



GOVERNANCE

GOVERNANCE

EQUITABLE GROWTH, FINANCE & INSTITUTIONS INSIGHT

Beneficial Ownership Registers: Implementation Insights and Emerging Frontiers

March 2024

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Cover photo: stock.adobe.com



Acknowledgements

This was prepared by Till Hartmann (Governance Specialist, ESAG1) with guidance from Khuram Farooq (Senior Financial Management Specialist, ESAG1) and with inputs from Ivan Kantardjiski (Advisor, GIZ) and Patrick Enaholo (Researcher, Pan-African University, Nigeria). The note benefited from the comments given by Jackie Peace (Senior Advisor, FCDO), Louise Russell-Prywata (Director of Policy and Advocacy, Open Ownership), Solvej Krause (Economist, EFNFS), Emile J. M. Van Der Does De Willebois (Lead Financial Sector Specialist, EFNFS), Stanley Achonu (Advisor, OGP), Tymon Kiepe (Head of Policy and Research, Open Ownership), Stephen Abbott Pugh (Head of Technology, Open Ownership), Jana Warkotsch (Advisor, GIZ), Sophie Frossard (Advisor, GIZ), Elyas Hashemi (Advisor, FCDO), Martin Fidler Jones (Senior Policy Advisor, Companies House), James Anderson (Lead Governance Specialist, EEAG1), Zahid Hasnain (Lead Governance Specialist, EGVPA), Stephen Davenport (Senior Public Sector Specialist, EMNGU), Adrienne Hathaway-Nuton (Governance Specialist, EGVDR), Samuel Garoni (Governance Specialist, EGVPA), and Katherine Elizabeth Wolff Siess (Program Assistant, EGVPA). Cyrel San Gabriel (Consultant, EFIOS) provided editorial services, and Sandrine Ribeiro Pinto (Consultant, EFIOS) was the designer for this note. Overall guidance for the note was provided by Arturo Herrera Gutierrez (Global Director, EGVDR) and Roby Senderowitsch (Practice Manager, EGVPA). The note was made possible by the GovTech Global Partnership (GTGP) Multi-Donor Trust Fund.



Executive Summary

This EFI Insight distills critical insights from the implementation of Beneficial Ownership Registers (BORs) in Nigeria, North Macedonia, Kenya, and the United Kingdom. The experiences of these countries offer valuable lessons for similar reform efforts worldwide aimed at enhancing beneficial ownership transparency.

The note caters to practitioners invested in establishing and maintaining effective BORs. By extracting practical lessons and fostering an exchange of experiences, it aims to support reformers in navigating the dynamic landscape of beneficial ownership transparency reforms.

The review of implementation experiences focused on three key areas: the legal and institutional framework, technical solutions, and the costing of reforms. Several key insights emerged:

The enabling environment is a cornerstone for effective BOR implementation. This involves high-level political commitment, civil society advocacy, and pressure to align with global anti-money laundering (AML) and counter-terrorist financing (CFT) standards. Furthermore, multi-stakeholder collaboration and international partnerships have proven instrumental, notably in Nigeria, North Macedonia, and Kenya, where new BORs have been set up recently.

Interoperability, demonstrated by the seamless integration of beneficial ownership data into existing systems, not only meets global standards but also represents an important measure against corruption. Standardized data formats, such as the Beneficial Ownership Data Standard (BODS), play a pivotal role in ensuring consistency and facilitating data exchange across different registers.

To prevent inaccuracies and maintain up-to-date information in BORs, robust compliance enforcement is necessary. This includes the application of sanctions and heightening awareness among reporting entities.

While assessing the impact of BOR reforms remains a challenge, there is a clear need for improved outcome measurements. These assessments should focus on the effects of BORs in combatting corruption, reducing illicit financial activities, and bolstering tax compliance.

Finally, embedding financial sustainability considerations into the design and implementation of BORs is vital for their long-term effectiveness.



Contents

Introduction	10
Overview of Implementation Insights	13
Implementation Insights from Nigeria	14
Implementation Insights from North Macedonia	20
Implementation Insights from Kenya	26
Implementation Insights from the United Kingdom	32
Implementation Challenges and Emerging Responses	37
Data Standards	37
Data Accuracy	38
Compliance	39
Outcome Measurement	40
Reform Sustainability	41
Outlook and Future Topics	42



Abbreviations

4MLD	Fourth EU Money Laundering Directive
5MLD	Fifth EU Money Laundering Directive
AML	Anti-Money Laundering
API	Application Programming Interface
BEIS	UK Department for Business, Energy and Industrial Strategy
BER	Business Entity Register
BO	Beneficial Ownership
BODS	Beneficial Ownership Data Standard
BOR	Beneficial Ownership Register
BOT	Beneficial Ownership Transparency
BPP	Bureau of Public Procurement
BRS	Business Registration Service
CAC	Corporate Affairs Commission
CBN	Central Bank of Nigeria
CFT	Combating the Financing of Terrorism
CRM	Central Registry of North Macedonia
CSO	Civil Society Organization
DFNBP	Designated Non-Financial Businesses and Professions
EFI	Equitable Growth, Finance and Institutions
EITI	Extractive Industries Transparency Initiative



Abbreviations

EU	European Union
FATF	Financial Action Task Force
FCDO	Foreign, Commonwealth & Development Office
FIO	Financial Intelligence Office
FIRS	Federal Inland Revenue Service
FRC	Financial Reporting Centre
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GLEIF	Global Legal Identity Identifier Foundation
KYC/CDD	Know Your Costumer/Customer Due Diligence
LEI	Legal Identity Identifiers
NFIU	Nigerian Financial Intelligence Unit
NIN	National Identity Number
NPR	National Population Register
OGP	Open Government Partnership
PPRA	Public Procurement Regulatory Authority
PSC	Persons with Significant Control (Nigeria) / People with Significant Control (UK)
UBO	Ultimate Beneficial Owner
UNCAC	United Nations Convention Against Corruption



Tables

Table 1: Key Budget Items of Nigeria's Persons with Significant Control (PSC) Register	18
Table 2: Key Budget Components of GIZ Support for North Macedonia Beneficial Ownership Register	24



Figures

Figure 1: Country Commitments to Establish Beneficial Ownership Registers vs. Implementation	11
Figure 2: Key Milestones of Nigeria's Beneficial Ownership Regime	15
Figure 3: Nigeria Beneficial Ownership Register Workflow	17
Figure 4: Key Milestones of North Macedonia's Beneficial Ownership Regime	21
Figure 5: North Macedonia Beneficial Ownership Transparency System	23
Figure 6: Key Milestones of Kenya's Beneficial Ownership Regime	28
Figure 7: Overview of Kenya Registrar of Companies	30
Figure 8: Key Milestones of the UK's Beneficial Ownership Regime	33
Figure 9: Visualization of Dataset Combining Beneficial Ownership Data with Data on Politically Exposed Persons	38
Figure 10: UK's Proposed Identity Verification Mechanism for Beneficial Owners	40



Boxes

Box 1: What is Beneficial Ownership Transparency (BOT)?	11
Box 2: Beneficial Ownership Data Standard (BODS)	16
Box 3: What Are Bearer Shares?	27
Box 4: UK's Register of Overseas Entities	35



Introduction

Beneficial Ownership Transparency (BOT) is recognized as a powerful tool to enhance transparency and strengthen accountability for illicit financial flows (IFFs) involving corruption, money laundering, and tax evasion. As part of its renewed commitment to anticorruption as a development priority, the World Bank is currently augmenting its support for BOT reforms.¹

BOT is an emerging area of engagement for the World Bank that also relates to GovTech.² It involves creating electronic beneficial ownership registers, as well as improving IT systems, data management, and interoperability. Furthermore, BOT reforms align with the World Bank's GovTech objectives of promoting transparency, accountability, and trust.

While opportunities for corruption can be effectively reduced by enhancing efficiencies through digital public service delivery and strengthening controls through core GovTech systems such as e-procurement systems, integrated financial information systems, payroll, domestic revenue mobilization, and asset declaration systems, grand corruption often remains hidden by complex corporate structures that obfuscate beneficial ownership. Through the implementation of BOT reforms, countries can improve transparency and advance governments' anticorruption efforts as well as improve their ability to detect money laundering and tax evasion more effectively.

BOT measures are also an effective means to deter illicit activities associated with shell companies which are frequently used to conceal true owners and financial transactions. An analysis conducted by the World Bank examined 213 cases of grand corruption and found that in 70 percent of them, companies—many of which were shell companies—were used to launder the proceeds of corruption.³ Leaked documents, including the Pandora Papers⁴ and the Panama Papers,⁵ suggest that trillions of dollars are illicitly funneled through shell companies each year. Enhanced BOT contributes to deterring illicit activities associated with shell companies and facilitates more effective investigation and prosecution of financial crimes.

1. Anderson, James et al. 2020. [Anticorruption Initiatives: Reaffirming Commitment to a Development Priority](#).
2. The World Bank promotes GovTech as a whole-of-government approach to digitalization that promotes simple, transparent, and efficient government. GovTech supports digital transformation to deliver simple, transparent, and universally accessible services; promote civic participation, accountability, and trust; and modernize core government operations. For more information, visit World Bank [GovTech website](#).
3. Stolen Asset Recovery Initiative. 2011. [The Puppet Masters](#).
4. International Consortium of Investigative Journalists. 2021. [Pandora Papers](#).
5. International Consortium of Investigative Journalists. 2016. [Panama Papers](#).

BOX 1: What is Beneficial Ownership Transparency (BOT)?

BOT refers to the practice of disclosing and making publicly available information about individuals or entities that ultimately own or control a company or asset. Beneficial owners are individuals who enjoy the benefits of ownership, such as receiving profits or exercising control, even if their names may not appear in official ownership documents. BOT aims to uncover the true identities of beneficial owners to prevent illicit activities such as corruption, money laundering, tax evasion, and terrorist financing.

Owing to these benefits, governments around the globe have pledged to foster BOT. Their commitments are driven by a confluence of factors, including strong civil society advocacy and the influence of international standards and agreements, such as the United Nations Convention Against Corruption (UNCAC), the Financial Action Task Force (FATF), the Open Government Partnership (OGP), the Extractive Industries Transparency Initiative (EITI), as well as the European Union's Anti-Money Laundering (AML) Directives.

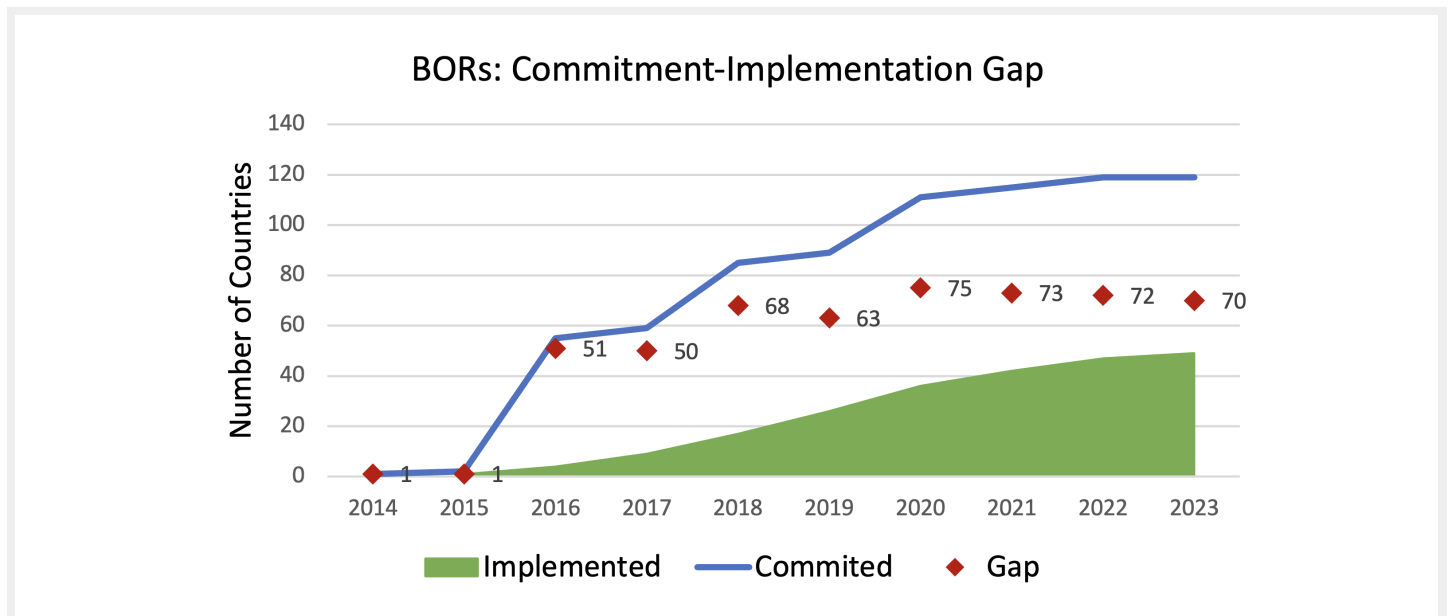
The past five years witnessed a near-tripling of countries enacting beneficial ownership registration laws, surging from 34 in 2018 to 97 in 2022.⁶ Similarly, there is a growing worldwide trend toward establishing Beneficial Ownership Registers (BORs), which are key components of effective BOT re-

gimes. BORs serve as centralized repositories of beneficial ownership information and offer various advantages, including real-time access to comprehensive data for law enforcement and authorized individuals, improved quality assurance of the provided information, and simplified supervision of beneficial ownership obligations.

Although more than 120 countries have made commitments to establish BORs, the implementation remains below 50 percent (Figure 1). Presently, about 70 countries have expressed their commitment to establishing a BOR, but they have not yet taken the necessary steps to implement it. Consequently, development agencies are receiving an increasing number of requests from partner countries for technical assistance and funding to support BOR implementation.

