



At the 2013 Joint Ministerial Council all the Overseas Territories with financial services centres committed to conducting consultations on creating registers of beneficial owners of companies, and whether to make them public<sup>1</sup>. This commitment was matched by the Crown Dependencies<sup>2</sup>.

Despite this, however, progress on this issue has been non-existent, or at the very least, invisible:

- One of the Overseas Territories, Bermuda, has not held a consultation on beneficial ownership, despite promises to the contrary, yet the Finance Minister has already announced that the country will not be adopting a public register until the UK, USA and Canada have all adopted them<sup>3</sup>.
- One of the Crown Dependencies, Guernsey, has yet to hold a consultation on beneficial ownership
- Of all those that have held consultations, none have published the submissions made, or published a response, neither have they announced the policy position. Despite in the case of the BVI and Cayman their consultations closing over 300 days ago.

Following our report before last year's JMC<sup>4</sup> below we summarise, and rate, progress made both on consultation commitments, and policy positions.

Jurisdiction	Consultation Held?	Date Ended	Submissions Published?	Response Published?	Days since consultation ended	Policy Position Announced	Overall Grade
<i>Overseas Territories</i>							
British Virgin Islands	Yes	31/01/14	No	No	306	No	
Cayman Islands	Yes	31/01/14	No	No	306	No	
Bermuda	No					Keep register private	
Montserrat	Yes	15/05/14	No	No	202	No	
Gibraltar	Yes	30/09/14	No	No	64	No	
Anguilla	Yes	08/08/14	No	No	117	No	
Turks and Caicos	Yes	30/06/14	No	No	156	No	
<i>Crown Dependencies</i>							
Jersey	Yes	30/04/14	No	No	217	No	Has private register
Isle of Man	Yes	26/09/14	No	No	68	No	
Guernsey	No					No	
UK	Yes	16/09/13	Yes	Yes	46 - policy announcement. 212 - full response	Yes – public register.	

Key: **Green** = committed to public registers, **Yellow** = consultation closed recently (last 3 months) and public registers assumed to be being genuinely considered, **Orange** = already has private central register, **Red** = currently without any form of central register and either no consultation, or consultation closed more than three months ago with no policy position being announced (the UK announced the policy 46 days after the consultation closed, we believe 90 days is sufficient time if there is a genuine commitment to a consultation.)

<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/261234/131126JMC\\_2013\\_communiqueFINAL.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/261234/131126JMC_2013_communiqueFINAL.pdf)

<sup>2</sup> [http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140121/debtext/140121-0001.htm#140121-0001.htm\\_spnw53](http://www.publications.parliament.uk/pa/cm201314/cmhansrd/cm140121/debtext/140121-0001.htm#140121-0001.htm_spnw53)

<sup>3</sup> <http://www.ft.com/cms/s/0/d26ddcca-7161-11e4-818e-00144feabdc0.html#axzz3JyJlu1W>

<sup>4</sup> [http://www.christianaid.org.uk/images/company%20ownership%20paper\\_download2.pdf](http://www.christianaid.org.uk/images/company%20ownership%20paper_download2.pdf)

**We are today calling on the Joint Ministerial Council to announce the progress made, and a timeline for publication of all submissions made and government responses to their consultations.**

Our hopes, however, are not high:

- Bermuda has seemingly abandoned its commitment to a consultation, as well as rejection of public registers.
- The UK government progress report<sup>5</sup> appears to try to reduce the importance of the issue; neglecting to mention the Prime Minister's letter from April<sup>6</sup> urging the Overseas Territories to follow the UK lead.
- The Cayman Islands progress report doesn't even mention beneficial ownership, despite being one of the first to close their consultation, way back in January.

The lack of progress made by the Overseas Territories and Crown Dependencies stands in stark contrast to the progress made elsewhere on this issue:

- Ukraine, as it seeks to eradicate the corruption that has plagued it in recent years, has committed to creating a public register of beneficial ownership.<sup>7</sup>
- In the EU, the Parliament has taken a position in favour of public registers in the negotiations on the Anti-Money Laundering Directive.
- Austria, Bulgaria, Denmark, Estonia, Finland, France, Slovenia and Sweden are all supportive of creating public registers of beneficial ownership throughout the whole of Europe
- The G20 has announced new high level principles on beneficial ownership<sup>8</sup>. While these fall short of unqualified support for public registers, they go further than the current international standard, as set by the Financial Action Task Force, in that they require companies to have to know who their own beneficial owners are, and they require that information to be kept onshore. All G20 countries (including China, Russia and Saudi Arabia) are now committed to, and accountable for, improving the provision and access of beneficial ownership information. This is a significant step forward, and shows the direction the world is moving in.

**Public registers are coming;** the Overseas Territories and Crown Dependencies should be part of them from the start as they are where a lot of the problem currently lies:

- Three Overseas Territories are among the 20 jurisdictions that are most used by the corrupt – British Virgin Islands (2<sup>nd</sup>), Cayman Islands (9<sup>th</sup>), Bermuda (11<sup>th</sup>)<sup>9</sup>
- The Crown Dependencies of Jersey (11<sup>th</sup>) and the Isle of Man (19<sup>th</sup>) also feature in this list, as well as the UK (6<sup>th</sup>), making UK linked jurisdictions the most used for grand corruption
- The use of anonymous shell companies in the British Virgin Islands in the purchase of mining concessions in the Democratic Republic of Congo cost the DRC \$1.36bn, or around twice the annual health and education budget combined<sup>10</sup>.

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<sup>5</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/372366/UK\\_progress\\_grid.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/372366/UK_progress_grid.pdf)

<sup>6</sup> <https://www.gov.uk/government/publications/prime-ministers-letter-on-beneficial-ownership/prime-ministers-letter-to-the-overseas-territories-on-beneficial-ownership>

<sup>7</sup> <http://globalcompliancencews.com/ukraine-upfront-disclosure-beneficial-ownership-now-required/>

<sup>8</sup> [https://www.g20.org/sites/default/files/g20\\_resources/library/g20\\_high-level\\_principles\\_beneficial\\_ownership\\_transparency.pdf](https://www.g20.org/sites/default/files/g20_resources/library/g20_high-level_principles_beneficial_ownership_transparency.pdf)

<sup>9</sup> <http://issuu.com/world.bank.publications/docs/9780821388945/1?e=1107022/2698080>

<sup>10</sup> [http://www.africaprogresspanel.org/wp-content/uploads/2013/08/2013\\_APR\\_Equity\\_in\\_Extractives\\_25062013\\_ENG\\_HR.pdf](http://www.africaprogresspanel.org/wp-content/uploads/2013/08/2013_APR_Equity_in_Extractives_25062013_ENG_HR.pdf)