres to market volatility, financial crisis, and large drops in state revenue.¹⁰ This can also distort the labour market, by attracting skilled workers away from productive sectors.¹¹ Empirical studies have found that financial booms disproportionately harm industries and manufacturing activities that are R&D intensive.¹² Other industries – such as tourism, agriculture, or fishing – struggle against inflated costs and capital flows favouring finance. Anecdotal evidence suggests that the high concentration of wealth has caused a sharp increase in cost of living, and housing market rates, squeezing middle- and lower-income households.¹³

Academics also argue that the reliance on an industry of this size creates a heightened risk of policy capture, poor governance, and corruption. There is a growing list of cases to support this claim. In 2009, the UK Government imposed direct rule on the Turks and Caicos Islands for two years¹⁴ following a Commission of Inquiry into high-level political corruption.¹⁵ In the British Virgin Islands (BVI), a 2022 Commission of Inquiry found evidence of endemic corruption and governance failure,¹⁶ while Premier Andrew Fahie was arrested in the US on charges of drugs smuggling and money laundering.¹⁷ Currently, there is a Commission of Inquiry in Gibraltar, which is due to report soon.¹⁸

³ Nicholas Shaxson, *Treasure Islands: Tax havens and the men who stole the world* (London: Vintage, 2011); Brooke Harrington, *Offshore: Stealth Wealth and the new colonialism*, (New York: Norton Shorts, 2024), p.65; Ronen Palan, *The Second British Empire: The British Empire and the re-emergence of global finance*, (Cambridge: Cambridge University Press, 2015).

⁴ Palan, 2015; Shaxson, 2011.

⁵ Palan, 2015.

⁶ Harrington, 2024, pp.58-79; Palan, 2015.

⁷ Harrington, 2024; Palan, 2015.

⁸ Nicholas Shaxson, *Finance Curse: How global finance is making us all poorer*, (London: Random House, 2018).

⁹ Siong Hook Law, Nirvikar Singh, *Does too much finance harm economic growth?* (Journal of Banking Finance, 2013); Shaxson, 2018; Harrington, 2024.

¹⁰ Jean-Louis Arcand, Enrico Berkes and Ugo Panizza, *Too Much Finance?* (IMF Working Paper, 2012), <https://taxjustice.net/topics/the-finance-curse/>.

¹¹ Stephen G Cecchetti and Enisse Kharroubi, *Why does financial sector growth crowd out real economic growth?* (BIS Working Papers, 2015); Cecchetti and Kharroubi, 2015.

¹² Cecchetti and Kharroubi, 2015.

¹³ Harrington, 2024; https://www.numbeo.com/cost-of-living/compare_countries_result.jsp?country1=Cayman+Islands&country2=United+Kingdom; <https://www.gov.ky/economy> [accessed: 6 August 2025].

¹⁴ <https://hansard.parliament.uk/Commons/2009-03-16/debates/0903166000008/TurksAndCaicosIslandsGovernance>; <https://www.legislation.gov.uk/uksi/2009/701/contents/made> [accessed: 6 August 2025].

¹⁵ <https://assets.publishing.service.gov.uk/media/5a7cd53eed915d6b29fa8ef0/inquiry-report.pdf> [accessed: 7 August 2025].

¹⁶ <https://www.theguardian.com/world/2021/oct/24/bvi-inquiry-hears-claims-systemic-corruption-jury-intimidation> [accessed: 7 August 2025].

¹⁷ <https://www.bbc.co.uk/news/uk-61266526> [accessed: 6 August 2025].

¹⁸ <https://coircomp.gi/> [accessed: 6 August 2025].

The cost of offshore finance

In addition to the effects felt locally, offshore finance is responsible for untold cost and damage across the world. Our research has shown that at least 237 high-end corruption and money laundering cases have used corporate vehicles registered in the UK's Overseas Territories. In total, these cases amount to £250 billion worth of funds diverted by rigged procurement, bribery, embezzlement and the unlawful acquisition of state assets across 79 different countries.¹⁹ Examples include the 1MDB scandal, where the former Prime Minister Najib Razak and his associate, Jho Low, stole billions of dollars from Malaysia's sovereign wealth fund.²⁰

UK financial centres have also been destination of choice for Russian oligarchs looking to skirt sanctions by using complex offshore systems to hide their identities. A report by the UK sanctions watchdog estimates that over a fifth of all suspected sanctions breaches involved actors in intermediary jurisdictions – including the BVI, Jersey, and Guernsey.²¹

The UK's Overseas Territories and Crown Dependencies also top rankings for tax havens and are responsible for over a quarter of all countries' tax losses (26 per cent). The UK itself loses US\$45 billion a year as a result of tax abuse.²²

Alongside corruption, sanctions evasion and tax abuse, these jurisdictions have also enabled forced labour in the Chinese fishing industry;²³ Colombian drug cartels trafficking cocaine into the US;²⁴ and the destruction of the Indonesian rainforest – just to name a few examples.²⁵ While corporate opacity provided by the UK's offshore financial centres have provided public revenue domestically, this has come at an enormous and outsized cost to people, the planet, and the global economy, which is both unjustifiable and increasingly untenable.

Corporate Transparency and the path to reform

Since the Panama Papers, the UK Government has encouraged its offshore financial centres to introduce tougher anti-money laundering (AML) rules and more transparency about the owners of companies registered there. In particular, pressure mounted for these territories to introduce public registers of the ultimate owners of legal entities – also known as PARBOs.

In 2020, all UK Overseas Territories and Crown Dependencies voluntarily committed to introduce these registers, in line with what had become the new international and de facto standard. It was expected that Overseas Territories would have registers in place by December 2023, and the real owners of entities registered there would be available for public scrutiny.

However, a December 2022 ruling by the Court of Justice of the European Union (CJEU) provided a major setback. It found that public registers solely for the purpose of tackling money laundering and its predicate offences provided a disproportionate infringement on privacy rights in Member States. Despite not being bound by this ruling, most of the Overseas Territories used this judgment to pause their efforts to introduce public registers and instead follow emerging standards in the EU. Set out in the sixth anti-money laundering directive (AMLD6), these include granting access only to those who have a 'legitimate interest' in beneficial ownership information. Under these new rules, some sections of the public – including journalists and non-governmental organisations (NGOs) connected to tackling money laundering – are presumed to have a legitimate interest and to have open access to the data.

At the November 2024 JMC in London, Overseas Territories without publicly available registers committed to *'implement Legitimate Interest Access Registers of Beneficial Ownership (LIARBOs) with the maximum possible degree of access and transparency, whilst containing the necessary safeguards to protect the right to privacy in line with respective constitutions'*.²⁶ AMLD6 provides an initial yardstick for measuring the delivery of this commitment, though the enacting laws containing

¹⁹ Transparency International UK, *The cost of secrecy: The role played by companies registered in the UK's Overseas Territories in money laundering and corruption*, (November 2018). <https://archive.transparency.org.uk/sites/default/files/pdf/publications/TIUK-CostofSecrecy-WEB-v2.pdf>

²⁰ <https://www.reuters.com/article/business/mystery-deepens-over-35-billion-malaysias-1mdb-sent-to-bvi-entity-idUSKCN0X8190/> [accessed: 6 August 2025].

²¹ https://assets.publishing.service.gov.uk/media/67f7d42804146682e61bc80f/OFSI_Property_and_Related_Services_Threat_Assessment.pdf?utm_content=&utm_medium=email&utm_name=&utm_source=govdelivery; https://assets.publishing.service.gov.uk/media/67ee635698b3bac1ec299c3e/OFSI_Legal_Services_Threat_Assessment.pdf [accessed: 6 August 2025].

²² <https://taxjustice.net/press/world-losing-half-a-trillion-to-tax-abuse-largely-due-to-8-countries-blocking-un-tax-reform-annual-report-finds/> [accessed: 6 August 2025].

²³ See US designation for Pingtan Marine, a Cayman Island registered network which operates a fleet of over 100 fishing vessels: <https://home.treasury.gov/news/press-releases/jy1154> [accessed: 6 August 2025].