> > >

FIGURE 1 - Country Commitments to Establish Beneficial Ownership Registers vs. Implementation



Source: Open Ownership dataset, 2023.

Note: Open Ownership does not proactively collect this information and therefore the data may not be comprehensive. Another useful source of data on beneficial ownership transparency is the Financial Secrecy Index published by the Tax Justice Network.

6. Tax Justice Network. 2022. [Beneficial Ownership Registration Around the World.](#)

In response to this demand, the Governance Global Practice of the World Bank has developed this Equitable Growth, Finance and Institutions (EFI) Insight to collect implementation insights and inform future support for BOT reforms as an effective means to combat corruption.

The primary objective of this note is to extract and disseminate insights from successful implementation experiences while identifying emerging challenges at the forefront of implementation efforts. While comprehensive guides and toolkits exist for building beneficial ownership frameworks,⁷ this note specifically centers on country experiences in implementing a BOR, placing emphasis on the institutional set up, technical solutions, and costing.

The note first provides an overview of implementation insights, followed by the presentation of implementation experiences from four country cases. It highlights Nigeria, North Macedonia, and Kenya as examples where effective utilization of

donor resources facilitated the successful launch of a BOR. Furthermore, the case of the UK is included because of its prominent role in advancing BOT and to underscore the significance of transparency reforms in the Global North—such as the launch of a Register of Overseas Entities in the UK—in combating global corruption and illicit financial flows. The note concludes with a discussion of remaining challenges in the implementation of BORs and emerging policy responses.

The note draws primarily from the information submitted by the business registers of Nigeria, North Macedonia, and Kenya, as well as from expert interviews conducted between April and June 2023. In the case of the UK, the information has been predominantly derived from desk research. The case selection was based on countries' prior experience in implementing a BOR and the level of data accessibility, with additional criteria applied to ensure a balanced representation in terms of income level and country size.

7. Existing guidance documents on beneficial ownership transparency include FATF. 2023. [Guidance on Transparency and Beneficial Ownership](#); OECD/IDB. 2021. [Building Effective Beneficial Ownership Frameworks](#); and Open Ownership. 2021. [Guide to Implementing Beneficial Ownership Transparency](#).



Overview of Implementation Insights

The review of the implementation experiences of four countries in establishing BORs has yielded several insights that can inform similar reform efforts in other countries.

Enabling environment: Country cases highlight the importance of an enabling environment conducive to the implementation of a BOR. Civil society advocacy, high-level political commitment to enhancing BOT, and compliance with FATF Standards and EU AML Directives were vital catalysts for BOT reforms in the countries reviewed.

Multistakeholder processes: Engaging in multistakeholder processes and collaborating with international partners to leverage expertise, resources, and global best practices has been instrumental in the successful development and launch of BORs in Nigeria, North Macedonia, and Kenya.

Institutional home: The location of a BOR differs by country. For instance, Argentina, Colombia, and Ecuador manage their BORs through their tax authorities, while Indonesia and Spain oversee theirs under their Ministries of Justice. In the countries discussed in this note, the BOR is housed within their business registration authorities. While a particular policy goal may have influenced the choice of BOR placement, achieving other policy objectives through interoperability and real-time access is equally feasible. When deciding where to house a BOR, key factors to consider are enforcement powers, technical capacity, and the entity's reach with key stakeholders.

Interoperability: The countries examined have adopted custom-built software solutions for their BORs, emphasizing interoperability with existing government systems. For example, Kenya and North Macedonia have integrated beneficial ownership data into the public procurement system. This not only aligns with the updated FATF Recommendation 24 but also serves as a crucial anticorruption measure.

Data standards: Using a standardized format like the Beneficial Ownership Data Standard (BODS) is crucial for ensuring consistency, enabling seamless data exchange and interoperability between different registers, and facilitating the international sharing of beneficial ownership information.

Compliance: Insufficient enforcement can lead to inaccurate and outdated BOR information. Increasing compliance involves applying sanctions and promoting awareness of disclosure requirements among reporting entities.

Outcome measurement: While there have been attempts to assess the impact of BOT reforms, particularly through UK government-commissioned evaluations, accurately gauging outcomes remains a challenge. To garner further support for BOT reforms, it is crucial to implement improved outcome measurements focusing on their influence in curbing corruption, illicit financial activities, and enhancing tax compliance.

Reform sustainability: Finally, incorporating financial sustainability considerations into the design and implementation of a new BOR is crucial for its long-term effectiveness. In North Macedonia, for instance, the BOR is financially sustained through user fees, establishing a self-sustaining funding model.



Implementation Insights from Nigeria



Snapshot of Nigeria Beneficial Ownership Register

Name	Persons with Significant Control Register
Launch	2022
Beneficial owners registered	1,313,033 ^a
Companies registered	395,038 ^a
Access	Public and free to use
Website	https://bor.cac.gov.ng/

^aSource: Corporate Affairs Commission (CAC) as of June 5, 2023.



Source: Branditechure, [CAC Transparent PNG Logo](#).

Context

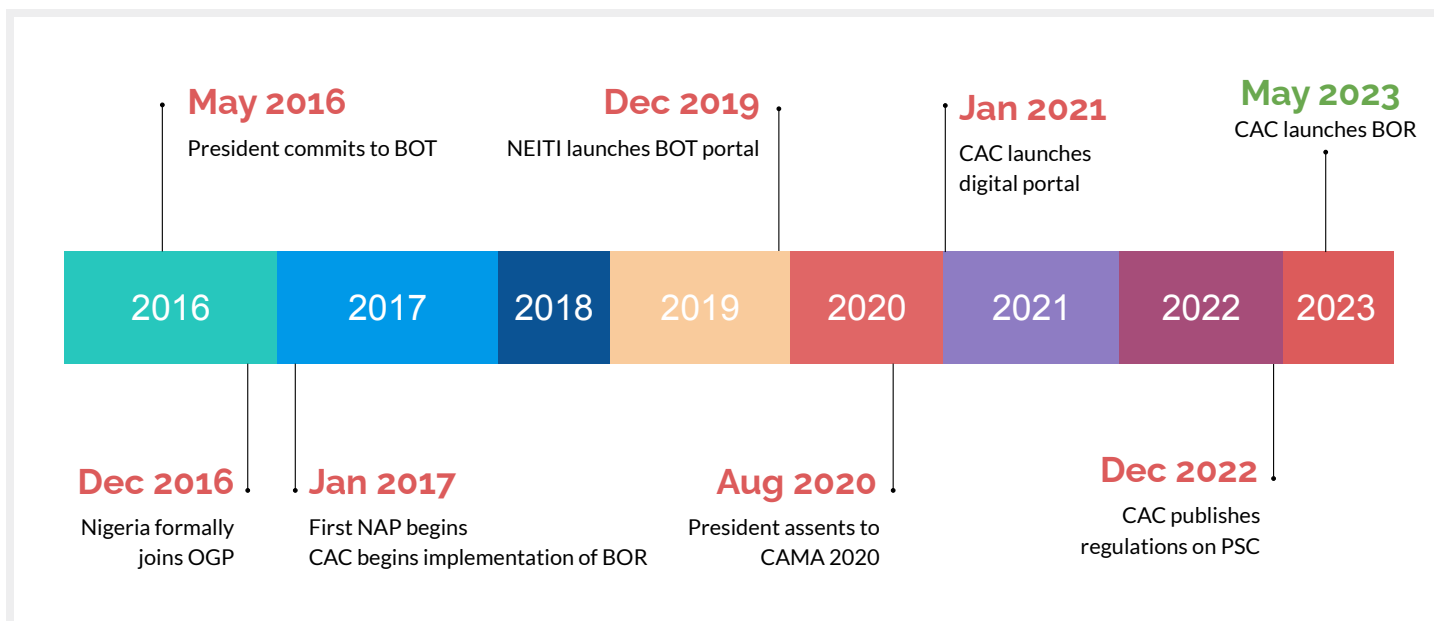
Nigeria has made significant progress in strengthening BOT over the past few years. The push for BOT in Nigeria originated in 2016 when the government, spurred on by civil society, publicly committed to fighting corruption at the 2016 Anti-Corruption Summit in London⁸ and subsequently joined the Open Government Partnership (OGP). Building upon this foundation, Nigeria embarked on the implementation of its First OGP National Action Plan (NAP) in 2017–2019, which included a specific commitment to establish a central register of beneficial owners of companies. Notably, Nigeria became the first African country to launch a digital beneficial ownership register for the extractives sector in 2019.⁹ In 2020, Nigeria legislated for strengthened BOT through the Companies

and Allied Matters Act (CAMA) which made it mandatory for companies to disclose beneficial owners in a central register. Subsequently, the Corporate Affairs Commission (CAC) published regulations on persons with significant control, started collecting beneficial ownership data, and ultimately launched the new register in May 2023.

The launch of the register represents the culmination of a multistakeholder effort that spanned several years. Despite significant challenges that persist, Nigeria has made considerable strides in BOT through efforts in advocacy, legislative reforms, capacity building, and the development of data capture and verification mechanisms.

> > >

FIGURE 2 - Key Milestones of Nigeria's Beneficial Ownership Regime



Note: BOR = beneficial ownership register, BOT = beneficial ownership transparency, CAC = Corporate Affairs Commission, CAMA = Companies and Allied Matters Act, NAP = National Action Plan, NEITI = Nigeria Extractive Industries Transparency Initiative, OGP = Open Government Partnership, PSC = persons with significant control.

8. Open Government Partnership. 2016. [Full Text of Buhari's Speech at the Anti-Corruption Summit in London.](#)

9. In 2019, the Nigeria Extractive Industries Transparency Initiative (NEITI) launched the [beneficial ownership register](#) for extractive industries.

Nigeria's Persons with Significant Control Register

Nigeria's Persons with Significant Control (PSC)¹⁰ register is the product of joint efforts by the Nigerian government, the World Bank, OGP, and other local and international stakeholders.

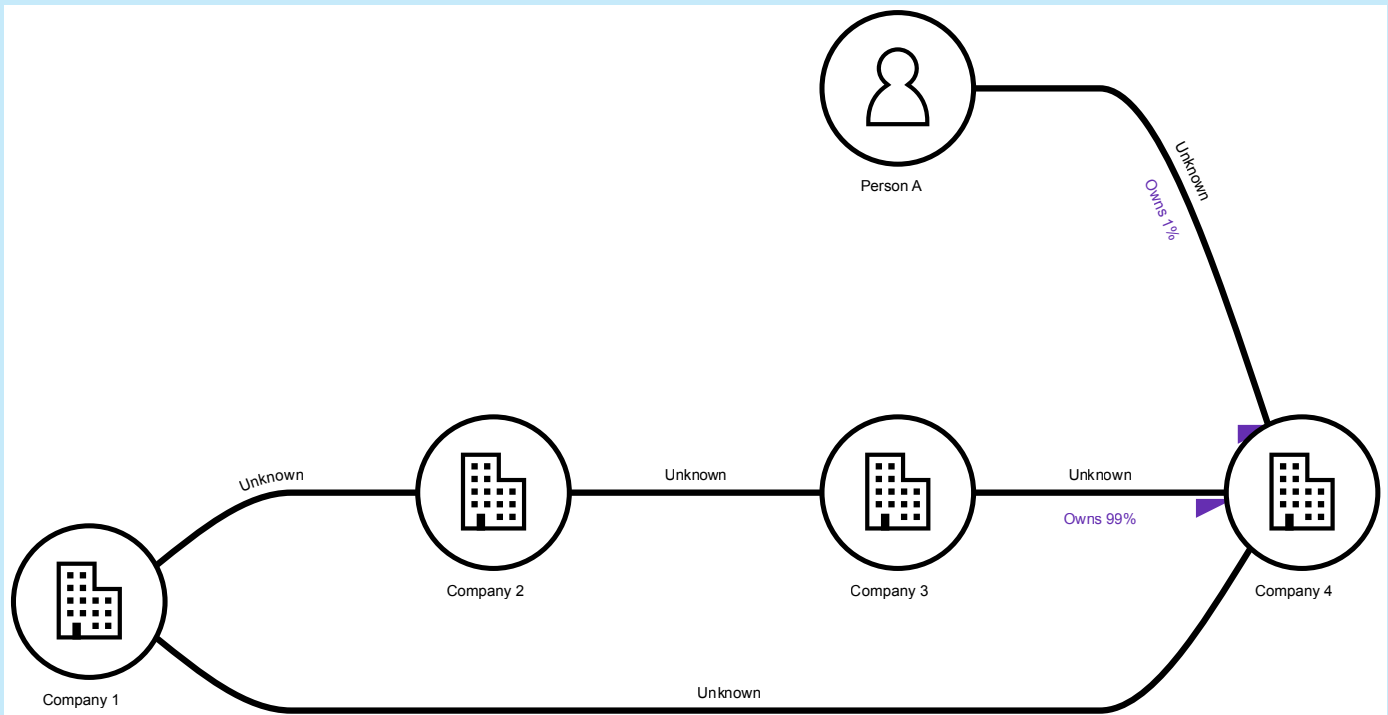
Nigeria is the first African country to structure beneficial ownership data using the Beneficial Ownership Data Standard (BODS), which allows the data to be easily shared, combined, analyzed, and visualized.

This facilitates data sharing with other government agencies, including the Bureau of Public Procurement (BPP), Federal Inland Revenue Service (FIRS), and the Nigerian Financial Intelligence Unit (NFIU), among others. The adoption of BODS will furthermore enable integration with other databases, such as the extractive industries register, and link them to global beneficial ownership data repositories.

