Open Ownership

Technical assistance in implementing beneficial ownership transparency

Stephen Abbott Pugh
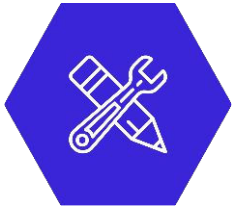Head of technology

150+

countries have committed to beneficial ownership transparency

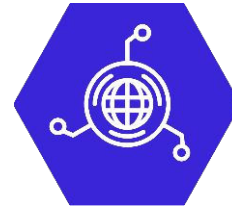# Open Ownership's work

Technical assistance

Working with [implementers](#) of beneficial ownership reforms and changes

Policy guidance and research

[Resources](#) to understand and share best practice globally

Support to use ownership data

Develop [Beneficial Ownership Data Standard](#) and [Open Ownership Register](#)

The Beneficial Ownership Data Standard (BODS)

- An open standard providing guidance for collecting, sharing and using high-quality data on beneficial ownership

- Allows for capturing of data relating to different types of entities and for all types of beneficial ownership interests

- Range of free open-source tools available to search, download, review, visualise and analyse data produced in line with BODS
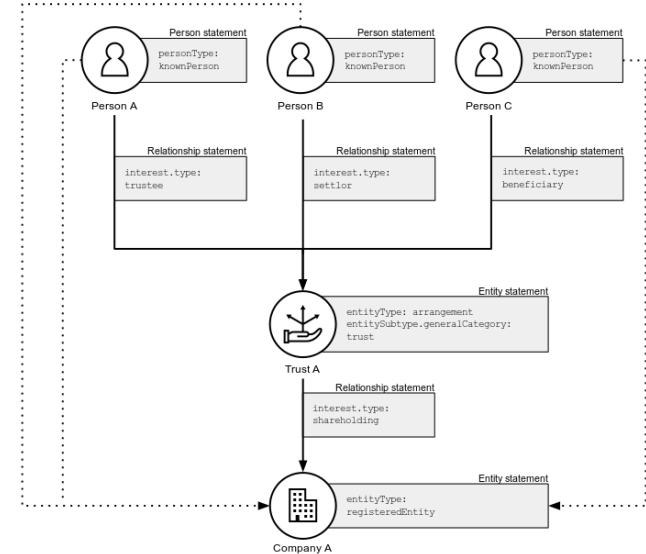
North American regional context

Canada approved Bill C-42 to amend the Canada Business Corporations Act

Commitment to use BODS to structure the beneficial ownership data collected by federal government

USA rolling out its national beneficial ownership register

BODS evaluated by FinCEN to inform data formats used under the Corporate Transparency Act

**Mexico** approved BODS as BOT data standard

The National Anti-Corruption System plan to generate a pilot registry in 2024

"The [Canadian] government has publicly committed to adopting the Beneficial Ownership Data Standard which is an internationally accepted open standard which provides a consistent way to use, collect, exchange and publish beneficial ownership information on who owns and controls a company. Canada's use will ensure that a registry can communicate with and speak the same technical language as beneficial ownership registries around the world as well as with the provincial and federal authorities"

Senator Percy Downe
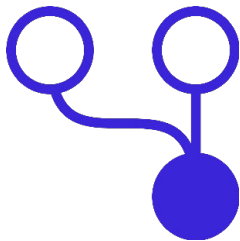
# Why focus on high-quality beneficial ownership data?

Adequate, accurate and up-to-date information

- Only **9% of countries** met FATF effectiveness requirements during 4th round mutual evaluations
- **Nearly 50% of jurisdictions** reviewed by OECD Global Forum have unsatisfactory availability of ownership information
- Beneficial ownership transparency one of **least effective areas** for AML/CFT, according to Basel Index
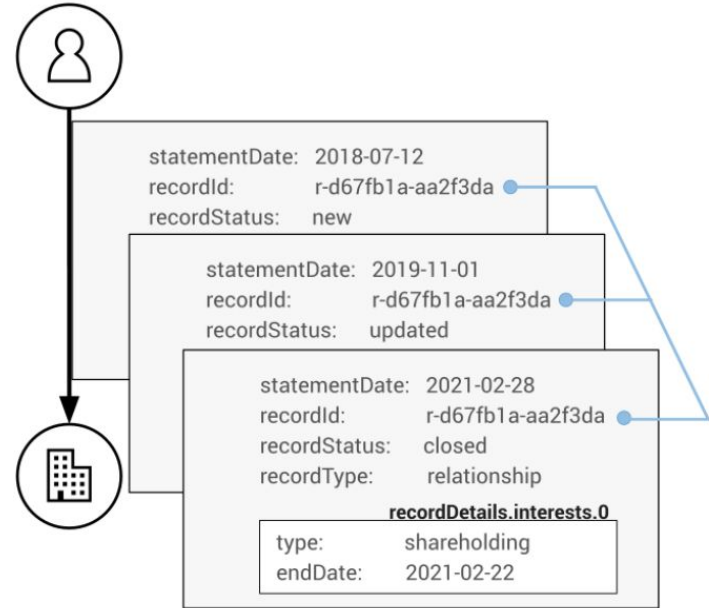
Shifting requirements for entities and interests