²⁴ <https://www.dea.gov/press-releases/2011/08/25/thirteen-indicted-airdropping-multi-hundred-kilogram-quantities-cocaine> [accessed: 6 August 2025].

²⁵ <https://thegeckoproject.org/articles/how-secrecy-jurisdictions-are-facilitating-the-destruction-of-indonesia-s-rainforests/> [accessed: 6 August 2025].

²⁶ Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, and the Turks and Caicos Islands.

the detailed mechanics are still pending and there are ways in which it could go further.

As Member States start to transpose AMLD6 into national law, there is an opportunity for the Overseas Territories and Crown Dependencies to draw from this experience. This paper codifies learnings to date into practical and consolidated guidelines for the effective implementation of LIARBOs.

The UK Government has defined LIARBOs as a stepping-stone towards PARBOs, which Gibraltar and Montserrat have already delivered. To help the UK's offshore financial centres deliver the next stage in this transparency journey, we have also included standards for fully public registers.

Later in 2025 we will publish a technical assessment of how key Overseas Territories compare against these standards. Given LIARBOs and PARBOs have many of the same common foundations, the majority of these standards cover both. Only the latter sections focus on the specifics of these different approaches to accessing beneficial ownership data.

A way forward?

Secrecy in the UK's offshore financial centres continues to facilitate corruption, tax evasion, and economic crimes on a global scale, causing widespread harm while also leaving these jurisdictions dangerously overdependent on a single, opaque and volatile sector. The UK has played a critical role in establishing these secrecy havens and, in many cases, continues to benefit from them.

This guidance focuses on the technical mechanisms required to increase transparency and reduce financial secrecy. However, it is important to acknowledge that these reforms cannot happen in isolation.

Moving toward cleaner, more transparent and sustainable models of economic growth will require navigating structural challenges, including the legacies of colonialism, different stages of development, and these territories' dependence on the financial sector for public revenue. These issues are beyond the scope of this paper, but they are key considerations the UK Government will need to grapple with as it seeks to halt the facilitation of financial crime.

METHODOLOGY

At the November 2024 JMC in London, those Overseas Territories without publicly available registers made commitments to *‘implement Legitimate Interest Access Registers of Beneficial Ownership with the maximum possible degree of access and transparency, whilst containing the necessary safeguards to protect the right to privacy in line with respective constitutions.’*²⁷

To translate this statement into an actionable standard, we drew from policy and legislative experience primarily from global standards bodies, including the Financial Action Task Force (FATF), followed by the UK and EU – who are leading by example with their frameworks for beneficial ownership transparency. Through a comparative analysis of the constitutions, laws, regulations and guidance listed in Annex, we synthesised source documents into a list of standards, choosing wording that would deliver the ‘maximum possible degree of access and transparency’ wherever there was a divergence between them.

We recognise this commitment is caveated by the need to safeguard the right to privacy in line with respective constitutions. With the exception of Anguilla, all of the Overseas Territories have almost identical constitutional rights to privacy to the UK, which are qualified and not absolute. These permit authorities to infringe on these rights where it would advance the public interest – for example, security, economic well-being, preventing criminality and protecting the rights of others – and is reasonably justifiable in a democratic society.

In this context, there are no substantive legal barriers to Overseas Territories using legitimate interest registers as a stepping stone towards full public access, as is the case in the UK, Gibraltar, St Helena and Montserrat. The remaining obstacles to delivering against these standards are political and economic. Given the substantive differences between Overseas Territories – including their dependency on trust and company services for public revenue, and technical knowledge – there will likely be very different challenges to delivering against the benchmarks below. While we do not include a political economy analysis of these jurisdictions in our assessment, understanding and responding to these dynamics is crucial to securing their voluntary progress against commitments made at the 2024 JMC.

These standards focus solely on providing access to information on the beneficial owners of legal entities. However, many of these access requirements could also apply to legal arrangements; for example, trusts, foundations and similar structures. Notably, the EU’s AMLD6 is framed about providing LIARBOs for both legal entities and arrangements, recognising companies are not the only conduit for illicit finance. The main substantive difference when applying these standards to legal arrangements is that the policy rationale would likely not go beyond tackling money laundering and its predicate offences.

²⁷ <https://www.gov.uk/government/publications/uk-and-overseas-territories-joint-ministerial-council-2024-communique/2024-uk-and-overseas-territories-joint-ministerial-council-communique> [accessed: 9 June 2025].

GUIDELINES FOR BENEFICIAL OWNERSHIP TRANSPARENCY

Defining beneficial owners

Standard 1: The definition of beneficial owners should enable the tracing of ownership and/or control to a natural person.²⁸

Why definitions of beneficial ownership are so important

Defining beneficial ownership clearly and comprehensively in law is crucial to delivering meaningful information to those who need it.

Recent legislative proposals in the BVI and Bermuda illustrate the risks of inconsistency between how beneficial ownership is defined and the scope of information made publicly accessible.

BVI's legal definition is relatively broad: it includes individuals who hold 10 per cent or more of shares, parties to trusts, and persons exercising indirect control over an entity. However, under proposed access rules, individuals requesting information on the basis of a legitimate interest would only be entitled to view data on those holding 25 per cent or more of shares or voting rights (directly or indirectly), or individuals with the power to appoint directors. This narrower threshold would allow many beneficial owners to remain hidden behind nominee shareholders and trust structures.²⁹

Meanwhile, Bermuda has proposed adopting a 'cascading' approach to beneficial ownership. While this method may be appropriate in the context of banking due diligence, it is not suitable for legally defining beneficial owners. The cascading approach prioritises identifying individuals with ownership control and only considers those exerting other forms of influence if no clear ownership structure exists. This is at odds with the multi-pronged approach recommended by FATF, which states that anyone

meeting any one of several specified criteria should be treated as a beneficial owner.³⁰

For these reasons, this standard recommends that legal definitions of beneficial ownership be applied consistently across access regimes and align with international good practice, including FATF standards and legislation in the UK and the EU.

Legal definition

1. Primary legislation should define beneficial ownership and apply this definition consistently across all relevant types of legal entities (insofar as this is possible given the different types of legal entities and their ownership/control arrangements).³¹
2. The definition of beneficial owners should cover all relevant forms of ownership and control, and at a minimum, those meeting any of the below forms of ownership or control should qualify as beneficial owners:³²
 - i. direct and indirect shareholdings
 - ii. direct and indirect voting rights
 - iii. direct and indirect rights to appoint or remove the majority of directors
 - iv. significant influence or control over the entity or its activities³³
 - v. in the case of a trust, the settlor, trustee, beneficiaries and other relevant parties³⁴
3. An individual that meets one or more of the specified conditions is considered a beneficial owner except where that individual operates solely in the capacity of a professional advisor or professional manager.
4. Where the law uses thresholds to define beneficial ownership – for example, by proportions of shares

²⁸ Open Ownership, *Principles for effective beneficial ownership disclosure*, (January 2023), p.2 <https://oo.cdn.ngo/media/documents/oo-guidance-open-ownership-principles-2023-01.pdf>

²⁹ Transparency International UK, *Response to the British Virgin Islands' consultation on providing legitimate interest access to beneficial ownership data*, (January 2025), p.7 <https://www.transparency.org.uk/sites/default/files/2025-03/Consultation%20Response%20-%20BVI.pdf>

³⁰ <https://www.transparency.org.uk/publications/providing-legitimate-interest-access-bermudas-beneficial-ownership-data> [accessed: 6 August 2025].

³¹ FATF, *The FATF Recommendations*, pp.100-101; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.2.

³² FATF, *Beneficial ownership of legal persons*, Section 4, pp.15-20; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.2; Articles 52-55 and 57-62, Regulation (EU) 2024/1624; Schedule 1A, Companies Act 2006.

³³ This should include the power to appoint the majority of senior management and control through debt instruments, as set out in FATF, *Beneficial ownership of legal persons*, pp.18-19.