BOX 2: Beneficial Ownership Data Standard (BODS)

BODS establishes a standardized format and structure for capturing and organizing beneficial ownership data. It deploys the JavaScript Object Notation (JSON) format to structure and exchange beneficial ownership data. This allows for structured and readable representation of information using key-value pairs, providing flexibility in describing complex ownership structures, as it supports nested objects and arrays, making it suitable for capturing intricate relationships among beneficial owners, entities, and related attributes.

Example of BODS JSON data visualization



Note: Such diagrams can be replicated easily by pasting a BODS JSON file into the BODS data visualizer developed by Open Ownership.

10. Person with Significant Control (PSC) is the term used in Nigeria for ultimate beneficial owner.

Nigeria uses the following definitions¹¹ to determine who is a beneficial owner of a company:

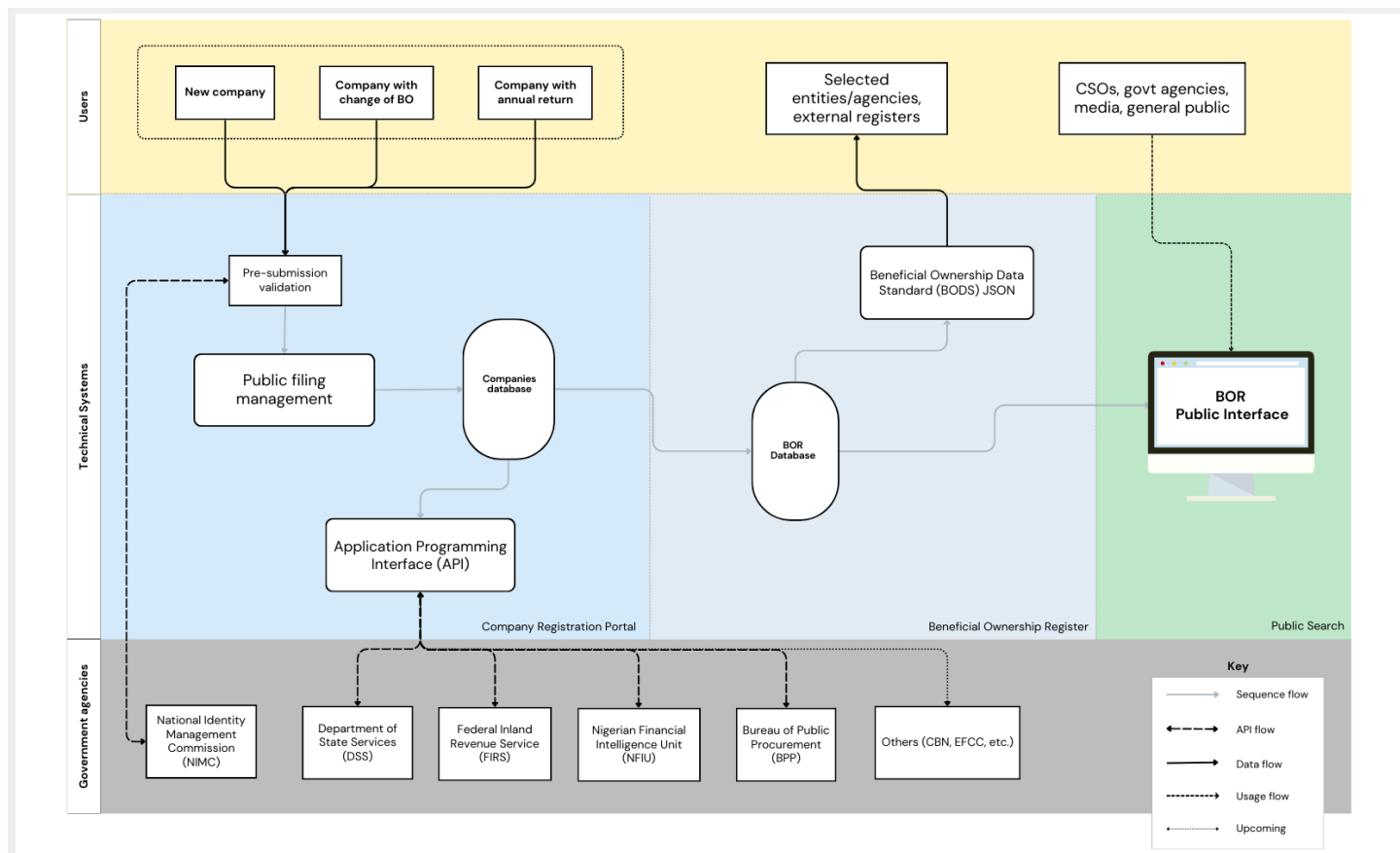
- holds at least 5 percent of the issued shares in the legal person either directly or indirectly;
- controls a customer and/or the natural person (but not limited to) who:
 - a exercises at least 5 percent of the voting rights in the legal person either directly or indirectly, and
 - b holds a right directly or indirectly, to appoint or remove majority of the directors or similar positions of the legal person;
- on whose behalf a transaction is being conducted; and/or
- exercises ultimate effective control over a legal person or legal arrangement, and exercises significant influence or control, directly or indirectly, over the legal person.

A notable difference in the definitions used in Nigeria is the lower disclosure threshold of 5 percent, compared with 25 percent in the UK and the US. The lower threshold results in a larger pool of beneficial owners subject to disclosure requirements, which leads to a higher administrative burden

on the CAC and on companies. At the same time, the lower threshold can yield more valuable data. In sectors deemed as high risk, such as extractives, this additional information offers clear benefits in enabling stakeholders, including investors, to learn how ownership and control are operating, allowing them to inform investment decisions and mitigate corruption risks. Nigeria has taken steps to reduce the administrative burden resulting from lower disclosure thresholds, which include software development for enhanced data collection and a database structure adopting BODS.¹²

CAC sources the beneficial ownership data from companies through online forms. The data are shared with designated government agencies and competent authorities by means of application programming interfaces (APIs). Before integrating with the CAC, requesting agencies must submit a formal request and undergo a security assessment. API access is currently granted to agencies including NFIU, BPP, FIRS, and the Department of State Services (DSS), with others like the Central Bank of Nigeria (CBN), Economic and Financial Crimes Commission (EFCC), and the Nigeria Mining Cadastre Office (NMCO) set to join soon (Figure 3).

> > >
FIGURE 3 - Nigeria Beneficial Ownership Register Workflow



11. See [guidance](#) on ultimate beneficial owners of legal persons and legal arrangements issued by the Central Bank of Nigeria on January 12, 2023. See also [Persons with Significant Control Regulations, 2022](#), pp. 12-13.
 12. For a more in-depth discussion of disclosure thresholds, see Ime, Favour, and Louise Russell-Prywata. 2022. [Beneficial ownership transparency and the fight against grand corruption in Nigeria](#). Open Ownership.

To minimize data errors, pre-submission validation is conducted using national identity documents such as the National Identity Number (NIN). This automated process eliminates the need for manual entry, as relevant data from the NIN is used to pre-fill the form.

Moreover, entities have the option to withhold personal details of their beneficial owners or PSCs from public disclosure. Sensitive information such as home addresses and phone numbers are currently accessible behind a paywall, ensuring privacy for those who choose not to publicly disclose such details.

The CAC sanctions companies and individuals for nondisclosure of beneficial ownership information. When an individual becomes a beneficial owner, they are expected to inform the company within seven days of acquiring that status. Subsequently, the company has a period of 30 days to notify the CAC with this information. Failure to meet these deadlines triggers a flagging mechanism within the system, which is activated during subsequent filings made by the company. In such cases, the defaulting company will be subject to a penalty as prescribed by the system. The enforcement of this penalty is ensured, as nonpayment would render the application or filing invalid. By establishing these clear timelines and penalties, the CAC encourages timely and accurate reporting of changes in beneficial ownership.

Nigeria's PSC register is cloud based and custom built. The CAC has an in-house technical team comprising software engineers who serve as support staff for the electronic register. They form part of CAC's Information and Communication Technology (ICT) Department which has about 30 employees.

Anticipating expansion of the database, the CAC conducted a trend analysis to forecast the growth of data over the next year. This proactive approach enables adequate resource allocation in advance. Leveraging the cloud-based infrastructure, the system offers flexibility to fine tune and scale up resources as needed to accommodate the projected increase in data volume. By mitigating the risk of downtime, this adaptive approach ensures uninterrupted service delivery and optimizes the system's capacity to handle the expected growth in data.

The PSC register was built with financial support from the World Bank financed Fiscal Governance and Institutions Project and a grant from the OGP Multi-Donor Trust Fund (MDTF), totaling \$550,000 over a span of two years.

The World Bank financed key components of the register with a \$400,000 allocation (Table 1). Additional budget items included user research, data management, policy compliance, stakeholder consultations, user trainings and outreach events dedicated to the PSC Register launch, and implementation support by World Bank staff and consultants.

> > >

TABLE 1 - Key Budget Items of Nigeria's Persons with Significant Control (PSC) Register

Item	Cost (\$)
PSC Register System Phase 1 Registration Module, BO Register Admin Modul, e-Disclosure Module, Search Module, BO Register Management Information System Module	\$95,537
PSC Register System Phase 2 Enterprise Service Bus (ESB), System Integration	\$35,975
PSC Register System Phase 3 Administrative Review, Complaints Module, Prior Review Module, Security Module, System Management and Backup Infrastructure Module, Management Information System Update	\$30,836
Operations and Support Services	\$33,507
Cloud Services	\$71,971
Training Programs	\$25,961
Work Station Equipment 60 Laptop Computers	\$87,527
Total	\$381,315

Results

Since making a commitment to strengthen BOT in 2016, Nigeria has taken significant steps in implementing reforms. These include the establishment of an extractives register, the introduction of a legislative framework for BOT, and the development and improvement of a national PSC register. As of June 2023, the PSC register includes almost 400,000 companies and has identified about 1,300,000 beneficial owners. While Nigeria has laid down the foundational elements, it is important to note that the full impact of these reforms in combating corruption and illicit financial flows is yet to be fully realized.

The platform's effectiveness as an anticorruption tool will

now hinge on the extent to which internal and external users utilize it to uncover fraud and corruption. Further studies will be necessary to investigate the usage of the register and its correlation with expected anticorruption and AML/CFT outcomes. Key indicators such as the frequency of interaction, measured through weekly or monthly visitor traffic, the number of data downloads or API calls, and other relevant statistics, can serve as an initial point for understanding user needs and behaviors on the platform. Moreover, the number of corruption cases and prosecutions informed by BOT data within a specified period could serve as a metric for assessing the register's value to Nigeria's anticorruption efforts.

Lessons and Outlook

The experience of Nigeria in implementing BOT reforms highlights as key enabling factors sustained commitment at the highest political level, advocacy by civil society organizations (CSOs), and financial and technical support from development partners.

Political leaders, notably former President Muhammadu Buhari, have publicly endorsed and prioritized the issue of beneficial ownership, leading to its prominence on the government's agenda. CSOs in Nigeria have demonstrated a longstanding commitment to driving policy changes, engaging with government agencies, and mobilizing public support for transparency and accountability. Collaboration with international partners, such as the World Bank and the Open Government Partnership, has further facilitated the exchange of expertise, resources, and global best practices. Collectively, these factors have been instrumental in the recent advances made in BOT in Nigeria.

While Nigeria has made significant progress in implementing BOT reforms, a recent assessment commissioned by the World Bank has identified several ongoing challenges that impede the register from reaching its full potential.¹³ One major challenge is the effective enforcement of disclosure requirements and compliance by companies. Despite the establishment of a beneficial ownership register, there is a need for robust mechanisms to verify the accuracy of the information provided and to address potential noncompliance. Additionally, the capacity of government agencies, such as the CAC, needs to be strengthened to effectively manage and analyze the large volume of data collected. Another challenge is the need to enhance interagency coordination and interoperability to enable information sharing and facilitate the effective use of beneficial ownership data for investigations and enforcement actions. Lastly, sustained political commitment is necessary to ensure the continued prioritization of BOT reforms and to address any potential resistance or pushback from vested interests. Overcoming these challenges will be crucial in realizing the full potential of Nigeria's BOT system.

13. Patrick Enaholo. 2023. Journey to Nigeria's Beneficial Ownership Register (draft report).



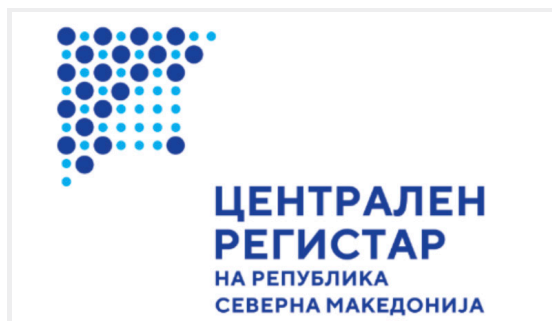
Implementation Insights from North Macedonia



Snapshot of North Macedonia Beneficial Ownership Register

Name	Register for Beneficial Owners
Launch	January 2021
Beneficial owners registered	71,000 ^a
Companies registered	75,000 ^a (92.5 percent fulfillment rate)
Access	Public and fee-based
Website	www.crm.gov.mk

^aSource: Registry of North Macedonia (CRM), May 30, 2023.



Context

In North Macedonia, previous money-laundering risk assessments had shown that one constant area of concern was the lack of transparency of ownership structures in the private sector.¹⁴ In 2017, the country began addressing this by establishing a Beneficial Ownership Register (BOR) that is fully integrated and compliant with international standards.