Open Ownership

- More entity types
  - Trusts / arrangements
  - Nominees / nominators
  - Public listed companies
  - State-owned enterprises

- Wider range of interests
  - Ownership
  - Control
  - Benefit
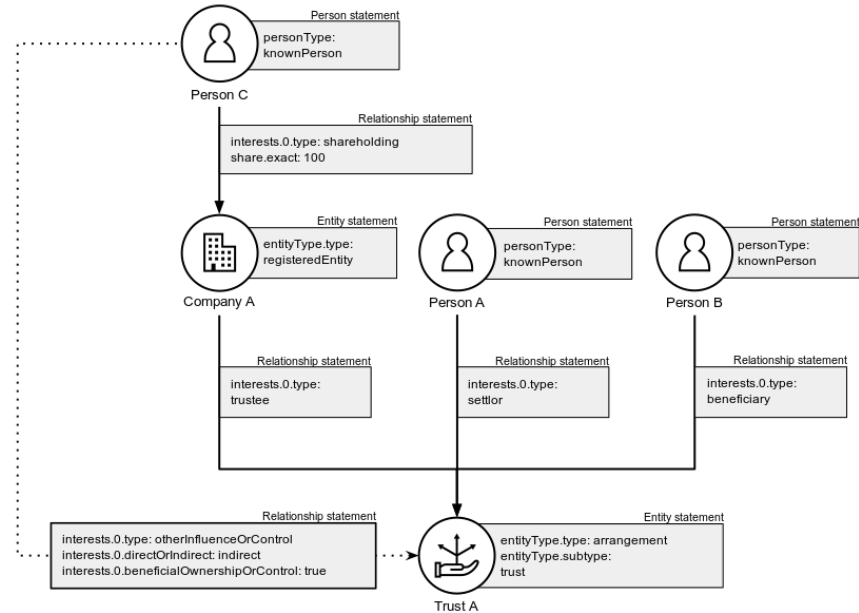
Informing risk-based approach

High-quality data supports more detailed risk-based analysis - including across borders

FATF's new R24 guidance requires analysis of risks posed by legal persons created in a country as well as by foreign-created legal persons with sufficient links to that country
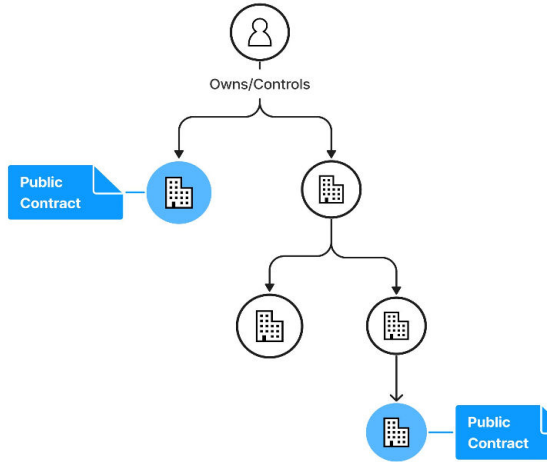
Following the money
Using machine learning, the IMF, working with one of the Nordic-Baltic countries in the study, identified flows with potentially higher-risk countries that may warrant closer scrutiny.

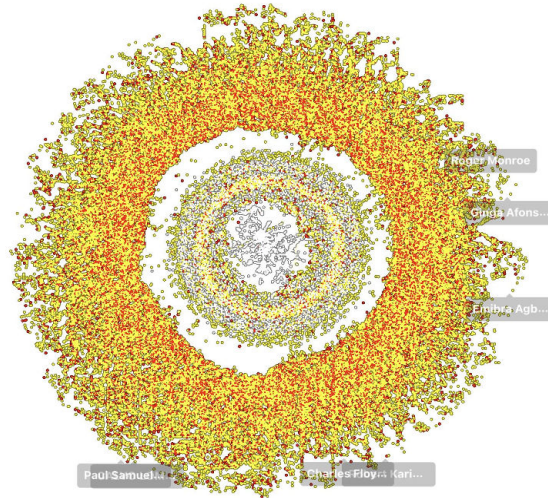**Share of cross-border payments with countries identified as higher-risk**