³⁴ Article 58, Regulation (EU) 2024/1624.

or voting rights – these should be set sufficiently low (no more than 25 per cent), so that individuals with significant ownership and/or control are included in declarations.³⁵

5. Legal entities should only be permitted to report other legal entities as their beneficial owners when the latter are subject to their own disclosure requirements in the same jurisdiction, enabling tracing up the ownership chain to a natural person.³⁶
6. The definition of beneficial owners should clarify that those merely working on behalf of the ultimate owners/controlling parties – such as agents, custodians, intermediaries and nominees – do not qualify as beneficial owners.³⁷
7. Where no person meets the definition of a beneficial owner, the law should require the legal entity or arrangement to make a statement to the registrar stating that the beneficial owners could not be determined along with a corresponding justification, and disclose the natural person(s) in a position of senior management.³⁸
8. The law should prohibit types of ownership and control that are impossible or difficult to verify, such as bearer shares.³⁹

Identifying and reporting information on beneficial owners

Standard 2: To ensure the register is an accessible and reliable source of information, the registrar and legal entities reporting beneficial ownership data should take steps to ensure the accuracy, completeness and timeliness of the data.⁴⁰

Knowing your owner

Securing accurate, complete and timely beneficial ownership data for users requires input from a range of parties, including the registrar, legal entities, those managing legal entities, such as trust and company service providers (TCSP), and the beneficial

owners themselves. Missing one part of this chain of responsibility can undermine the quality and reliability of data.

For example, until recently UK Companies House was a passive registrar, with few powers to check the validity of information it received. Consequently, it became an honesty box, exploited by criminals determined to hide their identity. Similarly, relying solely on companies or TCSPs to identify beneficial owners risks creating gaps on the register, while ignoring discrepancies reported by other sources, such as banks, undermines the integrity of the data.

To reduce these risks, both the EU and UK require businesses regulated under AML rules to report any discrepancies between the central register and their customer due diligence files to the company registrar. The UK also imposes a requirement on beneficial owners to take responsibility for reporting their involvement in a company, with Companies House given statutory duties to protect the integrity of the register.

Reporting requirements

Duty of legal persons to register their beneficial owners

9. All legal entities covered by beneficial ownership requirements should have to take reasonable steps to identify beneficial owners and report them to the central register or those responsible for reporting to the central register.⁴¹
10. Where a legal entity has cause to believe someone is a beneficial owner, they should be able to require the suspected beneficial owner to confirm and correct details about their status and report it to the registrar.⁴²
11. Legal entities should submit information about:⁴³
 - i. the full name of the beneficial owner(s)
 - ii. the date and place of birth of the beneficial owner(s)

³⁵ FATF, *Beneficial ownership of legal persons*, p.16; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.2; Article 52(1), Regulation (EU) 2024/1624; Paragraphs 2 and 3 of Schedule 1A, Companies Act 2006.

³⁶ Section 790C, Companies Act 2006.

³⁷ FATF, *Beneficial ownership of legal persons*, Section 15, pp.47-52; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.2.

³⁸ FATF, *Beneficial ownership of legal persons*, p.15; FATF, *The FATF Recommendations*, Glossary, p.123; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.2; Article 63(4) and 64(6), Regulation (EU) 2024/1624.

³⁹ FATF, *The FATF Recommendations*, p.22; FATF, *Beneficial ownership of legal persons*, p.43; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.12; Article 79(3), Regulation (EU) 2024/1624; Section 779, Companies Act 2006.

⁴⁰ FATF, *The FATF Recommendations*, pp.98-99.

⁴¹ FATF, *The FATF Recommendations*, p.98; Sections 790CB-790EA, Companies Act 2006.

⁴² FATF, *Beneficial ownership of legal persons*, p.18; 790D, Companies Act 2006.

⁴³ FATF, *Beneficial ownership of legal persons*, p.22; Article 62(a), Regulation 2024/1624; 790K, Companies Act 2006 – Note this definition is mainly modelled off of the UK's PSC rather than the EU's approach as it does not require legal entities to describe their ownership structure. Instead, each entity should report their upward owner so that users can map the chain of ownership.

- iii. the country of residence and all nationalities held by the beneficial owner(s)
 - iv. the nature and extent of the beneficial interest held
 - v. the dates on which the beneficial owner was notified as a beneficial owner
 - vi. when they ceased to hold that position (where applicable)
12. Exemptions from disclosure should be narrow, clearly defined and restricted to entities already disclosing this information through alternative mechanisms (e.g. stock exchange).⁴⁴
13. Legal entities that are exempt should still need to make declarations to the registrar stating the basis of their exemption.⁴⁵ Information about their beneficial ownership should be easy to find through alternative mechanisms.

Duty of legal persons to ensure timeliness and accuracy

14. Legal entities should be required to submit beneficial ownership information on their incorporation.⁴⁶
15. Legal entities should be required to report all beneficial ownership changes, and when those took place, to the registrar within a defined timeframe after they occur, ideally within 14 days of the change.⁴⁷
16. Legal entities should be required to verify that they hold up-to-date information, submit any changes or confirm that the information about their beneficial owners is correct, at least annually.⁴⁸

Duty of beneficial owners to supply information

17. Where a beneficial owner:
- i. knows or suspect that they qualify as a beneficial owner
 - ii. knows or suspects there is a change to their status as a beneficial owner

iii. ceases to be a beneficial owner they should have a duty to notify the legal entity of their status including relevant information about this event; for example, when it occurred⁴⁹

18. Where the law permits nominee shareholders and/or directors they should declare themselves as such to the legal entity/TCSP managing the legal entity, and on whose behalf they are working.⁵⁰

Beneficial ownership register

Data availability and usability

19. Beneficial ownership data should be reported to, held by and accessible from a dedicated database or on the central business register.⁵¹
20. The registrar should make the register available online, digitally and securely, including in machine-readable formats.⁵²
21. The registrar should be accessible at all times.
22. The registrar should keep the register up-to-date, with filings published in a timely manner, unless further verification or queries are necessary for data quality assurance.
23. The registrar should capture updates and changes to filings on the register, including dates and reasons for changes to create an auditable record.⁵³
24. The registrar should keep records for a reasonable and specified number of years including for dormant and dissolved legal entities.⁵⁴ Data should ideally be retained for 20 years, with 5 years as an absolute minimum.⁵⁵
25. The registrar should assign unique identifiers to each beneficial owner on the register.⁵⁶
26. Users should be able to access related disclosures about the legal entity, including information on directors and shareholders, proof of incorporation of the legal entity, articles of association, and its legal form and statutes.⁵⁷

⁴⁴ FATF, *Beneficial ownership of legal persons*, p.56; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.4; Article 65, Regulation (EU) 2024/1624; Section 790B, Companies Act 2006.

⁴⁵ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.4.

⁴⁶ FATF, *Beneficial ownership of legal persons*, p.32; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.13; Article 63(2), Regulation (EU) 2024/1624; Section 12A, Companies Act 2006.

⁴⁷ FATF, *Beneficial ownership of legal persons*, p.27; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.13; Transparency International, *Technical guide: Implementing the G20 beneficial ownership principles*, p.21; Section 790M, Companies Act 2006.

⁴⁸ FATF, *Beneficial ownership of legal persons*, p.27; Transparency International, *Technical guide: Implementing the G20 beneficial ownership principles*, p.21; Article 63(2), Regulations 2024/1624; Section 853A, Companies Act 2006.

⁴⁹ Sections 790G–790HA, Companies Act 2006.

⁵⁰ FATF, *The FATF Recommendations*, p.100; Transparency International, *Technical guide: Implementing the G20 beneficial ownership principles*, p.19; Article 22, Regulation (EU) 2024/1624.

⁵¹ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.7; Article 10(1), Directive (EU) 2024/1640.

⁵² Open Ownership, *Principles for effective beneficial ownership disclosure*, p.10.

⁵³ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.10.

⁵⁴ FATF, *The FATF Recommendations*, p.98; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.13; Section 1084(1A), Companies Act.

⁵⁵ Section 1084(1A), Companies Act requires the registrar to keep company records for period of 20 years; while other standards remain vague or recommend five years: *The FATF Recommendations*, p.98; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.13.

⁵⁶ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.10.