In view of the upcoming mutual evaluation process by MONEYVAL—a permanent monitoring body of the Council of Europe—in 2022, the government placed significant emphasis on enhancing compliance with Financial Action Task Force (FATF) Recommendations 24 and 25 and fulfilled commitments related to beneficial ownership outlined in the Open Government Partnership action plan and the National AML/CFT Strategy of 2018. This was reinforced by the country’s determination to adopt the EU Acquis Communautaire on this topic, especially the 4th EU Anti-Money Laundering and Countering the Financing of Terrorism (AML–CFT) directive.

For the legislative groundwork upon which the BOR was built, the jurisdiction introduced the concept of an ultimate beneficial owner (UBO) in 2018 in the following legal acts: (1) Law on Preventing Money Laundering and Financing of Terrorism,¹⁵ which sets out the obligations to create, host, and define parameters of the BOR registration of the UBO for the obliged

entities, the required data fields, process for verification, and other relevant aspects related to the AML/CFT framework; (2) Law on Personal Data Protection,¹⁶ which transposes relevant EU law on data protection to ensure safe usage and processing of personal information; and (3) Law for a Central Registry,¹⁷ which provides the legal basis for the Central Registry of North Macedonia (CRM) to lead the register.

The 2018 AML/CFT Law establishes the following definitions of who constitutes an UBO in North Macedonia:

- a natural person who is the owner of the entity or controls the entity through direct ownership of over 25% of shares or stocks, voting rights or other rights within the entity or the ownership of 25% plus one share;
- a natural person who controls the entity through indirect ownership of over 25% percent of shares, stocks, voting rights or other rights within the entity or ownership of 25% plus one share, including shares of bearer or voting right or other rights in the legal entity; or
- a natural person who exercises control over the entity in other ways.

> > >

FIGURE 4 - Key Milestones of North Macedonia’s Beneficial Ownership Regime



Note: AML/CFT = anti-money laundering/countering financing of terrorism, BO = beneficial ownership, BOR = beneficial ownership register, CRM = Central Registry of North Macedonia, ML/FT = money laundering/financing of terrorism.

14. Council of Europe. 2014. [Report on Fourth Assessment Visit](#).

15. The [AML/CFT Law](#) was adopted in 2018 and published in the Official Gazette of the Republic of Macedonia, No. 120/18 (in Macedonian). Definitions are listed on page 9.

16. Official Gazette of the Republic of Macedonia, [No. 42/20 and 294/21, Law on Personal Data Protection, 2020](#).

17. The obligation to establish a BOR was inserted into the 2018 AML/CFT Law.

Regarding the technical and legal enabling environment, at a national level, the jurisdiction utilized the Macedonian IT Interoperability Framework, enabling secure transmission of encrypted data between public and private entities. At the organizational level, the CRM possessed medium to high technical capacity, which included a solid, in-house hosting server and advanced protocols and services such as single sign-on function, digital ID and signature, e-certificates, e-mail distribution system, and API capability. Furthermore, the CRM had staff capable of learning the new tool, testing it to a satisfactory level of performance, and integrating it within the existing framework.

At the outset of reforms, there were very few international best practices that could be leveraged, as jurisdictions globally were still in the process of developing registers. Those that existed at the time were modest in capabilities and had few results to show. GIZ decided to extend support for the development of the BOR based on the strong commitment of stakeholders, clearly defined objectives, existing legal and technical capacities, national strategic importance, and the added value of enhancing transparency inside the private sector.

North Macedonia's Register for Beneficial Owners

Through its Global Program Combating Illicit Financial Flows, GIZ supported a comprehensive multistakeholder process to set up the BOR. The primary stakeholders, which encompassed both the CRM and the Financial Intelligence Office (FIO), were the end-product owners and provided human and technical resources throughout the whole implementation process. The secondary stakeholders provided supportive functions such as primary legislation amendments, where necessary, and connections to the national databases—National Population Register (NPR) and Business Entity Register (BER)—for cross-data validation.

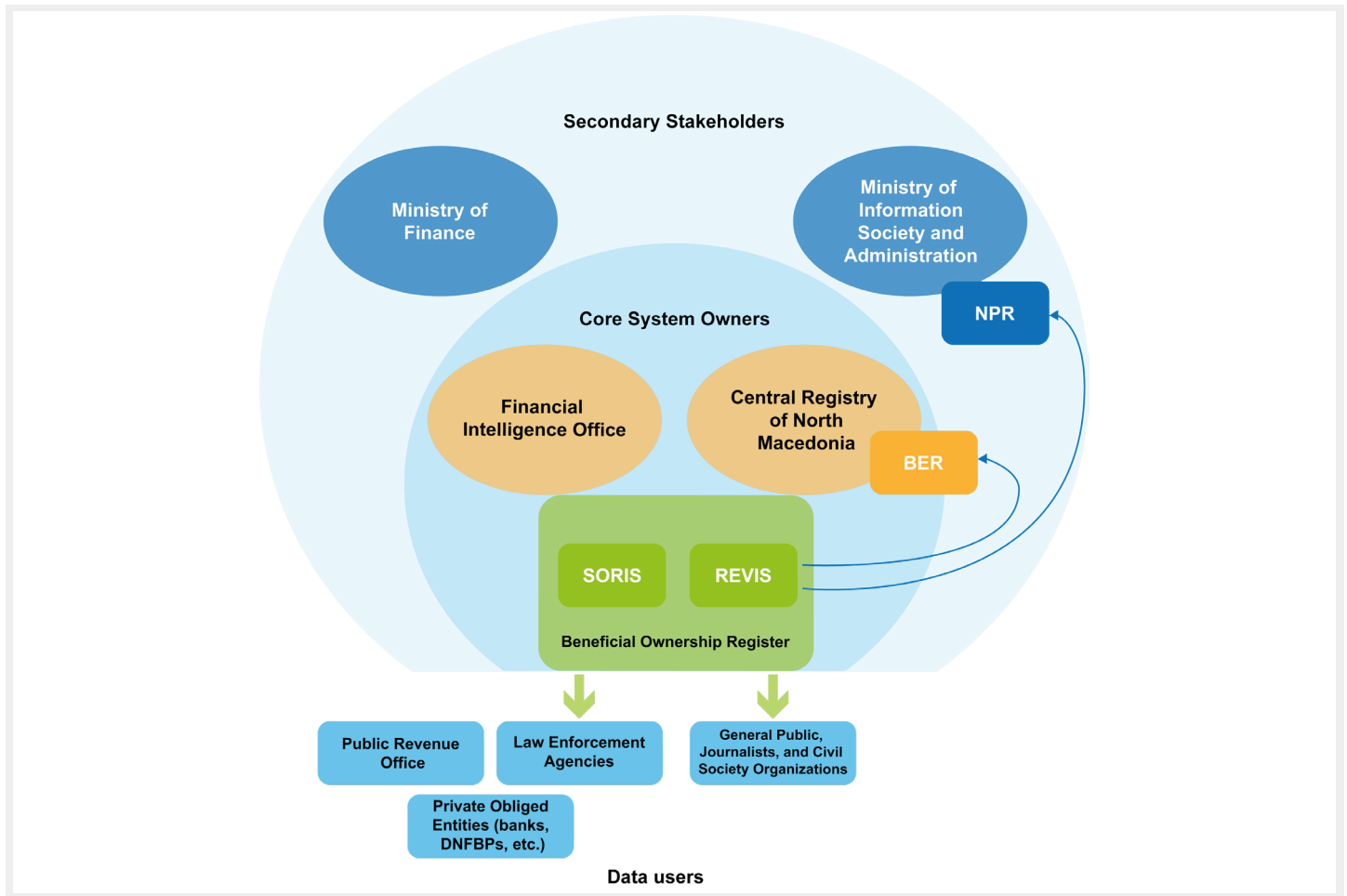
The implementation of the BOR can be divided into three stages. The stages were designed to overlap where feasible, resulting in a total process duration of two years:

- The first stage involved a detailed technical design process (requirement specification). This stage, which spanned nine months, involved procuring an external service provider through an open-market bidding process.

- The second stage of software development and testing was conducted by an external service provider. The testing phase was an intensive process for the primary stakeholders, which resulted in a vetted and fully functional product. The second stage lasted one year.
- The third stage entailed the launch of the register along with a public outreach process and lasted four months.

The register consists of two modules—REVIS for registrations and SORIS for analytics (Figure 5). REVIS is the segment hosted by the Central Registry that performs all the tasks described above. The host institution of the SORIS module is the FIO. SORIS has analytical capabilities, such as performing a basic risk profile analysis accessible to the FIO. Hence, this pre-defined module for analytics in the core structure of the BOR already foresees potential usage of the data set by authorities and adds a pillar toward the risk-based supervision process essential to the FATF standards.

FIGURE 5 - North Macedonia Beneficial Ownership Transparency System



Note: BER = Business Entity Register, DNFBPs = designated non-financial businesses and professions, NPR = National Population Register.

The main functional capabilities of the final BOT system in place are that it is a fully electronic, online system that enables registration of UBOs via a public portal and with a structured and standardized set of information such as name and surname of the UBO, unique citizen identification number, tax identification number, date of birth, nationality, and residential address. The data are entered by the obliged entity or their authorized registration agent in the system, which then cross-references the identity of the UBO via the NPR and business entity in parallel with the BER before connecting their relationship into one dataset hosted at the CRM. The verification of the UBO is performed by the financial institution (bank), which acts as the primary bank of the business entity and offers financial services to it. The system cross-references data on state-owned entities and lists the designated executives as UBOs. The BOR also issues certificates of registration to the entities and can issue chronological changes in UBOs on demand.

Crucially, the BOR allows for real-time access to beneficial ownership data to obliged entities (financial and nonfinancial),

law enforcement agencies, and other relevant stakeholders such as investigative journalists and the general public. The register adapts the dataset published per each user group according to national and international data protection standards.

The BOR software is custom built, with a user-centric approach, utilizing (or integrating with) the existing registry systems (business registry and register of other legal entities, National Population Register, address register) as data sources and other common systems and components within CRM (distribution system for ordering and issuing information from the registries, certificates and receipts issuing system, email notification system). The BOR is hosted within the CRM datacenter private cloud. The technical design is based on a standard three-tier architectural pattern for web applications with the following technologies: (1) front-end presentation layer—JavaScript, HTML, CSS, and Angular; (2) back-end business layer—WCF, C#, and .NET Framework; and (3) data layer—databases developed with T-SQL and hosted on MS

SQL server.

The data governance arrangements in place are twofold. The first is on the internal state level, across authorities, which is based on the primary legal framework that allows access to sensitive data in line with national data protection legislation. The second part of the data governance arrangement is with external parties entitled to access the dataset in a limited manner to fulfill their law-mandated obligation but is also in accordance with national data protection legislation. The digital security element was tested by an external cybersecurity auditor to confirm that the exchange of data will be performed in a safe environment with minimal risk, in accordance with International Organization for Standardization (ISO) and cybersecurity standards.

System maintenance such as software warranty bug fixes was initially provided for one year by the service provider that developed the software tool. After the handover of the software to the end-product owners, the BOR relies on a revenue stream generated by fees for accessing the data from the side of the obliged entities that use the data for know-your-customer/due diligence (KYC/CDD) purposes. The CRM maintains the BOR with its own human, technical, and financial resources and has shown that the implementation model is self-sustaining. Both the CRM and FIO now retain full ownership of the BOR with source code and all other system elements.

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TABLE 2 - Key Budget Components of GIZ Support for North Macedonia Beneficial Ownership Register

Item	Budget
1. IT expertise for technical design	\$1,600
2. Development of software solution, external service provider	\$153,000
3. Development of public relations materials (video production)	\$12,000
4. Cybersecurity testing element	\$13,000
Total	\$179,600

Results

The rollout of the BOR was followed by a high turnout, resulting in about 75,000 registered entities by mid-2022, which is 92.5 percent of the entire pool of entities required to submit their UBO status. The data are constantly being updated as ownership changes, with about 71,000 natural persons identified as UBO, and leveraged by private sector obliged entities such as financial institutions or designated non-financial businesses and professions (DNFBPs) such as legal professions, accountants, and auditors, which by law must use the information in their KYC/CDD processes. In general, data usage is high, given the estimated 85,000 individual requests for data via the integrated web services of the BOR to date. The dataset also generates revenue for the CRM that so far ensures full autonomy of the register, long-term sustainability, and resources for system and/or personnel upgrades of the BOR. Noncompliance to register or update

the UBO within 15 days of the incorporation or change in ownership of the business entity results in a fine.

Additionally, for the public interest, limited data access is allowed with certain preconditions. Journalists have free access to a limited personal dataset (name/surname of owner, country of residence, month and year of birth, and full beneficial ownership indicators data) according to the data protection law on a case-by-case basis. No bulk access to data is possible for further analysis by an external party except by FIO. Civil society organizations and any member of the public can request access per individual entity with a simple request, followed by a fee for receiving the information. Via the e-confirmation system designed for the public, about 20,000 individual requests for data were granted and issued to date.

Lessons and Outlook

The main challenges during the implementation period can be divided into two broad categories. First, the development process took longer than expected due to the complexity and lack of global best practices to learn from. This was combined with limited human resources that then required extraordinary commitment from the partners along with pending legal framework amendments essential to the functions of the software. Second, the COVID-19 pandemic brought changes in collaboration and communication while developing the software tool. This in turn extended the timeframe of implementation.

After one year of operation, features of the system for issuing data and interconnecting with public procurement processes needed an update, which shows that even with the most detailed planning, the BOR is never in a “final state.” Initially, features related to chronological data publication needed further development. More importantly, it was decided that the beneficial ownership data should be included in the public procurement system, entailing development of another technical service interconnected with the Public Procurement Bureau, along with legal framework amendments to allow for integration of data.

The experience of implementing the BOR in North Macedonia offers valuable lessons that can inform future endeavors in similar contexts. These lessons emphasize the importance of understanding the register’s role within the national AML/CFT framework, making key decisions early on, adopting a user-centered service design, and establishing a multidisciplinary team.