— According to project's analytical tools   — According to country authority
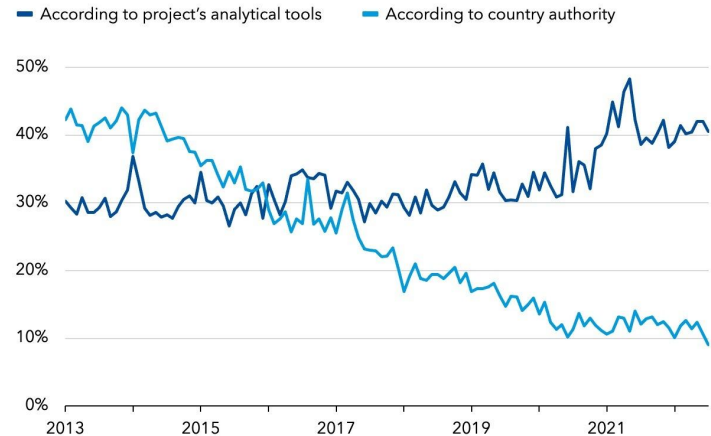
Source: IMF staff calculations.

IMF

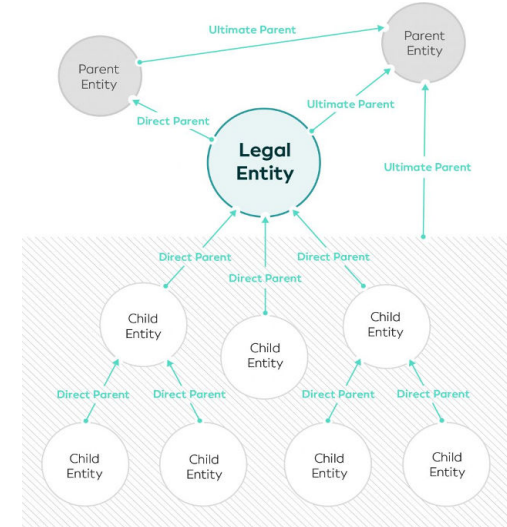# Combining with other types of data

Procurement

Sanctions/PEPs

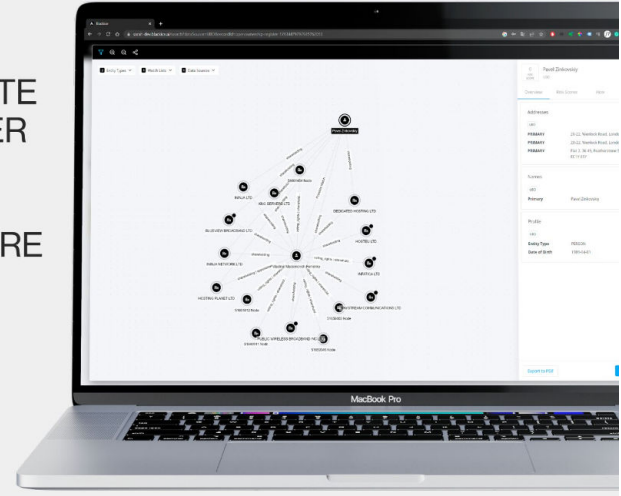Legal entity data
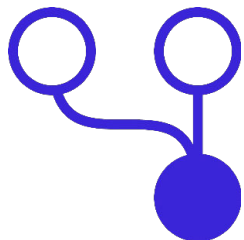
High-quality data leads to high-quality insights
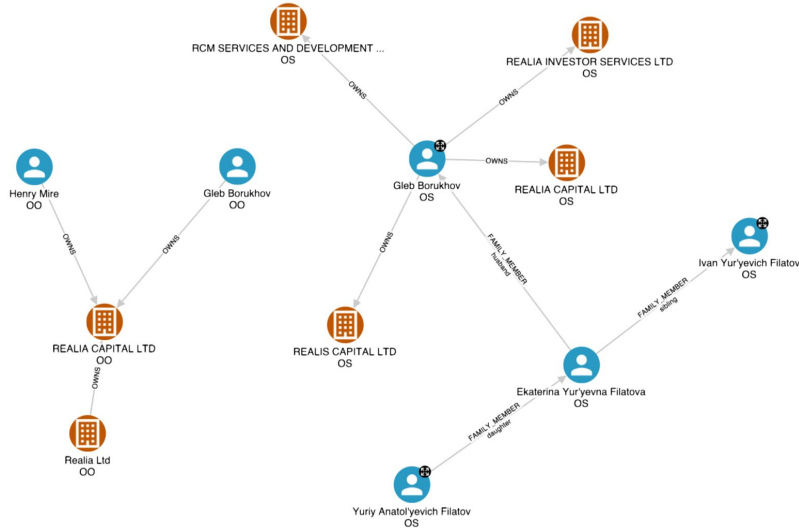
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Standardisation drives data use + reduces costs

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- Improves the functionality of BO information

- Reduces the cost of producing and using BO information

- Has a greater chance of meeting BOT policy goals

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Thank you