⁵⁷ FATF, *Beneficial ownership of legal persons*, p.13; Transparency International, *Technical guide: Implementing the G20 beneficial ownership principles*, p.21; Articles 16(a) and 19(2), Directive (EU) 2017/1132.

Data verification

27. The registrar and entities in charge of reporting to the registrar should take measures to verify beneficial owners' identities and status and limit errors. This includes reviewing original documents, cross-checking against other sources and challenging reports where total voting/share rights held by beneficial owners exceed 100 per cent.⁵⁸
28. The registrar should establish mechanisms to:⁵⁹
 - i. respond to red flags or discrepancies raised by third parties
 - ii. investigate, rectify and remove information that is found to be inaccurate
29. The registrar or entities in charge of verifying information on its behalf should check whether beneficial owners have been designated under financial sanctions. This should take place immediately upon a designation in relation to targeted financial sanctions and at regular intervals.⁶⁰
30. The registrar should ensure that the information contained in the central register(s) includes an indication that the legal entity is associated with persons or entities subject to targeted financial sanctions in any of the following situations:
 - i. a legal entity or legal arrangement is subject to targeted financial sanctions
 - ii. a legal entity or legal arrangement is controlled by a person or entity subject to targeted financial sanctions
 - iii. a beneficial owner of a legal entity or legal arrangement is subject to targeted financial sanctions⁶¹
- i. non-submission
- ii. late submission
- iii. incomplete submission
- iv. incorrect submission
- v. deliberately false submission
- vi. persistent non-compliance
32. Sanctions should cover:⁶³
 - i. all relevant persons involved in the reporting process
 - ii. key persons of the legal entity, including the beneficial owner
 - iii. the legal entity itself
33. Sanctions should include both administrative and criminal sanctions.⁶⁴

Sharing beneficial ownership data

Standard 3: Beneficial ownership data should provide the maximum degree of transparency that is consistent with the register's policy purpose.⁶⁵

Balancing privacy rights with the public interest

When considering how to share beneficial ownership information, governments and legislatures need to consider carefully how to balance the imperatives of openness with the right to privacy. In the UK and Overseas Territories, these rights are not absolute, but qualified. Public authorities can interfere with these rights so long as they do so lawfully and proportionately to achieve a public policy objective. For example, in the UK these objectives cover:

*'...the interests of national security, public safety or the economic well-being of the country, for the prevention of disorder or crime, for the protection of health or morals, or for the protection of the rights and freedoms of others.'*⁶⁶

With the exception of Anguilla, all Overseas Territories who committed to introducing LIARBOs at the 2024

Enforcement and penalties

31. The law should include effective, proportionate, dissuasive, and enforceable sanctions for non-compliance with disclosure requirements, including:⁶²

⁵⁸ FATF, *Beneficial ownership of legal persons*, Section 10, pp.30-34; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.12; Open Ownership, *Verification of beneficial ownership data*, (May 2020), p.4 <https://oo.cdn.ngo/media/documents/oo-briefing-verification-briefing-2020-05.pdf>

⁵⁹ FATF, *Beneficial ownership of legal persons*, Section 10, pp.30-34; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.12; Article 10(7), Directive (EU) 2024/1640; Article 24, Regulation (EU) 2024/1624.

⁶⁰ Article 10(9), Directive (EU) 2024/1640.

⁶¹ Article 10(9), Directive (EU) 2024/1640.

⁶² FATF, *Beneficial ownership of legal persons*, p.57; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.14.

⁶³ FATF, *Beneficial ownership of legal persons*, p.57; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.14.

⁶⁴ FATF, *Beneficial ownership of legal persons*, p.57; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.14.

⁶⁵ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.8.

⁶⁶ Article 8 of Schedule 1, Human Rights Act 1998.

JMC have similar wording in their constitutions.⁶⁷

Litigation in the CJEU provides an example of how a judiciary might seek to interpret this balancing act between individual rights and the public interest. It concluded public registers were not necessary to achieve the aims of the fifth anti-money laundering directive (AMLD5), which were limited to tackle illicit financial flows and their predicate offences.

In contrast, the UK deploys a more expansive rationale for its people with significant control (PSC) regime. This includes the desire to promote the UK as a clean and stable place to do business.⁶⁸ In doing so, the UK's public register (and the associated infringement on privacy rights) is proportionate and necessary to achieve its policy aim. This position was re-iterated in 2023, when the UK government stated that:

*'Upon introduction of the legislation, the Government assessed the PSC and RBO [registrable beneficial owners] regimes to be ECHR [European Convention on Human Rights] compliant. The fact that personal details of PSCs and RBOs were to be supplied and made available for public inspection was acknowledged to represent an intrusion into Article 8 ECHR privacy rights. However, it was assessed that the intrusions were limited and necessary in a democratic society for the prevention and detection of crime and in for the economic well-being of the country.'*⁶⁹

In both the UK and EU examples, domestic competent authorities have privileged access to sensitive personal information that is withheld from members of the public; for example, a beneficial owner's day of birth, residential address, and personal identification details, such as a passport number. In the EU, these privileges are also extended to companies required to undertake AML checks.⁷⁰

As different users will use the data for different purposes, the level of access may vary across stakeholder groups. Broadly, existing international standards divide access into three tiers:

- **competent authorities** should have unfiltered, direct and immediate access to beneficial ownership data⁷¹
- **obliged entities** should have timely and open access to the data to perform their anti-money laundering and counter-terrorist financing (AML/CTF) requirements⁷²
- **other members of the public** should be granted access either through public registers, legitimate interest registers, or a combination of both⁷³

Access by competent authorities

34. Domestic competent authorities should have immediate, unfiltered, direct and free access to the information held in the register without alerting the legal entity or its beneficial owners. These include:⁷⁴
 - i. prosecutorial bodies
 - ii. tax authorities
 - iii. financial intelligence units (FIUs)
 - iv. anti-money laundering supervisory bodies
 - v. authorities involved in public procurement
 - vi. authorities designated for implementing or enforcing sanctions
35. Competent authorities, if appropriate and to the extent that such requirement does not interfere unnecessarily with their functions, shall report to the registrar any discrepancies they find between information available in the central register and the information available to them.⁷⁵

Access by obliged entities

36. The registrar should provide obliged entities with timely access to beneficial ownership information for the purpose of complying with customer due-diligence requirements.⁷⁶
37. Obligated entities should be clearly defined in legislation and should include, where applicable, businesses providing the following activities:⁷⁷

⁶⁷ Section 7 in Chapter I of Schedule 2, Bermuda Constitution Order 1968; Section 7, Gibraltar Constitution Order 2006; Section 9 of Schedule 2, The Cayman Islands Constitution Order 2009; Article 9, The Montserrat Constitution Order 2010; Section 9 of Schedule 2, The Turks and Caicos Islands Constitution Order 2011; Article 19, The Virgin Islands Constitution Order 2007.

⁶⁸ Department for Business, Innovation & Skills, *Transparency & trust: Enhancing the transparency of UK company ownership and increasing trust in UK business*, (July 2013) pp.24-26 <https://assets.publishing.service.gov.uk/media/5a7ca3dfed915d6969f464df/bis-13-959-transparency-and-trust-enhancing-the-transparency-of-uk-company-ownership-and-increasing-trust-in-uk-business.pdf>

⁶⁹ <https://www.gov.uk/government/publications/economic-crime-and-corporate-transparency-bill-2022-echr-memoranda/supplementary-echr-memorandum-amendments-made-to-parts-1-3-economic-crime-and-corporate-transparency-bill-beis-measures> [accessed: 19 June 2025].

⁷⁰ Article 11(3) and (4), Directive (EU) 2024/1640.

⁷¹ FATF, *Beneficial ownership of legal persons*, p.40; Article 11(1) and (2), Directive (EU) 2024/1640.

⁷² FATF, *Beneficial ownership of legal persons*, pp.41-42; Article 11(3), Directive (EU) 2024/1640.

⁷³ FATF, *Beneficial ownership of legal persons*, p.42; Article 12, Directive (EU) 2024/1640.