One crucial lesson derived from this case is the need to understand how the beneficial ownership register fits within the broader framework related to AML/CFT measures and FATF Standard implementation in the country. It is essential to identify the main actors who will utilize the data and those who need to provide the data. Understanding the existing data available for cross-referencing and checks is vital. Additionally, appealing to the private sector’s sense of social responsibility in safeguarding the national financial system

plays a significant role in this process. Establishing basic principles for compliance and effectiveness, particularly regarding FATF Recommendations 24 and 25, is crucial for ensuring the success of the register.

Another lesson learned is the importance of making key decisions as early as possible during the implementation process. These decisions include selecting a suitable register host or custodian with the appropriate technical and human resources, defining the precise data fields that need to be registered, determining the entities that fall under the obligations, and establishing avenues for possible data exchange while clearly defining the limits of the framework. Making these decisions early on helps create a solid foundation for the register’s effectiveness and functionality.

Adopting a user-centered service design has emerged as essential from this experience. By placing the needs and experiences of the end users at the center of the design process, it becomes possible to develop a register that is intuitive and user-friendly, and effectively meets the requirements of all stakeholders. Considering the perspectives and requirements of the entities providing the data and the authorities utilizing the data ensures that the register is accessible and efficient, and maximizes its utility.

Finally, establishing a multidisciplinary compact team is key to the successful implementation of the beneficial ownership register. Such a team brings together diverse expertise from relevant disciplines, including legal, technological, and operational domains. The collaboration and synergy of this team enable comprehensive perspectives and effective problem solving throughout the implementation process. This multidisciplinary approach ensures that all aspects of the register, including legal considerations, data management, and operational procedures, are carefully addressed.

By incorporating these lessons, future efforts can navigate challenges, enhance effectiveness, and promote transparency and accountability by introducing beneficial ownership disclosure systems.



Implementation Insights from Kenya



Snapshot of Kenya Beneficial Ownership Register

Name	Business Registration Service (BRS) Beneficial Ownership Register
Launch	2020
Beneficial owners registered	53,000 ^a
Companies registered	133,000 ^a
Access	closed
Website	https://brs.go.ke/companies-registry-statistics/

^aSource: Business Registration Service (BRS), May 30, 2023



Context

Over the past decade, Kenya has made progress in its anti-money laundering/countering financing of terrorism (AML/CFT) efforts. When the country's first mutual evaluation in 2010 had revealed significant deficiencies,¹⁸ Kenya took urgent action to address them. Initially listed for strategic AML/CFT deficiencies by the FATF in 2010, Kenya was removed from the list in 2014 because of the progress made. However, following a more recent evaluation published in 2022, Kenya's system was found to be deficient on several issues and as a result was recently (February 2024) again identified as a country with strategic AML/CFT deficiencies. Although some of the deficiencies listed relate to collection of beneficial ownership information, the report did note that "BO and basic information filed by companies [to the BOR] is adequate, accurate and up to date, and is subjected to authentication and verification."¹⁹

The establishment of a BOR was first mentioned in the commitments of the 2016 OGP Action Plan.²⁰ This coincided with the London Anti-Corruption Summit, which played a significant role in expediting reforms. Kenya affirmed its commitment to combating corruption during the summit, leading to the adoption of national commitments and initiatives.

The OGP commitment to establish a BOR was subsequently reaffirmed in the 2018–2020 Action Plan.

CSO advocacy raised awareness and promoted BOT reforms in Kenya by emphasizing the importance of transparency and accountability in beneficial ownership. CSOs' efforts drew attention to the need for reforms and helped create an environment conducive for change. The other central enabling factor was the political will toward BOT reforms, which led to the issuance of Executive Order Number 2 of 2018. The executive order provided a strong mandate for the implementation of BOT reforms, signaling the government's support and dedication to combat corruption and enhance transparency in the country.

As for legislative enablers, the Proceeds of Crime and Anti-Money Laundering Act (POCAMLA) of 2009 played a pivotal role in driving BOT reform.²¹ The act imposed obligations on reporting entities, including financial institutions and designated non-financial businesses and professions (DNFBPs) to implement AML/CFT measures, such as customer due diligence, verification of beneficial ownership information, and reporting suspicious transactions.

BOX 3: What are Bearer Shares?

Bearer shares are physical share certificates that represent ownership of shares in a company. Unlike registered shares, bearer shares do not have the owner's identity recorded in the company's records. Instead, the person who holds the physical share certificate is considered the legal owner and has the rights associated with the shares. Bearer shares can be transferred by simply handing over the physical certificate, allowing for anonymity and potentially making them vulnerable to misuse for illicit purposes such as money laundering or tax evasion. Many jurisdictions have implemented regulations to restrict or eliminate the use of bearer shares due to these concerns.

The legislative framework underwent further changes, paving the way for the establishment of a BOR. The 2015 Companies Act²² enhanced transparency in company ownership by abolishing bearer shares. In 2017, an amendment to the Companies Act introduced a requirement that companies keep a list of beneficial owners alongside the list of shareholders.

In 2019, Kenya introduced the Data Protection Act,²³ which regulated the collection, processing, storage, and use of personal data, including beneficial ownership data. It also established guidelines for secure data handling, protected data subject rights, and outlined obligations for data controllers and processors.

18. ESAAM (Eastern and Southern Africa Anti-Money Laundering Group). 2011. [Mutual Evaluation Report: Anti-Money Laundering and Combating the Financing of Terrorism – Republic of Kenya](#).

19. ESAAM. 2022. [Mutual Evaluation Report](#).

20. Open Government Partnership. 2016. [The Republic of Kenya Open Government Partnership: National Action Plan II \(July 2016 – June 2018\)](#)

21. National Council for Law Reporting. 2016. [Proceeds of Crime and Anti-Money Laundering Act, No. 9 of 2009](#).

22. National Council for Law Reporting. 2021. [The Companies Act, No. 17 of 2015](#).

23. National Council for Law Reporting. 2019. [The Data Protection Act, No. 24 of 2029](#).

Finally, international support in the form of technical and financial assistance provided by GIZ played a crucial role in implementing the BOR in Kenya. GIZ's decision to collaborate and support BOT reforms in Kenya was grounded in the expected benefits that such reforms would bring. In the case of Kenya, the highlighted reform benefits included

- creating a business enabling environment that attracts foreign direct investment due to increased transparency of public procurement processes;
- promoting transparency by providing a centralized repository of information on individuals who ultimately own or control legal entities;
- providing law enforcement agencies with access to critical

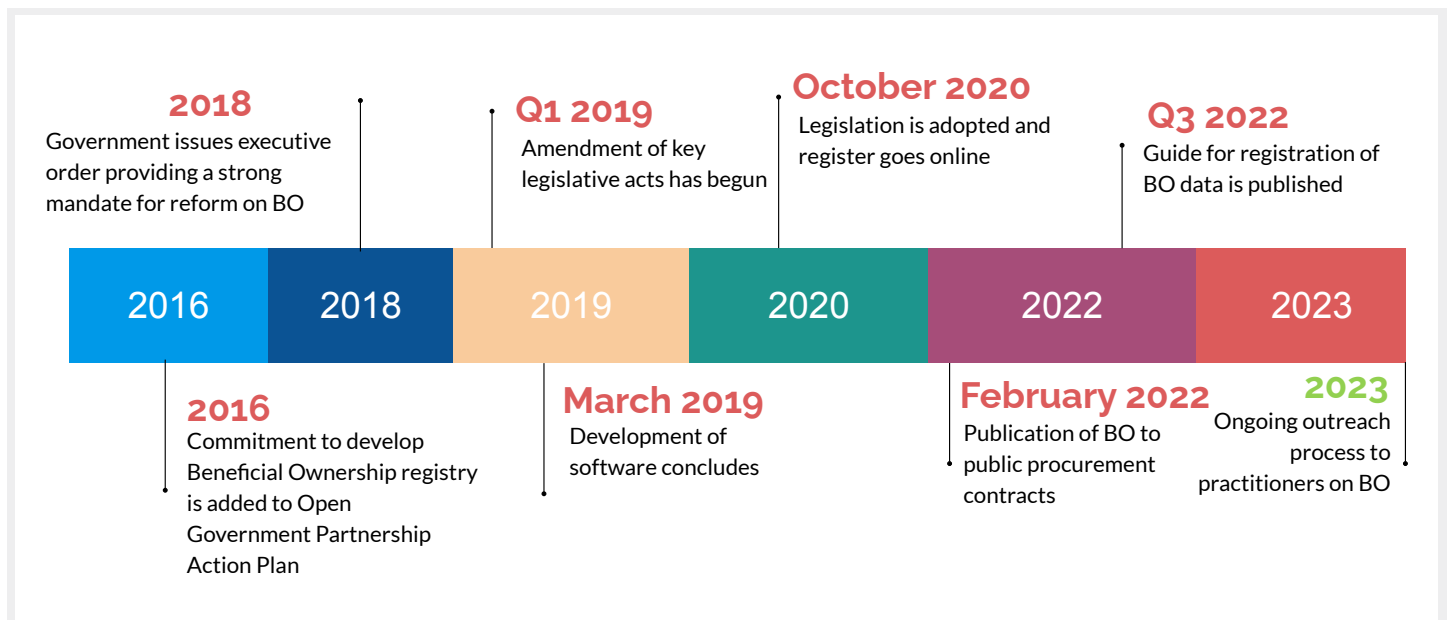
information that aids investigations into financial crimes, especially serving as a valuable tool to prevent and detect corruption; and

- fostering international cooperation in combating financial crimes by sharing information through secure channels, facilitating collaboration on investigations and asset recovery efforts, and identifying cross-border connections.

In summary, CSO advocacy and political will led Kenya to commit to global AML/CFT standards and to pass legislation that paved the way for the implementation of the BOR. During the implementation process, international support, particularly from GIZ's Global Program Combating Illicit Financial Flows, played a significant role in enabling the BOR's successful development and launch.

> > >

FIGURE 6 - Key Milestones of Kenya's Beneficial Ownership Regime



Note: BO = beneficial ownership.

Kenya's Beneficial Ownership Register

Implementation of the BOR required legislative amendments that were achieved through a multistakeholder process involving CSOs, authorities, and international partners. In 2019, the Companies Act was amended to introduce Section 93A, which mandated companies to prepare and maintain a BOR separate from the register of shareholders. This amendment took effect with the enactment of the Companies Regulations of 2020.²⁴

In accordance with the current applicable regulations, Kenya defines “beneficial owner” as any natural person who individually or jointly satisfies any one or a combination of the following criteria:¹⁷

- Directly or indirectly holds at least 10 percent of the issued shares of the company,
- Directly or indirectly exercises at least 10 percent of the voting rights in the company,
- Directly or indirectly has a right to appoint or remove a director of the company, or
- Directly or indirectly exercises significant influence or control over the company.

To ensure a timely BOR implementation, GIZ and authorities agreed to start developing the software solution even before the legislative amendments were officially enacted. This approach carried a certain degree of risk, considering that the legislative process could have been prolonged or could experience unforeseen changes. However, coordination between authorities and GIZ led to the completion of a solid software solution that was ready for public rollout once the legislative acts were passed in October 2020.

The government sought to further enhance transparency by enabling the Public Procurement Regulatory Authority (PPRA) to publish beneficial ownership information for entities participating in bidding with public entities. This was mandated through an amendment of the Companies Regulations in February 2022.²⁶

The BOR in Kenya is maintained by the Business Registration Service (BRS) and linked to the central business register to support data verification via unique company identifiers. A direct link is also maintained with the PPRA's Public Procurement Information Portal²⁷ to ensure that all companies bidding for government tenders have registered their beneficial owners. Information on beneficial owners of companies

with government contracts is publicly available through the Public Procurement Information Portal. Furthermore, law enforcement agencies can access the BOR for investigative purposes.

Other institutional stakeholders involved in enhancing BOT in Kenya include the Office of the Attorney General, the Financial Reporting Centre (FRC), and sector-specific regulatory authorities. The Office of the Attorney General developed and reviewed legislations and amendments to improve BOT. The FRC, as the central agency for receiving, analyzing, and disseminating suspicious transaction reports (STRs) and financial intelligence, collaborates with relevant authorities to cross-reference beneficial ownership data with AML/CFT information. Verification of the beneficial ownership information is done by the BRS, utilizing resources at its disposal related to access to national databases. Finally, sector-specific regulatory authorities, including the insurance regulatory authority and the Central Bank of Kenya, play an active role in implementing BOT by ensuring adherence to sector-specific regulations, providing guidance on reporting requirements, and overseeing the implementation process.

The final technical solution was a custom-built software developed by a local external service provider that followed BRS requirements. Development of the software was financed with funds from GIZ. Local contracting at market-level salaries allowed for cost efficiency with a budget of approximately \$16,500, covering all necessary tasks, including system design, database design, user interface design, software development, interoperability development (APIs), training support, and initial maintenance.

The software solution is hosted on the BRS servers, and the system is now in full ownership and maintenance by the BRS. Since there is no dedicated budget on an annual basis for the maintenance and service of the system, the BRS relies on sending individual budget requests when necessary. This is planned to be addressed in upcoming amendments in the governance setup around the BOR to ensure a more stable and dedicated funding.

Regarding data governance, the Companies Act mandates each individual company to uphold an internal account of beneficial owners, placing the responsibility on them to collect, verify, and keep this information up to date. Concerning data privacy and usage, the Data Protection Act sets forth rules and principles to safeguard and regulate the handling of personal data, which the BOR adheres to.

