

VIENNA, 22 JUNE 2017



#### CONTEXT



#### One year ago...

 PANAMA PAPERS: 214,000 offshore companies and trusts / 200 countries and territories /12 current and former world leaders / 140 politicians and public officials

#### ...One year later

• THE RUSSIAN LAUNDROMAT: \$20.8 billion from 19 Russian banks to 5,140 companies with accounts in 732 banks in 96 countries

## EBOT PROJECT

ASSESSING BENEFICIAL OWNERSHIP TRANSPARENCY

- Legislation (current & future)
- EnforcementHigh-risk sectors

### LEGISLATIVE GAPS

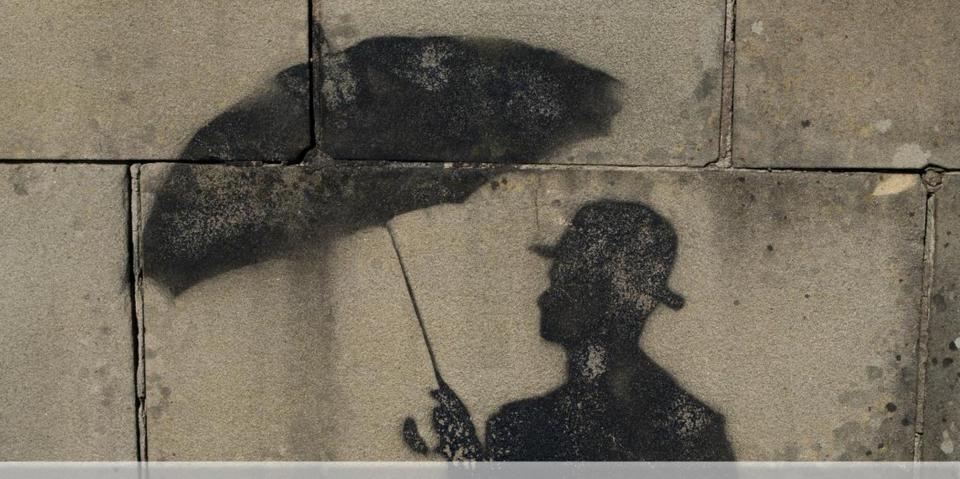


- A flawed legal definition of beneficial owner
- Limited access to beneficial ownership data
- Insufficient regulation of high-risk instruments like nominees and bearer shares

#### **ENFORCEMENT GAPS**



- Inadequate management of ML risks
- Low level or quality of SARS
- Ineffective control mechanisms and sanctions
- Weak oversight of self-regulated professions
- Lack of public statistics on AML



## High-risk sectors

- Real estate sector / golden visas
- Luxury goods
- Trust and corporate service providers
- Bitcoins

# KEY RECOMMENDATIONS: CLOSE LEGISLATIVE GAPS

- Central beneficial ownership registers:
  - Scope extended to all companies and trusts operating within the territory
  - Public & free access in open data format
  - Robust data verification and sanction mechanisms
- Comprehensive and robust legal definition of beneficial owner
- Use of high-risk instruments such as nominees prohibited or more strongly regulated

### KEY RECOMMENDATIONS: CLOSE ENFORCEMENT GAPS



- Improve suspicious activity reporting
- Ensure proportionate and effectively enforced controls and sanctions
- Strengthen oversight of self-regulated sectors
- Publish harmonised and comprehensive AML statistics

# KEY RECOMMENDATIONS: INTERNATIONAL REVIEW PROCESSES

- UNCAC: more transparent and inclusive review process
- UNCAC & FATF: greater coordination in review processes



#### THANK YOU FOR YOUR TIME!



www.transparency.eu

facebook.com/transparencyeu @TI EU

@2017 Transparency International. All rights reserved.