⁷⁴ FATF, *The FATF recommendations*, pp.127; Transparency International, *Technical guide: Implementing the G20 beneficial ownership principles*, p.18; Article 11(1), Directive (EU) 2024/1640.

⁷⁵ Article 10(7)(b), Directive (EU) 2024/1640.

⁷⁶ Article 11(3) and (4), Directive (EU) 2024/1640; Transparency International, *Technical guide: Implementing the G20 beneficial ownership principles*, p.18.

⁷⁷ FATF, *The FATF recommendations*, pp.129-130 and pp.132-133; Article 3, Regulation (EU) 2024/1624; Part 2, Chapter 1, The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.

- i. credit and financial services⁷⁸
 - ii. auditing, accounting, notarial and tax services
 - iii. trust and company services
 - iv. high-value transactions⁷⁹
 - v. real estate and property transactions
 - vi. gambling
38. Obligated entities shall report to the central registers any discrepancies they find between the information available in the central registers and the information they collect as part of their due diligence obligations. These discrepancies should be reported without undue delay and, in any case, within 14 days of their detection.⁸⁰

Access by members of the public

General principles

39. Sufficient information should be accessible to each data user group that can contribute to meeting the register's intended policy aims.⁸¹ Members of the public with access rights should be able to obtain at a minimum:⁸²
- i. the name of the beneficial owner(s) and associated unique identifier
 - ii. the month and year of birth of the beneficial owner(s)
 - iii. correspondence address of the beneficial owner(s)
 - iv. the country of residence and all nationalities held by the beneficial owner(s)
 - v. the nature and extent of the beneficial interest held
40. Members of the public with access rights should be able to obtain data on all types of legal entities that are subject to disclosure requirements, and their associated beneficial owners.

41. Search functionality should allow users to query the data using criteria that is relevant to their user type including but not limited to the name of a legal entity, the name of a beneficial owner, and partial name searches.⁸³

Protecting beneficial owners' data from public access

42. Beneficial owners should be able to apply to restrict the publication of their identities and addresses in exceptional circumstances where they reasonably believe disclosure would expose them or a person living with them to a serious risk of violence or intimidation.⁸⁴
43. Applicants should include a statement of the grounds on which the application is made and provide supporting evidence.⁸⁵
44. The registrar should determine these applications within a reasonable time period and not disclose information related to an application that is either pending consideration, subject to an appeal or subject to a notification period.⁸⁶
45. There should be an administrative review process for challenging rejected applications for protecting beneficial ownership information.⁸⁷
46. The registrar shall publish annual statistical data on the number of exemptions granted and the reasons given.⁸⁸
47. There should be an administrative review process for challenging protected beneficial ownership information.⁸⁹

⁷⁸ Including banks and cryptoasset exchanges.

⁷⁹ Including art and commodity trading, and the storage of goods; for example, free zones.

⁸⁰ FATF, *The FATF recommendations*, p.99; Article 24(1), Regulation (EU) 2024/1624; Regulation 30A, The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.

⁸¹ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.8.

⁸² FATF, *The FATF recommendations*, p.99; Article 12(1), Directive (EU) 2024/1640; Sections 790K and 1087A, Companies Act 2006.

⁸³ Open Ownership, *Features of effective access based on legitimate interest*, (Unpublished, September 2024).

⁸⁴ FATF, *Beneficial ownership of legal persons*, p.42; Open Ownership, *Principles for effective beneficial ownership disclosure*, p.8; Article 15, Directive (EU) 2024/1640; Section 790ZG, Companies Act 2006; Part 7, The Register of People with Significant Control Regulations 2016.

⁸⁵ Article 15, Directive (EU) 2024/1640; Regulation 36(3), The Register of People with Significant Control Regulations 2016; Regulation 7, The Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022.

⁸⁶ Regulation 33, The Register of People with Significant Control Regulations 2016; Regulation 5, The Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022 NB: We diverge from the ROE and AMLD6, which allow for minors or legally incapacitated being protected. Putting assets into the ownership of family and associates is a common way for corrupt individuals and those subject to sanctions protect their assets. Exempting this information from disclosure would provide a major loophole in the law and hinder public interest investigations. Editorial standards, constitutional rights and the courts provide strong safeguards against the abuse of this information were it accessible by users.

⁸⁷ Article 15, Directive (EU) 2024/1640; Regulation 41, The Register of People with Significant Control Regulations 2016; Regulation 10, The Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022.

⁸⁸ Article 15, Directive (EU) 2024/1640.

⁸⁹ Article 15, Directive (EU) 2024/1640.

Publicly accessible beneficial ownership registers (PARBOs)

Standard 4: Publicly accessible registers of beneficial ownership should provide user functionality to deliver against the register's purpose.

The rationale and benefits of public registers

After careful consideration and consultation, the UK Government decided that the best way to deliver the intended purpose of its beneficial ownership register was to make it publicly accessible and free at the point of use. At the time, the then Prime Minister said this approach would be:

*'[...] better for businesses here, who'll be better able to identify who really owns the companies they're trading with. It's better for developing countries, who'll have easy access to all this data without having to submit endless requests for each line of inquiry. And it's better for us all to have an open system which everyone has access to, because the more eyes that look at this information the more accurate it will be.'*⁹⁰

A decade later, the UK still provides corporate and beneficial ownership information for free. Companies House gives users a range of formats to choose from, including a simple search box, bulk data downloads, and an Automated Programming Interface (API). They also publish the data under the UK's Open Government Licence for public sector information, enabling its use and re-use with very few conditions.⁹¹ This flexibility and openness has tangible and high impact benefits.

According to the latest information from Companies House, their register was accessed more than 16 billion times in the year 2023-24, up from 6.5 billion in 2018.⁹² In 2019, research commissioned by the UK Government found the annual benefit of providing company information for free amounted to £1-3 billion annually. Subsequent research in 2024 estimated that the aggregate private sector benefits

for tackling economic crime alone were between £170 million and £460 million, which could double after implementation of recent reforms to increase the accuracy of the register. Around 80-90 per cent of the current value for the private sector comes from information about company directors and beneficial owners.⁹³

Purpose

48. The policy purpose of the register should be broad and include enhancing transparency to tackle criminality, promote good corporate behaviour, and facilitate economic growth.⁹⁴

Access

49. The registrar should make beneficial ownership information contained on the register available to all members of the public.⁹⁵
50. Those accessing the data should not need to pay a fee to search or download data.⁹⁶
51. The registrar should provide data under terms that allow the free use, re-use, and transformation of data so long as the user cites its source and does not impose restrictions on the use of the data by others.⁹⁷
52. The registrar should provide access to beneficial ownership data via all of the following means: ⁹⁸
- i. per record search, including by entity name, beneficial owner name, or partial name entries
 - ii. bulk format (e.g. CSV and/or JSON)
 - iii. via an (API) to allow easy connections with other software

⁹⁰ <https://www.gov.uk/government/speeches/pm-speech-at-open-government-partnership-2013> [accessed: 19 June 2025].

⁹¹ <https://www.nationalarchives.gov.uk/doc/open-government-licence/version/3/> [accessed: 19 June 2025].

⁹² <https://www.gov.uk/government/publications/companies-house-annual-report-and-accounts-2023-to-2024/companies-house-annual-report-and-accounts-2023-to-2024> [accessed: 19 June 2025].

⁹³ Department for Business & Trade and Companies House, *Value of corporate transparency in tackling crime: Policy summary*, (October 2024), pp.3-4 https://assets.publishing.service.gov.uk/media/670e554d366f494ab2e7b88c/policy_summary_report_value_corporate_transparency_tackling_crime_october_2024.pdf.

⁹⁴ Open Ownership, *Principles for effective beneficial ownership disclosure*, pp.8-9; <https://www.gov.uk/government/publications/economic-crime-and-corporate-transparency-bill-2022-echr-memoranda/supplementary-echr-memorandum-amendments-made-to-parts-1-3-economic-crime-and-corporate-transparency-bill-beis-measures> [accessed: 19 June 2025]; <https://www.gov.uk/government/publications/people-of-significant-control-psc-register-review-of-implementation#:~:text=Details,which%20will%20be%20published%20shortly> [accessed: 6 August 2025].