24. National Council for Law Reporting. 2020. [The Companies \(Beneficial Ownership Information\) Regulations, 2020.](#)

25. Business Registration Service. 2023. [Guide on Disclosure of Beneficial Ownership Information.](#)

26. Parliament of Kenya. 2022. [The Companies \(Beneficial Ownership Information\) Amendment Regulations, 2022.](#)

27. 18. See Kenya's Public Procurement Information Portal.

Results

One of the key results indicators of a BOR is the number of companies that have submitted information about their ultimate owners. According to the BRS, there are currently about 133,000 companies and 53,000 beneficial owners registered in the BOR (Figure 7). The compliance rate out of the entire pool of entities obliged to register is about 40 percent. The foreseen sanction according to the Companies Act in Section 93A(5) and 93A(6) makes failure to disclose beneficial owners an offense and provides for punishment of a fine not exceeding \$3,600 upon conviction and an incremental fine of \$360 for each day the company continues to be in default.

Currently, the register is not open to the public. Only the FRC and law enforcement agencies have access to the register. However, access may be granted to an applicant who has submitted a request with legitimate interest to a court, which then can issue an order for publication of data. Alternatively, every public-awarded contract has beneficial ownership information available (name and surname, national identification/passport number in redacted form, voting rights percentage) on the public procurement information portal, which is open to the public.

> > >

FIGURE 7 - Overview of Kenya Registrar of Companies

Service	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Grand Total
Business Names	7176	6191	7729	8186	8254	5038	8302	8338	5923	5579	8816		79572
Private Companies	3877	4022	5790	5374	6290	4332	5012	5148	4156	3826	5150		52977
Public Companies	9	8	11	10	5	4	3	3	2	15	7		77
Foreign Companies	14	12	16	10	17	19	12	18	14	20	10		162
Companies Limited by Guarantee (CLGs)	24	41	37	26	41	42	40	41	33	17	15		357
Limited Liability Partnerships (LLPs)	28	38	32	58	44	35	43	48	40	54	50		470
Strike Off	202	164	194	165	195	148	144	208	49	-	-		1469
Total Entities Registered	11128	10312	13615	13664	14846	9618	13412	13596	10168	9511	14048		133615

Source: Business Registration Service (BRS).

Note: Overview as of May, 2023

Lessons and Outlook

Implementation of the BOR in Kenya encountered several challenges revolving around compliance rates, enforcement mechanisms, awareness and understanding of beneficial ownership disclosure requirements among obliged entities, and verification of foreign legal persons. However, these challenges provide valuable lessons for addressing unresolved issues and improving the functioning of the BOR.

During BOR implementation, one of the main challenges encountered was the low rate of compliance among companies and entities. Many entities struggled to fully adhere to the beneficial ownership disclosure requirements, leading to

incomplete information in the register. Sanctions are noted above, but enforcement is difficult and takes up significant resources from multiple parties.

However, weak enforcement mechanisms are in place. Each penalty requires a conviction, which in turn requires a separate court process, placing significant burden on both BRS and judicial resources. The lack of robust enforcement measures hinders the ability to ensure compliance and accountability. Without adequate enforcement, the effectiveness of the BOR is compromised, as stored information is not always accurate and up to date. Revising and strengthening the legal

framework, potentially including the provision of administrative sanctions, could establish a more effective deterrent against noncompliance and impose consequences for companies or entities providing inaccurate or misleading information to the beneficial ownership register.

Furthermore, there is a lack of understanding among entities regarding the requirements for beneficial ownership disclosure. This lack of understanding contributes to noncompliance and hinders the accuracy and completeness of the register. It is therefore essential to educate and create awareness among entities about their obligations and the importance of transparently disclosing beneficial ownership information. To this end, GIZ supported the BRS in developing a guide on disclosure of beneficial ownership information, which was published and shared with practitioners.²⁸ BRS is conducting an outreach campaign in 2023 among these practitioners so as to reach all those involved in the incorporation and registration of legal persons and arrangements.

The verification of foreign legal persons poses an additional challenge. Conducting thorough verification procedures for foreign legal persons is challenging due to differences in legal systems and potential cross-border complexities. The absence of a comprehensive risk assessment compounds this challenge, as it is necessary to identify and mitigate risks related to money laundering associated with foreign legal persons. Conducting a risk assessment for legal entities and arrangements is crucial to identify and mitigate money laundering risks effectively. This assessment would provide insights into the specific vulnerabilities and threats associated with different entities, enabling targeted measures to address those risks.

Implementing the beneficial ownership register in Kenya has generated lessons learned that are useful for partners undertaking similar processes. First and very important, the multistakeholder approach remains essential to any process related to BOT, as the topic itself is intertwined with various government and private and public sector elements. Hence,

ensuring that all the key stakeholders identified form a core team along with the technical assistance provider is a significant success factor for the process. This approach also allowed for parallel development of the technical system and the legal framework, which shortened the implementation process to about one year.

Second, leveraging existing data to bring added transparency to public procurement processes and the spending of taxpayer funds is of great significance for extracting public benefit from registering beneficial ownership data. With certain jurisdictions opting to restrict public access to their registers, it is essential that public procurement be considered a foundational aspect for initiating the publication of data.

Third, a key takeaway is the need to conduct a risk assessment on legal entities and arrangements before proceeding with the process of legislative changes and system design and development. This assessment informs the development of effective measures and processes to address those risks, ensuring the integrity and effectiveness of the BOR. This approach would tackle issues related to verifying beneficial ownership of foreign entities and provide guidance on effective enforcement measures throughout the entire process, starting from conceptualization of the register to its implementation.

Kenya introduced in October 2020 a full-economy central digital BOR, one of the first in Africa, along with amendments to its Companies Act in 2020 and 2022; and the country is now preparing to disclose certain beneficial ownership information to the public. To aid in this endeavor, the World Bank will provide expertise, capacity building, and technical assistance to Kenya, building upon previous support from GIZ in setting up the BOR. The focus of this assistance will be on leveraging beneficial ownership data in Kenya, particularly in the areas of procurement and taxation, as well as on implementing improvements in beneficial ownership disclosure, as highlighted in Kenya's recent FATF mutual evaluation and other relevant government commitments.

28. See [Kenya's Business Registration Service website](#).



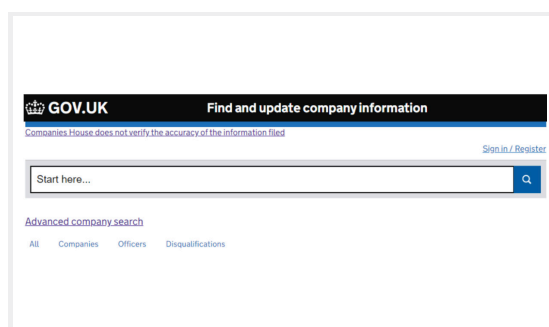
Implementation Insights from the United Kingdom



Snapshot of UK Beneficial Ownership Register

Name	Register of People with Significant Control
Launch	2016
Beneficial owners registered	6,124,308 ^a
Companies registered	4,645,402 ^a
Access	Public and free to use
Website	https://find-and-update.company-information.service.gov.uk/

^aSource: Companies House. [Companies register activities: Statistical release 2022 to 2023 spreadsheet](#) (accessed June 29, 2023).



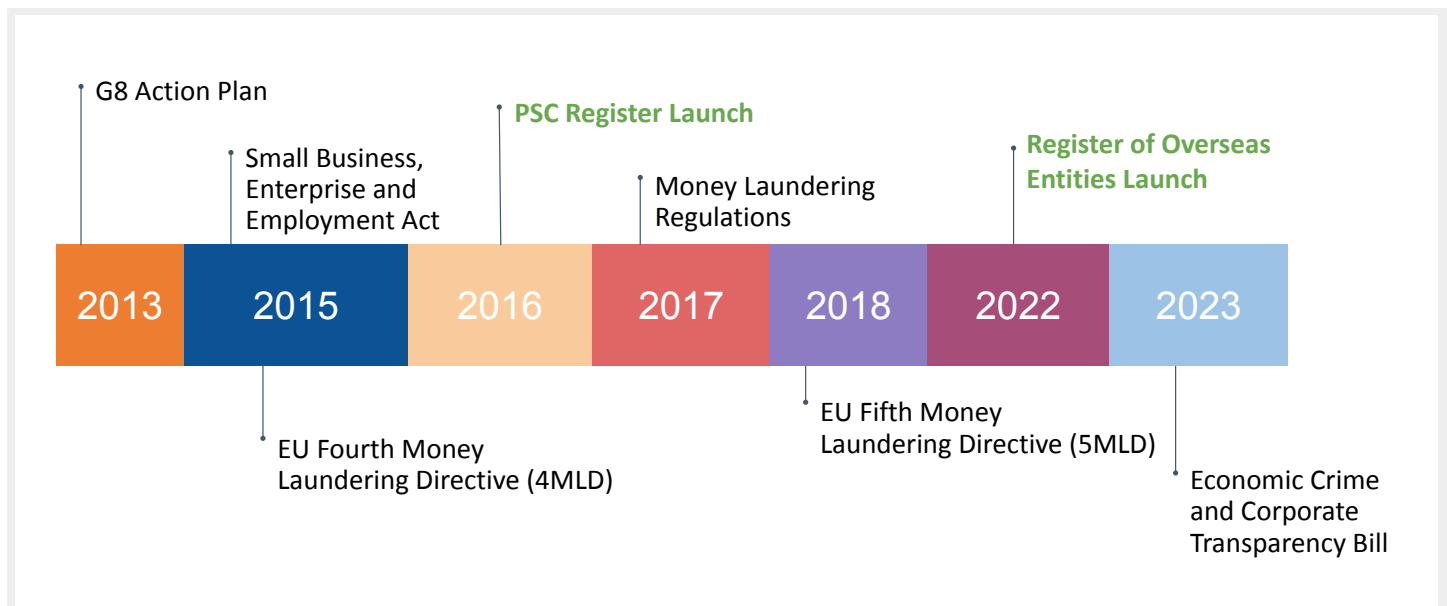
Context

The UK has been at the forefront of promoting BOT. In 2013, during its Group of Eight (G8) presidency, the UK released an action plan²⁹ that included the establishment of a beneficial ownership register. In 2015, the European Union (EU) adopted the Fourth Money Laundering Directive (4MLD),³⁰ which called for the establishment of registers of beneficial owners; and the UK passed legislation³¹ requiring companies to keep a register of people who have significant control of a company. The register, known as the People with Significant Control (PSC) register, became operational in 2016, allowing free and unrestricted access for the public without the need for registration. The stated objectives of the register were to make it easier for the public and law enforcement to ascertain who ultimately owns and controls UK companies, to foster trust among the businesses, and to enable better intelligence for criminal investigations.

The subsequent 2018 EU Fifth Money Laundering Directive (5MLD)³² expanded the scope of entities covered by beneficial ownership disclosure requirements, mandating the interconnection of beneficial ownership registers across EU member states to facilitate cross-border information sharing and improve transparency. Although the UK left the EU in 2020, it incorporated the provisions of both the 4MLD and 5MLD into its domestic legislation. As a result, the PSC register in the UK aligns with the standards set forth by these EU directives and meets its requirements. For example, data stored in the PSC register is easily accessible, facilitating cross-border information sharing and integration with global repositories of beneficial ownership information such as the Open Ownership Register.³³

> > >

FIGURE 8 - Key Milestones of the UK's Beneficial Ownership Regime



The implementation of the PSC register in the UK embraced a digital-first approach, allowing companies to register and update their beneficial ownership information online. The data are made accessible to the public through a website that offers advanced search functions. Furthermore, the data can be downloaded as bulk data in a structured, machine-

readable format and accessed via an API.³⁴ The ease of access has contributed to high usage numbers from a wide range of stakeholders. Companies House, the host of the PSC register, reported that the register was accessed some 10.2 billion times in 2020–2021.³⁵

29. Government of the United Kingdom. 2013. [Policy paper: UK action plan to prevent misuse of companies and legal arrangements.](#)

30. [Document 32015L0849](#), Euro-Lex, Access to European Union law (accessed 15 May 2023).

31. Government of the United Kingdom. [Small Business, Enterprise and Employment Act 2015.](#)

32. [Document 32018L0843](#), Euro-Lex, Access to European Union law (accessed 15 May 2023).

33. See Open Ownership Register.

34. The full list of PSCs (people with significant control) is updated every morning before 10 a.m. GMT and made available as a downloadable data snapshot on the Companies House website.

35. Government of the United Kingdom, Department for Business, Energy & Industrial Strategy. 2022. Corporate Transparency and Register Reform White Paper: Policy overview and response to final consultations.

The UK's People with Significant Control (PSC) Register

The UK's People with Significant Control (PSC) register is administered by Companies House, which is an executive agency of the UK government's Department for Business, Energy and Industrial Strategy (BEIS). Companies House is responsible for collecting, maintaining, and providing public access to the PSC register.

The UK defines a PSC as an individual that meets one or more of the following conditions:

- Directly or indirectly holds more than 25 percent of shares,
- Directly or indirectly holds more than 25 percent of voting rights,
- Directly or indirectly holds the right to appoint or remove the majority of the board of directors,
- Otherwise exercises or has the right to exercise significant influence or control, and
- Exercises or has the right to exercise significant influence

or control over the activities of a trust or firm that is not a legal entity but would itself satisfy any of the first four conditions if it were an individual.

Most of the information pertaining to PSCs submitted to the PSC register is accessible online to the public. The residential address of PSCs and their day of birth will not be published and only be accessible to law enforcement and specified public authorities (SPAs).

In unique situations, there is a mechanism in place to safeguard certain or all information related to PSCs from public disclosure. This mechanism is referred to as the Protection Regime. Exceptional circumstances arise when an individual, due to his or her involvement in a business or a combination of business activities and personal characteristics, would face a significant risk of violence or intimidation if their details were publicly accessible.³⁶

Companies House does not charge for basic data use but recovers all its costs by charging for some data products and through incorporation and filing fees.

