

Initiative for automatic exchange of beneficial ownership information

Statement by: UK, France, Germany, Italy, Spain, Netherlands, Romania, Sweden, Finland, Croatia, Belgium, Slovakia, Latvia, Lithuania, Ireland, Slovenia, Denmark, Malta, Cyprus, Gibraltar, Isle of Man, Montserrat, Anguilla, Bulgaria, Estonia, Portugal, Greece, Czech Republic, Luxembourg, Austria, Hungary, Poland, Iceland

“As recent events have shown we need to take firm collective action on increasing beneficial ownership transparency, building on our actions to date. Criminals continue to find ways to exploit the cracks in the current system, setting up complex structures in various and often multiple locations to hide their activities, be it money laundering, tax evasion or illicit finance. As with tax evasion, this requires a global response.

On beneficial ownership, it is essential to apply enhanced standards of transparency at European and international level. In this spirit, we have committed to establishing as soon as possible registers or other mechanisms requiring that beneficial owners of companies, trusts, foundations, shell companies and other relevant entities and arrangements are identified and available for tax administration and law enforcement authorities. We call on all other Member States, countries and jurisdictions to do so.

We also commit to the initiative for automatic exchange of information on beneficial ownership launched by the UK, France, Germany, Italy and Spain. This will give our tax and other relevant authorities full knowledge on vast amounts of information and help them track the complex offshore trails used by criminals. The intention is that this will mirror the ground-breaking steps we have taken on tax evasion under the CRS. In this regard we also call on all jurisdictions to implement the CRS to the agreed timetable and for those not yet committed to do so rapidly.

Automatic exchange of beneficial ownership information will, as with the CRS, be subject to the usual data and confidentiality protections and to any appropriate exceptions. We will look to ensure that this information is in a fully searchable format and that it also contains information on entities and arrangements closed during the relevant year. To be effective this should be a global system and we call for the rapid establishment of a global standard.

We also call for the development of a system of interlinked registries containing full beneficial ownership information and for common international standards for these registries and their interlinking.

We intend to start this project as soon as is practicable.

In our view, this new initiative will take a significant step forward in improving the transparency of beneficial ownership information and in removing the veil of secrecy under which criminals operate.”