⁹⁵ Section 1085, Companies Act 2006.

⁹⁶ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.8.

⁹⁷ Equivalent with the Creative Commons Attribution License 4.0 <https://creativecommons.org/licenses/by/4.0/legalcode.en> [accessed: 1 July 2025].

⁹⁸ Open Ownership, *Principles for effective beneficial ownership disclosure*, p.10.

Legitimate interest access registers of beneficial ownership (LIARBOs)

Standard 5: Legitimate interest access to beneficial ownership registers should be designed to deliver the register's policy purpose.

Ensuring legitimate interest registers deliver against their policy purpose

Where beneficial ownership registers are focussed on the relatively narrow policy purpose of tackling money laundering and its predicate offences, their design should consider carefully the problem they are seeking to address.

Money laundering is a global issue, transcending national boundaries. Those stealing funds from their people tend to move their ill-gotten gains to where there are strong property rights and investment opportunities. Identifying and pursuing these illicit financial flows is more than just a domestic effort, but a transnational challenge.

Similarly, tackling financial crime and abuse of power is not just the preserve of law enforcement agencies and supervisory bodies; there are a range of actors involved. This is particularly true where a kleptocratic elite has captured the state, fettering the independence of institutions intended to address corruption and money laundering. In these contexts, civil society and journalists can be the only means of identifying and pursuing accountability for those involved in bribery, embezzlement of public funds, other forms of misuse of public office for private gain, and sanctions evasion.

Identifying wrongdoing also tends to begin with spotting anomalies in the wealth of politicians, other public officials, and their friends and associates. For example, a president controlling a vast real estate and business empire through a network of companies, despite not reporting these holdings on their official asset declaration and seemingly having no legal means to acquire it. Therefore, disclosure of beneficial ownership invariably provides evidence to start investigations, rather than to conclude them.

The EU's AMLD6 tries to take these factors into account when balancing the right to privacy with

the public interest purpose of addressing criminality. Access rights for journalists, academics and NGOs are broad, so long as they can demonstrate their connection with tackling money laundering and its predicate offences. When they secure access in one Member State, this accreditation should be recognised by other members and allow them to access information in other EU countries – allowing seamless cross-border investigations. And importantly, those with this presumed legitimate interest do not have to specify which company they want information on or why, which is unduly restrictive and prevents discovery of useful insights.

To protect against tipping-off those being investigated, which would be a criminal offence under EU and UK anti-money laundering laws, registrars must not alert beneficial owners if their information is being accessed. Where beneficial owners use data protection laws to request information about who has reviewed their information on the register, the registrar can only provide anonymised details about journalists and NGOs. They must also not disclose when domestic law enforcement agencies access beneficial ownership information and may withhold details about investigations by third country competent authorities for a period of time.

To counter concerns over the abuse of beneficial information, there are several safeguards in the AMLD6 and national law. Registrars can withhold access if they have reasonable grounds to suspect that an applicant may misuse the information for another purpose. They can also withdraw access rights where misuse of the register is proven. And the strict requirements of defamation law mean that those seeking to publish details obtained from the register will have to go through robust pre-publication processes to ensure their material advances the public interest.

Defining legitimate interests

General principles

53. As a minimum, the policy purpose of the register should include tackling money laundering, its predicate offences and terrorist financing.⁹⁹
54. Any natural or legal person engaged in activities to advance the policy purpose of the register should

⁹⁹ FATF, *Beneficial ownership of legal persons*, p.6; Preamble, Directive (EU) 2024/1640.

have access to beneficial ownership information.¹⁰⁰

55. The definition of legitimate interest should not discriminate against applicants based on their nationality, residence or similar characteristics.¹⁰¹

Presumed legitimate interest

56. The law should explicitly define who has a legitimate interest in accessing beneficial ownership information. At a minimum, the following groups should be presumed to have a legitimate interest where they are connected with the prevention or combatting of money laundering, its predicate offences or terrorist financing:¹⁰²

- i. persons acting for the purpose of journalism, reporting or any other form of expression in the media¹⁰³
- ii. civil society organisations, including NGOs and academia¹⁰⁴
- iii. third country entities subject to AML/CTF requirements¹⁰⁵
- iv. third country authorities in charge of the registration of legal entities¹⁰⁶
- v. providers of AML/CTF products¹⁰⁷
- vi. third country competent authorities, defined as:¹⁰⁸
 - prosecutorial bodies
 - tax authorities
 - FIUs
 - AML supervisory bodies
 - authorities involved in public procurement
 - authorities designing, implementing or enforcing sanctions

57. Activities connected with the prevention or combatting of money laundering, its predicate offences or terrorist financing may include but should not be limited to:

- i. investigating and publishing public interest

reports, articles and any other forms of materials aimed at communicating public interest information

- ii. researching or analysing trends
- iii. undertaking due diligence and screening on customers, counterparties to transactions, or tenderers and awardees for public contracts
- iv. designing, implementing and auditing AML policies and procedures
- v. verifying beneficial ownership information
- vi. undertaking conflicts of interest assessments
- vii. reviewing the performance of suppliers carrying out contracts awarded
- viii. investigating, prosecuting, or pursuing money laundering, its predicate offences or terrorist financing through criminal or civil courts

58. The list of user groups presumed to have a legitimate interest should be reviewed and updated on a regular basis.¹⁰⁹

Demonstrated legitimate interest

59. In addition to the above list, other persons who are not presumed to have a legitimate interest should be able to demonstrate they have an interest in a specific legal entity or entities, on a case-by-case basis, by evidencing:

- i. they are investigating money laundering, its predicate offences, and terrorist financing,¹¹⁰ and/or
- ii. they are a natural or legal person likely to enter into, or considering entering into, a transaction with a legal entity¹¹¹

Access rights

General principles

60. Those with presumed legitimate interest should have generalised, repeated and open access to all information available for inspection on the register,

¹⁰⁰ Article 12(1), Directive (EU) 2024/1640.

¹⁰¹ Article 13(7), Directive (EU) 2024/1640.

¹⁰² Article 12(2), Directive (EU) 2024/1640.

¹⁰³ Article 12(2)(a), Directive (EU) 2024/1640.

¹⁰⁴ Article 12(2)(b), Directive (EU) 2024/1640.

¹⁰⁵ Article 12(2), Directive (EU) 2024/1640.

¹⁰⁶ Article 12(2), Directive (EU) 2024/1640.

¹⁰⁷ Article 12(2)(j), Directive (EU) 2024/1640.

¹⁰⁸ Article 12(2)(e), Directive (EU) 2024/1640.

¹⁰⁹ Open Ownership, *Features of effective access based on legitimate interest*, p.3; Article 12(3), Directive (EU) 2024/1640.

¹¹⁰ Open Ownership, *Features of effective access based on legitimate interest*, p.3; Article 12(2), Directive (EU) 2024/1640; Regulation 4(3)(f), The Register of Overseas Entities (Protection and Trusts) (Amendment) Regulations 2025.

¹¹¹ Article 12(2)(c), Directive (EU) 2024/1640.

without having to demonstrate interest in specific legal entities.¹¹²

61. Those who demonstrate legitimate interest on case-by-case basis should have access to information relevant to their request.

Broadening the scope of presumed legitimate interest access users

AMLD6 grants competent authorities, obliged entities, civil society organisations, academics, and journalists open and repeated access to beneficial ownership information. Yet there is a clear case for giving other categories of the public similar access rights without them having to demonstrate an interest in a specific legal entity. This would enhance the register's aim to prevent and combat money laundering and its predicate offences.

Third country competent authorities Our research shows that complex ownership structures pose an obstacle to law enforcement and regulatory bodies identifying and pursuing suspected criminality. Providing third country competent authorities with seamless cross-border access to beneficial ownership information would help address this investigative challenge. However, the AMLD6 requires these organisations to prove their legitimate interest in a legal entity and its relationship to a specific case. This provides an undue burden on foreign law enforcement agencies for which there does not seem to be a clear rationale and creates unnecessary bureaucracy.