Results

Overall, the introduction of the UK's PSC register has yielded significant results in enhancing transparency and addressing illicit activities. It has helped uncover beneficial ownership structures, contributing to the prevention of the misuse of companies for money laundering, tax evasion, and other illicit purposes. The PSC register has provided authorities, businesses, and the public with valuable insights into the ownership and control of UK companies, contributing to a more accountable and trusted business environment.

To evaluate the costs and benefits associated with the PSC register, the government has commissioned several studies. A study published by the BEIS estimates that the initial cost of compliance with PSC regulations for UK businesses amounted to about \$320 (mean) or \$140 (median) per business.³⁷ The same study estimates that the mean overall cost of checking and updating PSC information per business was \$35, while the median cost was \$2.5.

A 2019 analysis of user benefits found that the annual benefit to direct users of the PSC register—measured as their average willingness to pay for PSC information—is about \$105 per user. Additionally, the analysis estimated the aggregate annual benefit to direct users of the PSC register at \$150 million.³⁸

As for register usage, a 2019 survey found that of the businesses that used the PSC register, one-fifth (22 percent) used it to look up information on other businesses.³⁹ Out of those, the majority looked up information on clients and customers (65 percent). The same survey revealed that law enforcement organizations, financial institutions, and civil society organizations are frequently accessing the register to inform criminal investigations, to inform services provided to clients, and for research purposes. Overall, the stakeholders surveyed consider the PSC register to be a useful resource because it makes the process of obtaining information on beneficial ownership more efficient.

36. See [guidance](#) on applying to protect personal information on the Companies House register.

37. Government of the United Kingdom, Department for Business, Energy & Industrial Strategy. 2019. "[Review of the implementation of the PSC Register.](#)" BEIS Research Paper No. 2019/005.

38. Government of the United Kingdom – Department for Business and Trade, Companies House, and Department for Business, Energy & Industrial Strategy. [Companies House data: Valuing the user benefits.](#)

39. Government of the United Kingdom, Department for Business, Energy & Industrial Strategy. 2019. "[Review of the implementation of the PSC Register.](#)" BEIS Research Paper No. 2019/005.

Lessons and Outlook

The UK has been a strong advocate for increased BOT and its PSC register is a notable example for others to learn from. The Financial Action Task Force (FATF) assessed the UK as one of the few countries with a substantially effective framework for promoting BOT to prevent the misuse of corporate entities for money laundering and terrorist finance.⁴⁰

However, several stakeholders have pointed to the ongoing misuse of companies for illicit activities and have raised concerns about the quality of data in the register.⁴¹ A 2019 survey of the implementation of the PSC register corroborates these concerns, finding that many users of the register mentioned problems of inaccurate information and suggested introducing validation and verification processes.⁴²

The UK government has recognized the need for strengthening the quality of data in the register and has proposed a new legislation for identity verification, which was anticipated to become law by late 2023. This proposed legislation, the Economic Crime and Corporate Transparency Bill,⁴³ would apply to all new and registered PSCs, obliging them to verify their identity either directly via Companies House or indirectly through an authorized corporate service provider. Additionally, the bill would provide Companies House with powers to impose penalties on individuals who do not comply or those who submit wrong information.⁴⁴ The implementation of these measures is anticipated to enhance the reliability of registered information, leading to various advantages for businesses and efforts against corruption and money laundering.

BOX 4: UK's Register of Overseas Entities

Snapshot of UK Register of Overseas Entities

Name	Register of Overseas Entities
Launch	2022
Overseas entities registered	26,342
Access	Public and free of charge
Website	https://find-and-update.company-information.service.gov.uk/ (using advanced search function)

In 2022, the UK extended its pioneering efforts in BOT by introducing the Register for Overseas Entities (ROE). The ROE was established following the passage of the Economic Crime (Transparency and Enforcement) Act⁴⁵ and is intended to increase transparency about property ownership and reduce money laundering through the UK property market. It requires overseas entities that want to buy, sell, or transfer property or land in the UK to register with Companies House and to disclose their beneficial owners. After registering, overseas entities are provided with a unique Overseas Entities ID that they need to present to the land registry when engaging in property transactions in the UK.

The legislation, initially drafted in 2018, saw accelerated passage in response to the Russian invasion of Ukraine and the UK government's determination to enhance the enforcement of sanctions. This resulted in a short time frame for the implementation of the ROE. Companies House developed, built, and launched the ROE in 109 working days. The register and its components were built from scratch and the process involved extensive and systematic consultations with 93 stakeholders from 30 countries. Companies House worked with 13 organizations on the ROE development, trained 36 employees to work on the new register, and conducted research sessions with 94 users to test the service and gather feedback.

CONTINUED

40. FATF. 2018. [The United Kingdom's measures to combat money laundering and terrorist financing.](#)

41. Global Witness. 2019. [Getting the UK's House in Order.](#)

42. Government of the United Kingdom, Department of Business, Energy & Industrial Strategy. 2019. "[Review of the implementation of the PSC Register.](#)" BEIS Research Paper No. 2019/005.

43. UK Parliament. Parliamentary Bills, [Economic Crime and Corporate Transparency Bill.](#)

44. Government of the United Kingdom. 2023. [Fact sheet: Identity verification and authorised corporate service providers.](#)

45. The National Archives. 2022. [Economic Crime \(Transparency and Enforcement\) Act 2022.](#)

To date, about 26,000 overseas entities have completed the registration process, granting law enforcement agencies, journalists, and the general public access to this data. Companies House reports some 220,000 searches of the data since the launch, indicating that the register is effectively fulfilling its intended purpose of enhancing transparency about property ownership in the UK and serving as a tool for law enforcement agencies to investigate suspicious wealth more effectively. Given its public nature, the register can be used by organizations and citizens anywhere in the world to help investigate corruption and money laundering. For example, journalists have utilized ROE data to identify ownership of UK property by sanctioned persons.^a Furthermore, there are some promising early results from the register in reducing purchases of UK property through companies based in tax havens. A recent study found that new purchases by companies based in tax havens fell substantially following enactment of the Economic Crime Act in 2022, a clear indication that those seeking to invest anonymously through opaque structures in the UK perceive the new regulations as a threat.^b

While the ROE is an important advancement toward enhanced transparency and in eliminating the blind spots to corrupt and illicit financial flows in the UK's property market, the register needs to improve its data verification system to fully leverage its potential. Concrete measures for improving data quality have been proposed by stakeholders,^c and their implementation appears likely, particularly considering the additional impetus for the reform expected from the anticipated passage of the Economic Crime and Corporate Transparency Bill.

^a Financial Times. 2023. "[Register of UK property held offshore lists 40 owners under sanctions.](#)"

^b Colin, Matthew, Florian Hollenbach, and David Szakonyi. 2023. "[The end of Londongrad? The impact of beneficial ownership transparency on offshore investment in UK property.](#)" UNU WIDER Working Paper 2023/11.

^c Kiepe, Tymon, and Thom Townsend. 2022. "[A first \(quick\) look at the verification mechanism of the new UK Register of Overseas Entities.](#)" Open Ownership (blog), August 17, 2022.



Implementation Challenges and Emerging Responses

The review of implementation experiences has identified five persistent implementation challenges: data standards, data accuracy, compliance, outcome measurement, and reform sustainability. These challenges are encountered by countries with established registers and indicate areas for enhancing the impact of the BOT regime. However, effectively addressing these issues is equally important for countries newly embarking on the implementation of BORs to ensure meaningful long-term impact.

Data Standards

Utilizing a standardized data structure like the Beneficial Ownership Data Standard (BODS) is crucial, as it ensures consistency and harmonization across different registers, facilitating data exchange and interoperability between jurisdictions. Furthermore, it can enhance data quality and accuracy, enabling more reliable analysis and effective utilization of beneficial ownership information for anticorruption, law enforcement, and transparency purposes. By providing a common language and framework for sharing and accessing beneficial ownership data, it fosters trust and collaboration among stakeholders, including governments, regulatory bodies, financial institutions, and civil society.

By adopting BODS for its national BOR, Nigeria has emerged as the first African country to utilize this standardized data format to register beneficial ownership information. (For details, see *Implementation Insights from Nigeria*, pp. 14–19.) Using standardized data enables seamless integration with beneficial ownership data from other countries, thereby increasing the effectiveness of collective efforts to combat illicit financial flows.

The publishing of standardized beneficial ownership data in several countries has allowed CSOs to easily access and combine different datasets. A suite of tools has been developed that allows compliance professionals, journalists, and citizens to conduct more effective investigations into their clients, business partners, or elected officials. An example is the OpenScreening tool⁴⁶ that combines beneficial ownership data with data from sanctions lists, politically exposed persons (PEPs), and offshore entities (Figure 9). The unified database includes information on about 26 million companies and 25 million persons of interest and can display some 106.5 million relationships. The universal adoption of beneficial ownership data standards will further reinforce efforts to expose transnational networks of illicit financial flows and support effective and timely due diligence.

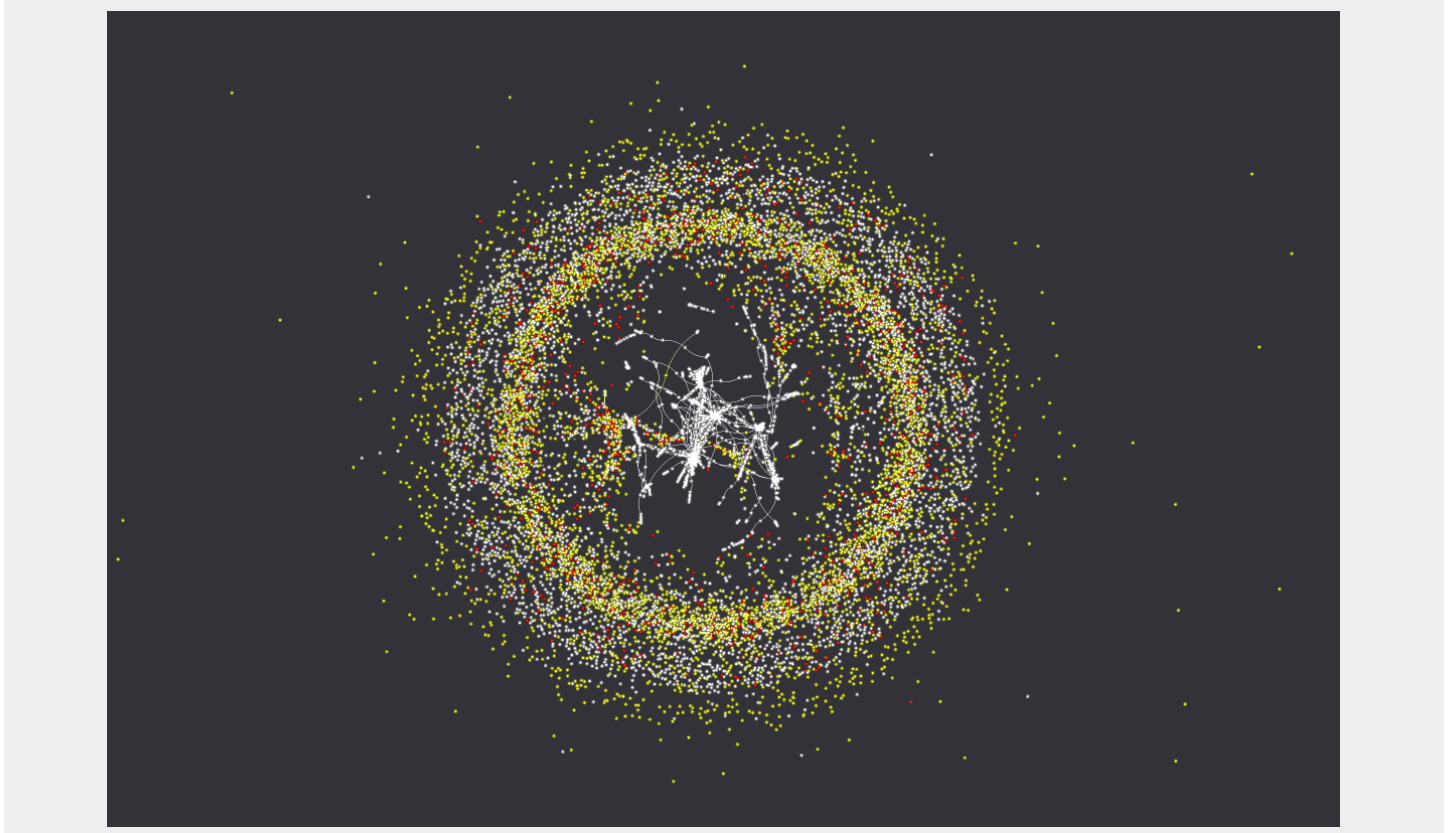
46. Linkurious, [OpenScreening](#).

Another important endeavor that contributes to enhancing beneficial ownership transparency is the global initiative advocating for the widespread adoption of Legal Identity Identifiers (LEIs). The LEI, a unique global code promoted by the Global Legal Entity Identifier Foundation (GLEIF), enables

the creation of an open, standardized database for legal entity reference data. The widespread use of LEIs would allow for better cross-referencing with other databases, enabling better mapping of beneficial ownership relationships.

> > >

FIGURE 9 - Visualization of Dataset Combining Beneficial Ownership Data with Data on Politically Exposed Persons



Source: OpenScreening.

Note: For a clickable visualization of this unified database (representing 106,512,292 relationships), see [here](#).

