

March 29, 2023

## **Summit for Democracy Commitment on Beneficial Ownership and Misuse of Legal Persons**

We, the governments and authorities of the democracies identified below, concerned that corruption undermines democratic institutions, the rule of law, effective governance, public trust, stability, economic prosperity for all, and business growth and innovation, reaffirm our determination to safeguard our communities from corruption in all of its forms.

We recognize the increasingly transnational nature of corruption, and that the misuse of opaque corporate structures and legal persons, including shell and front companies, enables corrupt officials, those who corrupt them, and other illicit actors to move, hide, and transfer assets to conceal unlawful activity. We therefore commit to enhancing beneficial ownership transparency, to make it more difficult for corrupt actors to conceal their identities, assets, and criminal activities through the misuse of opaque corporate structures and legal persons.

In this regard, we commit to effectively implement the revised Financial Action Task Force (FATF) standard on transparency and beneficial ownership of legal persons set forth in FATF Recommendation 24.

In particular, we commit to updating our legal and/or regulatory frameworks as needed to ensure that law enforcement and other competent authorities have efficient access to beneficial ownership information.

To ensure efficient access to beneficial ownership information, we commit to establish and maintain a beneficial ownership registry or an alternative mechanism, consistent with the revised FATF standard on transparency and beneficial ownership of legal persons.

We further affirm that this information should be adequate, accurate, and up-to-date, consistent with domestic legal or regulatory requirements, in order to assist law enforcement and other competent authorities in their efforts to counter illicit finance.

To ensure that law enforcement and other competent authorities have access to high-quality beneficial ownership information, we commit to develop appropriate verification measures.

As we work to enhance beneficial ownership transparency, we commit to take steps to ensure robust protection of personal data and safeguards to ensure appropriate use of such information and prevent its improper disclosure.

We commit to appropriately prioritize the financial, personnel, and technical resources necessary for implementation of these measures as a core element of an effective anti-money laundering and countering the financing of terrorism (AML/CFT) framework, recognizing that beneficial ownership reform is a significant undertaking.

We also commit to working with our foreign partners to share beneficial ownership information and enhance international cooperation, in accordance with domestic law.

To this end, we call on all countries and jurisdictions to expeditiously and effectively implement the revised FATF standard on transparency and beneficial ownership of legal persons; to share best practices; and to offer technical assistance, where possible.

To ensure compliance, we commit to provide clear and robust guidance to reporting entities and others on their obligations with respect to reporting beneficial ownership information and on any penalty they may face for non-compliance.

We recognize the important role of civil society in strengthening financial transparency and commit to continued and consistent engagement with civil society to advance beneficial ownership reforms.

Endorsements:

Albania  
Austria  
Belgium  
Bulgaria  
Chile  
Colombia  
Croatia  
Czechia  
Denmark  
Estonia  
Finland  
Iceland  
Japan  
Kosovo  
Latvia  
Liechtenstein  
Malta  
Moldova  
Netherlands  
North Macedonia  
Norway  
Slovakia  
Spain  
Sweden  
UK