Third country entities subject to AML/CTF requirements Financial institutions, legal professionals and other service providers registered in foreign countries play a vital role in detecting and flagging suspicious activities. Given the international nature of illicit financial flows, and that companies in the Overseas Territories – such as the BVI – can often be registered and operated from abroad, giving third country obliged entities access to the register will allow to conduct faster and more reliable checks. This will be critical for professional services to perform due diligence and identify PEPs, designated entities, or suspicious activities. It has the additional benefit of enabling them to report any discrepancies, which should help improve the accuracy of the register.

Third country authorities in charge of the registration of legal entities Corporate ownership is often complex and cross-border. There are increasing requirements on company registrars to verify data they receive. And new legal obligations for companies to report beneficial ownership information where they have an economic interest, for example, in land in the UK and EU. Together, these provide a strong rationale for providing third country registrars open access to their counterparts' registers overseas, enabling them to triangulate and verify information quickly and effectively.

Providers of AML/CTF products These firms support businesses comply with their AML obligations. Their services can offer a bird's-eye view of risks, allowing companies to make an informed decisions before engaging with a customer, and allowing them to mitigate risks where necessary. They can be especially helpful for smaller businesses who do not have dedicated compliance/AML departments and purchase these services as a substitute. Governments and law enforcement agencies also use these commercial screening tools. They work by pulling together data from multiple corporate registries around the world, identifying linkages between people and companies that a human researcher may struggle or take time to find. For these products to work smoothly in practice, they require full access to corporate and beneficial ownership registers, not ad hoc access.

Modalities of access

Procedure

62. The registrar or relevant authorities should publish clear policy, regulations and/or guidance around eligibility for legitimate interest access, including details on the legal basis, the process, the application form, terms of use and guidance on supporting evidence.¹¹³
63. Application procedures should be simple, efficient, and available online.¹¹⁴
64. Application procedures and related guidance documents should be available in the local official language(s) as well as any other widely spoken languages or dialects.

¹¹² Open Ownership, *Features of effective access based on legitimate interest*, p.5; Articles 13(2) and (5), Directive (EU) 2024/1640.

¹¹³ Open Ownership, *Features of effective access based on legitimate interest*, p.4; Article 13, Directive (EU) 2024/1640.

¹¹⁴ Transparency International, *Position paper on legitimate interest access to beneficial ownership information*, (forthcoming).

65. Registrars should have a publicly available contact point for users to help with access issues, including options to communicate electronically, such as via e-mail.
66. The process for determining whether an applicant has a legitimate interest in accessing beneficial ownership information shall consist of two separate elements:
- i. verification of the applicant's identity
 - ii. assessment of the applicant's legitimate interest

Identity verification

67. The registrar, or an entity duly authorised to act on behalf of the registrar, shall verify the identity of each applicant.¹¹⁵
68. Identity verification shall be conducted via an online system, with the possibility of an in-person verification as an alternative.
69. Identity verification shall allow for the use of passports, driving licences and other similar officially recognised ID cards.

Presumed legitimate interest verification

70. The registrar, or an entity duly authorised to act on behalf of the registrar, should determine whether an applicant is part of a user group that has a presumed legitimate interest, based solely on their function, occupation and/or activities.¹¹⁶
71. When determining whether an applicant is part of a user group with a presumed legitimate interest, the registrar should take a broad interpretation of the terms:
- i. 'journalist', to include both accredited staff members and freelancers; and not restrict it to only those with press accreditation, membership of a professional body, or prior published work as a condition for inclusion¹¹⁷
 - ii. 'civil society organisation', and shall not require that they hold a particular status in law¹¹⁸

- iii. 'academia' to include non-professional staff of academic centres, as well as individual researchers such as doctoral students

72. Where supporting documentation is required to establish the applicant's function or occupation, the registrar should:
- i. provide clear and publicly available guidance on the documentation required for each category of applicants¹¹⁹
 - ii. ensure that evidentiary requirements are proportionate, flexible, and not unduly burdensome¹²⁰
 - iii. accept the following as evidence that the applicant is carrying out activities connected to money laundering, its predicate offences and terrorist financing:
 - a general description of the purpose of their work
 - previous publication or work on the issue;
 - statute or charter of the organisation (where applicable)
 - a sworn statement by the applicant attesting that the applicant has a legitimate interest in investigating money laundering, its predicate offences, or terrorism financing
73. Where the registrar recognises an organisation's legitimate interest and has granted them access, it should make provision to simplify access to others working for that organisation.

Demonstrated legitimate interest access

74. Where an applicant does not belong to a group with a presumed legitimate interest, the registrar should assess their request on the merits of the applicant's case.¹²¹
75. Where an applicant has already proven their identity in the context of a case-by-case application, the registrar should only require the user to prove their interest in a specific entity or entities, without having to have their identities checked each time.

¹¹⁵ Open Ownership, *Features of effective access based on legitimate interest*, p.3; Article 13(4), Directive (EU) 2024/1640.

¹¹⁶ Article 13(2), Directive (EU) 2024/1640 with modifications.

¹¹⁷ Open Ownership, *Features of effective access based on legitimate interest*, pp.3-4.

¹¹⁸ For example, this should include unincorporated associations who have no formal registration with a charity and/or company registrar, but can evidence their work is connected to tackling money laundering, its predicate offences and terrorist financing.

¹¹⁹ Open Ownership, *Features of effective access based on legitimate interest*, p.4.

¹²⁰ Open Ownership, *Features of effective access based on legitimate interest*, p.4.

¹²¹ Article 12(2), Directive (EU) 2024/1640.

Application timelines and modalities of access

76. The application process for legitimate interest should:
 - i. normally require a response within 12 working days¹²²
 - ii. in exceptional circumstances extend the timescales for response by no more than 24 additional working days¹²³
 - iii. where any extension applies, the registrar should notify any applicants affected before the end of the normal timeline for response
77. Where applicants are successful, the registrar should issue them with a certificate guaranteeing open and repeated access for a minimum of three years.¹²⁴
78. Once the initial certificate of legitimate interest lapses, applicants should be able to renew via a simplified and expedited process.¹²⁵
79. Where the registrar considers rejecting an application, they should provide an opportunity for the applicant to submit additional information.¹²⁶
80. When the registrar rejects an application, they should:
 - i. provide the reason for refusal¹²⁷
 - ii. inform applicants of their other rights of redress¹²⁸
 - iii. offer an opportunity to appeal and respond to those within a reasonable time period of 7 working days¹²⁹
81. The registrar may not have any discretion to deny access to applicants on grounds other than:¹³⁰
 - i. the applicant has not provided the necessary information or documents to verify their identity or status
 - ii. a legitimate interest has not been demonstrated

- iii. where on the basis of information in its possession, the registrar has a reasonable concern that the information will not be used for purposes that are not connected to the prevention of money laundering, its predicate offences or terrorist financing
 - iv. the information is protected
82. There should be judicial or administrative remedies for challenging the refusal or revocation of access.¹³¹
 83. The registrar may conduct spot checks and revoke access where the user no longer has a legitimate interest or the registrar has grounds to believe that the information will not be used for purposes that are not connected to the prevention of money laundering, its predicate offences or terrorist financing.¹³²

Legitimate interest recognition

84. The registrar should develop simplified approval mechanisms for users who have been granted access to legitimate interest registers in the Crown Dependencies and Overseas Territories.¹³³

Duties on legitimate interest users

85. Persons who have been granted access on a presumed legitimate interest basis must notify the registrar of changes that may trigger the cessation of a valid legitimate interest, including changes concerning their function or occupation.¹³⁴

Cost

86. Any fee charged for processing access requests should be reasonable, not prohibitive and shall be limited to what is strictly necessary to cover the costs of ensuring the quality of the information held on the registers and making the information available.¹³⁵
87. Other fees should only be chargeable for official copies of entries on the register and bespoke

¹²² Article 13(6), Directive (EU) 2024/1640.

¹²³ Article 13(6), Directive (EU) 2024/1640 with modifications.