Data Accuracy

Data accuracy is another key challenge, even in countries with advanced BOT regimes. Inaccuracies in beneficial ownership information can arise from unintentional mistakes or intentional efforts to mislead. Company ownership details are sensitive, creating incentives to manipulate or conceal them, such as through nominee arrangements.⁴⁷ This makes the verification process for beneficial ownership data particularly complex and underscores the importance of robust and reliable verification mechanisms.

Ensuring data accuracy involves data verification mechanisms as well as proper form design and data collection. Having reliable and up-to-date beneficial ownership data enhances credibility and trust in the system. It facilitates compliance, enforcement, and investigations, enabling more efficient detection of financial crimes and noncompliance. Additionally, accurate data foster international cooperation by promoting information sharing and collaboration among jurisdictions.

47. Nominee arrangements are one of the most common devices for hiding the identity of those controlling shell companies. For more information, see StAR (Stolen Asset Recovery Initiative). 2022. [Signatures for Sale: How Nominee Services for Shell Companies Are Abused to Conceal Beneficial Owners. World Bank and UNODC.](#)

Responding to feedback from CSOs and internal evaluations that have raised concerns about the lack of quality of information in the UK's BOR, the government has proposed new legislation to strengthen data verification mechanisms. The new legislation seeks to enhance the reliability of the beneficial ownership information in the register by mandating identity verification via an updated process. The new identity verification process will leverage authentication technologies that link individuals with authorized identity documents, where they will provide a photograph of their face alongside the identifying document. Through likeness matching technology and validation of the photo ID, the identity verification is typically completed within minutes. Additional methods are available for individuals without photographic ID, and digitally assisted identity verification is an option for users who cannot utilize the digital system. The identity verification service is currently planned to be facilitated by third-party providers.

In Nigeria, data accuracy is enhanced through pre-submission validation of beneficial ownership data by using unique identifiers such as the National Identity Number (NIN). This automated process removes the necessity for manual entry, as pertinent information from the NIN is utilized to automatically populate the form to register beneficial owners.

Another remaining challenge to data verification is the

accuracy of physical addresses in the register. Information on the address of a company is collected to establish its presence and jurisdiction. However, some companies provide false information about their physical address to evade taxes or obscure their true operations and avoid detection. One registrar reported this as a significant issue, citing instances where companies that generate millions in revenue claim to be operating out of demolished buildings. Verifying the accuracy of the physical addresses provided can be challenging due to limited resources for on-the-ground verification. This involves physically confirming the existence and location of a company, which can be time consuming and resource intensive, especially when dealing with a large number of registered companies. However, there are alternative methods for verifying the accuracy of physical addresses, such as sending a code by mail.

While data verification is an important aspect of beneficial ownership registers, the absence of verification does not invalidate reform efforts. Imperfect data still hold significant value in combating corruption and money laundering. For instance, despite the UK's BOR currently lacking verification, it has proven to be instrumental in uncovering leads for investigations, including the high-profile Beirut port explosion case,⁴⁸ and enabling the National Crime Agency (NCA) to issue an Unexplained Wealth Order (UWO).⁴⁹

Compliance

Compliance involves adhering to legal and regulatory requirements set forth by governments and international organizations regarding the reporting and verification of beneficial ownership information. While noncompliance constitutes a legal offense in the countries examined, there are still significant noncompliance rates of up to 60 percent. Compliance can be increased by employing both the threat and application of sanctions, as well as by raising awareness and inculcating understanding of beneficial ownership requirements among entities responsible for reporting information.

In Kenya, compliance with beneficial ownership requirements for companies bidding on government contracts is ensured through the integration of the Public Procurement Information

Portal with the BOR, restricting eligibility to only those companies that have registered their beneficial owners. Furthermore, authorities in Kenya are undertaking an outreach initiative involving the distribution of a guide on the disclosure of beneficial ownership information.

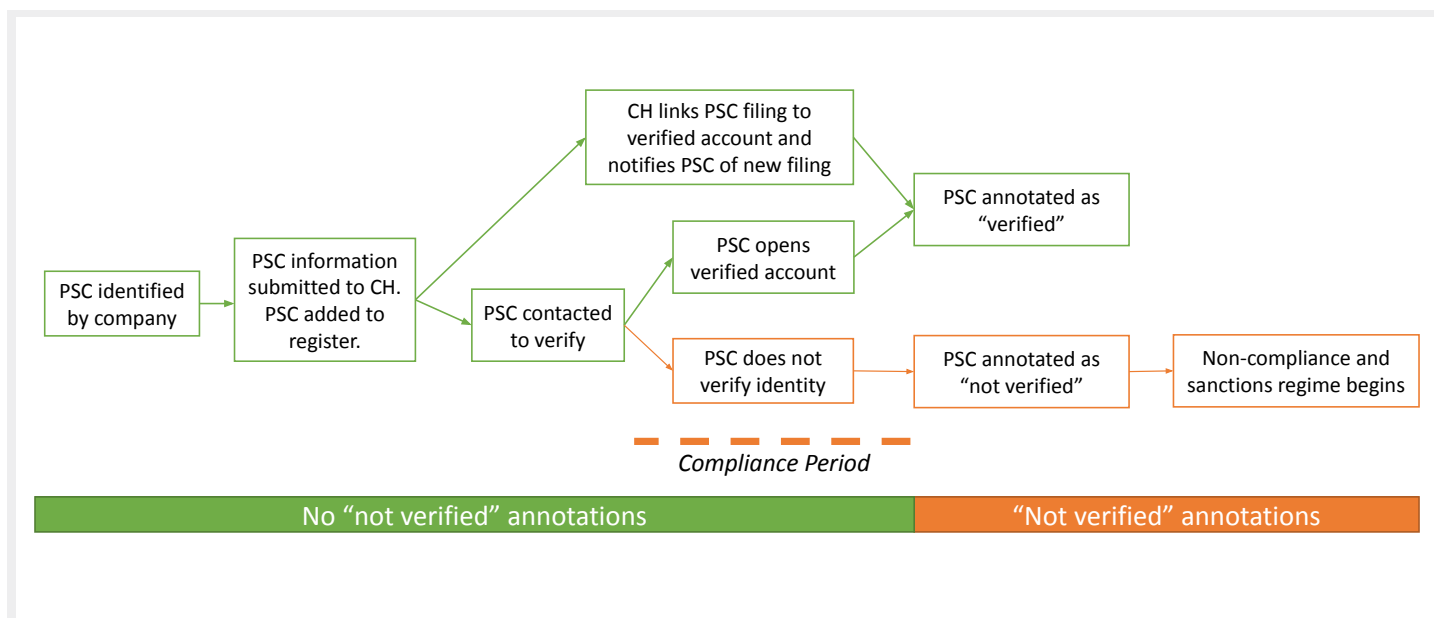
Macedonia has also taken an effective approach to augmenting compliance rates and enhancing data accuracy by requiring banks to verify the information provided by their clients in the BOR.

The UK is currently foreseeing a clear protocol for noncompliance and applying sanctions. The new protocol will have a clearly defined compliance period after which the sanctions regime will kick-in (Figure 10).

48. Ezeigbo, Chinwe Ekene, Tymon Kiepe, and Louise Russell-Prywata. 2021. [Early Impacts of Public Beneficial Ownership Registers: United Kingdom – Case Study: The Beirut Explosion.](#)

49. Ezeigbo, Chinwe Ekene, Tymon Kiepe, and Louise Russell-Prywata. 2021. [Early Impacts of Public Beneficial Ownership Registers: United Kingdom – Case Study: Linking Politically Exposed Persons to UK Assets.](#)

FIGURE 10 - UK's Proposed Identity Verification Mechanism for Beneficial Owners



Source: Figure adapted from BEIS (UK government's Department for Business, Energy and Industrial Strategy). 2022. Corporate Transparency and Register Reform White Paper, p. 46.

Note: In the UK, beneficial owners are referred to as People with Significant Control (PSCs). CH = Companies House.

Noncompliance remains a challenge despite countries' efforts to address it through sanctions and information campaigns. However, many of these measures are relatively new, and their impact is still unfolding. It is crucial to monitor their effectiveness in improving compliance and to facilitate knowledge sharing among countries. This exchange of experiences will enable

countries to glean insights from one another and develop an optimal policy framework that combines effective deterrents against noncompliance with information dissemination and awareness-raising efforts, ultimately leading to improved compliance in the future.

Outcome Measurement

As more countries adopt BOT legislation and establish BORs, the focus of reform is shifting from outputs to outcomes. The crucial question now is whether beneficial ownership data are being effectively used toward intended policy outcomes such as increased effectiveness of AML/CFT systems, reduced corruption and illicit financial flows, strengthened tax compliance, enhanced law enforcement capabilities, fairer business practices, and improved social contract and trust.

Regarding usage statistics and overall benefits, the UK has been monitoring the access numbers of its BOR, which reportedly received at least 10 billion accesses in 2020–2021. Furthermore, the UK conducted surveys to gauge the value of the register to users, estimating the willingness to pay for

data access. Based on a 2019 analysis, the aggregate annual benefit to direct users of the BOR was estimated at \$150 million. (For details, see Implementation Insights from the United Kingdom, pp. 24–28)

Measuring the reduction in corruption and illicit financial flows can be an indirect way to assess the impact of BOT reforms. By analyzing trends in financial crimes, money laundering cases, and asset recovery, it is possible to gauge whether the reforms have had a deterrent effect on illicit activities. For example, a study looking at the impact of BOT reforms on purchases by companies based in tax havens found that BOT, if implemented correctly, has a strong deterrent effect.⁵⁰

50. Colin, Matthew, Florian Hollenbach, and David Szakonyi. 2023. "The end of Londongrad? The impact of beneficial ownership transparency on offshore investment in UK property." UNU WIDER Working Paper 2023/11.

The impact of BOT on improving tax compliance can be measured by evaluating indicators such as increased tax revenue, reduced tax evasion, higher compliance rates, decreased use of tax avoidance schemes, enhanced transparency in tax reporting, and improved cooperation with tax authorities. These indicators provide insights into the effectiveness of BOT reforms in fostering tax compliance and can guide further policy adjustments if necessary.

Assessing the use and impact of beneficial ownership information by law enforcement agencies in investigations and prosecutions can also be indicative of the reforms' effectiveness. This can include measuring the number of cases where beneficial ownership information has been used successfully, resulting in convictions or asset recovery.

As for outcome measures related to the business environment, indicators can capture changes in investor confidence and perceived integrity and transparency in commercial transactions. This can involve conducting surveys or analyzing

indicators related to business growth, investment inflows, and market competitiveness.

Furthermore, conducting surveys or assessments to gauge public perception and trust in the effectiveness of BOT reforms can provide valuable insights. Understanding the level of awareness, confidence, and satisfaction among the public and relevant stakeholders can help assess the impact of enhanced BOT on the social contract and trust.

By measuring these outcomes, policymakers and stakeholders can evaluate the overall effectiveness of beneficial ownership reforms and make informed decisions to enhance their impact. However, the review of implementation experiences has highlighted the difficulty of establishing a direct causal relationship between BOT reforms and some of the indicators mentioned above. While finding outcome measures may be challenging, it remains essential for showing reform impact and gaining the necessary support to further advance BOT.

Reform Sustainability

Finally, an enduring challenge that has emerged from the examination of country cases revolves around the sustainability of reforms. It is vital to incorporate considerations for financial sustainability into the design and implementation process of a new BOR right from the beginning. This involves developing a comprehensive long-term financial plan that outlines the funding requirements for operating and maintaining the BOR over an extended period. This plan should consider various cost elements such as technology infrastructure, personnel, data verification, and ongoing system updates.

One approach to ensuring financial sustainability is through the establishment of cost recovery mechanisms, where users of the register pay fees or charges to access information. This can also involve cost-sharing arrangements with regulated entities or professional service providers who benefit from the register. Consideration should be given to strike a balance between generating revenue and ensuring the accessibility and affordability of the register.

If financing is primarily envisioned through government funding, a constant budget line should be established to sustain the BOR. Alternatively, exploring partnerships and collaborations with development agencies or private sector entities can also secure funding. While external funding can play a crucial role in supporting the initial implementation of a BOR, it is less suitable for long-term maintenance due to its higher volatility.

The BORs in Nigeria, North Macedonia, and Kenya have been implemented with significant technical and financial assistance from donors, including the World Bank and GIZ. The BOR in Nigeria primarily relies on government funding, ensuring its continued operation and maintenance. In contrast, the BOR in North Macedonia is sustained through a revenue stream generated from user fees, establishing a self-sustaining financing model for the register. (For details, see Implementation Insights from North Macedonia, pp. 20-25).



Outlook and Future Topics

Beneficial ownership transparency is an evolving field, with countries gaining practical insights as they implement measures to establish effective beneficial ownership systems. The aim of this note was to capture these implementation experiences, facilitate knowledge exchange, and promote peer-to-peer learning. Against a backdrop of low citizen trust in governments, caused by frequent corruption scandals, and the loss of public revenues due to tax evasion, there is a compelling need to unveil dubious corporate structures and improve beneficial ownership transparency. This endeavor necessitates concerted efforts and continuous learning involving governments, civil society, development partners, academia, and the private sector, as those engaged in corruption will consistently strive to identify new loopholes.

Complementing this note, the World Bank's Governance Global Practice organized a deep dive session on beneficial ownership registers at the 2023 Anticorruption for Development (AC4D) Global Forum in Washington, DC.⁵¹ This session brought together leading experts and practitioners involved in implementing beneficial ownership transparency reforms. It addressed persisting challenges and identified outcome measurement and the connection between beneficial ownership data and procurement data as key topics for future analytical work.



51. A recording of the deep dive session on beneficial ownership transparency at the Anticorruption for Development (AC4D) Global Forum in Washington, DC on June 26, 2023 is available [here](#).

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