¹²⁴ Article 13(6), Directive (EU) 2024/1640 with modifications.

¹²⁵ Article 13(6), Directive (EU) 2024/1640.

¹²⁶ Article 13(7), Directive (EU) 2024/1640.

¹²⁷ Article 13(8), Directive (EU) 2024/1640.

¹²⁸ Article 13(8), Directive (EU) 2024/1640.

¹²⁹ Articles 13(8) and (9), Directive (EU) 2024/1640.

¹³⁰ Article 13(7), Directive (EU) 2024/1640.

¹³¹ Article 13(9), Directive (EU) 2024/1640.

¹³² Article 13(8) and (10), Directive (EU) 2024/1640 with modifications.

¹³³ Article 13(3), Directive (EU) 2024/1640 with modifications.

¹³⁴ Article 13(11), Directive (EU) 2024/1640.

¹³⁵ Article 13(4), Directive (EU) 2024/1640 with modifications.

commercial products for high-frequency users; for example, high API usage rates by providers of AML/CTF products.

Safeguarding and terms of use

Principle: Those with access rights should be protected from reprisals and be free to use data without undue restriction or impediment to advance the register's policy purpose.¹³⁶

Safeguarding

88. The registrar should not provide the beneficial owner with any information that would raise suspicion that they were under investigation for money laundering, its predicate offences or terrorist financing.¹³⁷
89. In no circumstance should the registrar inform beneficial owners or legal entities of the identities of competent authorities, journalists, or civil society organisations and academics requesting beneficial ownership information.¹³⁸
90. Users should be able to make a request asking the registrar to refrain from disclosing to the beneficial owners under data protection laws that their data has been accessed, up to a maximum of five years, where they can justify that providing the beneficial owner with this information would jeopardise their efforts in the prevention or combating of money laundering, its predicate offences or terrorist financing. This should only be extended upon a justified request.¹³⁹

Terms of use

91. Terms of use should be clearly defined and accessible online.¹⁴⁰
92. Terms and conditions should be lightweight and should not include non-disclosure agreements (NDAs) or other limitations on public reporting.¹⁴¹

Protecting investigators and safeguarding the integrity of investigations into money laundering and its predicate offences

Although EU Member States should only provide beneficial ownership information to verified users who can demonstrate a legitimate interest, the CJEU's court ruling on beneficial ownership registers makes it clear that their identity should not be disclosed to the beneficial owner:

"... if the beneficial owner were notified that data concerning him or her had been accessed, and particularly if that notification were automatic, that could deter people from accessing beneficial ownership information and thus compromise the objective of prevention, pursued by means of increased transparency. Indeed, as was asserted at the hearing, it cannot be ruled out that, in some cases, individuals seeking to access beneficial ownership information for the purposes of investigating crime, such as journalists, could become the target of reprisals."

The risks identified by the CJEU were not mere hypotheticals. The assassination of Daphne Caurana Galizia and Ján Kuciak are stark reminders that those working to expose high-level corruption can become targets for reprisals. Similarly, journalists, such as Catherine Belton and Tom Burgis have been subjected to legal threats for investigating powerful figures. These strategic lawsuits against public participation (also known as 'SLAPPs') are a non-violent means to silence those seeking to expose corruption and other economic crimes.

The AMLD6 addresses these dangers by specifying that registrars should not provide information to beneficial owners or associated legal entities which could lead to the identification of those journalists, civil society organisations and academics who access their data. This is a critical safeguarding clause. Yet arguably it does not go far enough.

Only those tackling money laundering and its predicate offences are given access to beneficial ownership information under AMLD6. In this context, providing beneficial owners with any details about those accessing their filings, no matter how anonymised, would alert them that they are under

¹³⁶ Open Ownership, *Features of effective access based on legitimate interest*, p.6.

¹³⁷ Recital 26, Directive (EU) 2024/1640.

¹³⁸ Article 12(4), Directive (EU) 2024/1640 with modifications.

¹³⁹ Article 12(4), Directive (EU) 2024/1640 with modifications.

¹⁴⁰ Open Ownership, *Features of effective access based on legitimate interest*, p.5.

¹⁴¹ Open Ownership, *Features of effective access based on legitimate interest*, pp.5-6.

suspicion. It is a convoluted way of tipping-off those under investigation, but tipping-off nonetheless.

Unfortunately, the BVI's approach to this issue is even more disruptive and dangerous for investigators. They propose the registrar should immediately alert beneficial owners when their data is being accessed, including type of user, and the purpose for which the data has been accessed. They also plan to give beneficial owners the power to object to these requests.

Where beneficial owners are concerned that disclosure would put them at serious risk of harm, there are better ways to address this challenge. In both UK and EU law, they can pre-emptively apply to have their information protect from disclosure where their association with a company would expose them or someone close to them to a serious risk of violence or intimidation.

CONCLUSION

When implemented effectively, corporate transparency is a vital tool in combating corruption and stemming the flow of illicit wealth. It enables investigators, journalists, and law enforcement agencies to scrutinise suspicious activity. Legitimate businesses also rely on transparency to identify the true owners of companies and their assets, ensuring they do not inadvertently facilitate transactions linked to theft, sanctions evasion, or other criminal activity.

Public access remains the most straightforward and cost-effective way of ensuring that not only the appropriate users can access beneficial ownership data, but that the data is of high quality. Public disclosure creates a natural deterrent and encourages self-policing. Widespread access to the data also enhances its reliability, as a broader range of users can identify and challenge inaccuracies or inconsistencies.

Where the registers are designed to serve a narrower purpose, legitimate interest models can still play a role in tackling money laundering and its predicate offences. However, these are significantly more complex, costly and resource-intensive to establish. They require Overseas Territories to define broad, inclusive categories of users who can access, publish, and utilise the data without undue restrictions. Without this, such registers risk falling short of their stated objectives.

These standards provide clear guidance for Overseas Territories to consider as they work to meet their transparency commitments made repeatedly to various UK governments. By adhering to these principles, jurisdictions can maximise the impact of their registers and play a meaningful role in the global fight against corruption.

As this UK Government prepares to host an international summit on illicit finance – and the Foreign Secretary seeks to end what he has called the “golden age of money laundering” – meaningful access to beneficial ownership registers is not optional.

Without decisive action, illicit wealth will continue to flow through the UK’s backdoor, enabling organised crime groups and kleptocrats to conceal assets, evade sanctions, and undermine the UK economy. These standards should serve as a reference to help the UK set the parameters and expectations towards Overseas Territories’ delivery.

ANNEX: SOURCES FOR LEGISLATIVE AND POLICY ANALYSIS

Global standards

FATF, *Beneficial ownership of legal persons*, (March 2023)

FATF, *International standards on combating money laundering and the financing of terrorism & proliferation*, *The FATF Recommendations*, (June 2025)

Open Ownership, *The principles for effective beneficial ownership disclosure*, (January 2023)

Open Ownership, *Features of effective access based on legitimate interest*, (unpublished, September 2024)

Transparency International, *Position paper on legitimate interest access to beneficial ownership information*, (forthcoming)

EU

Anti-Money Laundering Regulations, Regulation (EU) 2024/1624

Charter of Fundamental Rights of the European Union, 2000/C 364/01

Sixth Anti-Money Laundering Directive, Directive (EU) 2024/1640

UK

Companies Act 2006

Economic Crime (Transparency and Enforcement) Act 2022

Human Rights Act 1998

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017

The Register of Overseas Entities (Delivery, Protection and Trust Services) Regulations 2022

The Register of Overseas Entities (Protection and Trusts) (Amendment) Regulations 2025

The Register of People with Significant Control Regulations 2016

Overseas Territories

Bermuda Constitution Order 1968, BX 182 / 1968

Gibraltar Constitution Order 2006

The Anguilla Constitution Order 1982

The Cayman Islands Constitution Order 2009, 2009 No. 1379

The Montserrat Constitution Order 2010, 2010 No. 2474

The Turks and Caicos Islands Constitution Order 2011, 2011 No. 1681

The Virgin Islands Constitution Order 2007, 2007 No. 1678