



REGIONAL WORKSHOP: ADVANCING BENEFICIAL OWNERSHIP TRANSPARENCY IN ASIA AND THE PACIFIC REGION

21–23 February 2022

Background

Illicit financial flows related to money laundering, corruption, financing of terrorism, tax evasion, and other abuses have dire effects on countries and societies. They foster and finance violence and crime, diminish state revenues, affect citizens' basic human rights, and undermine the rule of law and trust in institutions, especially the sense of justice and equality.

While several factors may result in and encourage illicit financial flows, one of the main elements relates to secrecy, which prevents the authorities from identifying and prosecuting the individuals responsible. Numerous case studies have shown that corporate vehicles, including companies, trusts, foundations, and fictitious entities, can be misused to conceal the identities of the people involved in large-scale corruption and to hide and transfer the proceeds of crime.

The international agenda on enhancing the transparency of beneficial ownership (BO) has gained significant momentum during the past decade as an essential element in pursuing the fight against corruption, improving the business climate, and avoiding conflicts of interests for politically exposed persons (PEPs), as well as a tool for preventing money laundering, and countering the financing of terrorism and tax evasion. Countries are required by various international standards, including the Financial Action Task Force (FATF) Recommendations, the Extractive Industry Transparency Initiative (EITI), and the Global Forum on Transparency and Exchange of Information for Tax Purposes (the Global Forum), to put in place measures to ensure the transparency of beneficial owners of corporate entities in their jurisdictions.

The 2012 FATF Recommendations 24 and 25 have established international standards and provided important guidance on the transparency of BO, which are complemented by the continuous efforts in the framework of the Global Forum. The EITI has introduced a clear framework for enhancing the transparency of BO in the extractives sector. While the FATF Recommendations allow countries to choose from a range of methods to achieve the necessary access to the BO information, the EITI Standard 2019 require the EITI-implementing countries to establish and maintain a publicly available register of beneficial owners of corporate entities operating in the extractives sector. To comply with these international standards, countries in Asia and the Pacific region have made varying degrees of progress. Kazakhstan, the Kyrgyz Republic, Mongolia, and the Philippines, for instance, are at the early stages of establishing BO registers, at the national or sectoral level, while Indonesia and Armenia have already established BO registries. Other countries are collecting the BO information, either as part of the EITI process or on an ad hoc basis, to ensure that the BO information is available and accessible in a timely manner when required.

In view of the current status and varying degree of progress made by the countries in the Asia and Pacific region in implementing the BO transparency regime in general, and the EITI Standard 2019 in particular, it has been recognised that stakeholders from these countries could benefit from peer learning and guidance from experts on developing a robust legislative framework for BO transparency, including on a good legal definition of BO and reporting obligations of PEPs, effective data collection and verification procedures, oversight of the BO registers, public access to BO registers, effective enforcement mechanisms, and the impact and use of BO data.

The objectives of this workshop are to: a) gather BO practitioners, including Asian Development Bank (ADB) staff, government officials, civil society, companies, and private companies from countries in Asia and the Pacific; b) to showcase the best practices so far, and discuss challenges; and c) to provide peer learning, and exchange experiences. The workshop is co-organised by the Governance Thematic Group of the ADB and the EITI International Secretariat. The workshop serves as a follow-up to the ADB and the EITI's Beneficial Ownership in the Asia and Pacific Regional Workshop held on 19 and 20 March 2019.

**DAY 1:
Monday, 21 February 2022
Manila, Philippines**

Regional Workshop on Advancing Beneficial Ownership Transparency in Asia and Pacific Region

14:00–14:10	<p>Welcome Remarks Jose Luis Syquia, Principal Public Management Specialist, Sustainable Development and Climate Change Department, ADB</p>	
14:10-14:20	<p>Opening Remarks Mark Robinson, Executive Director, EITI</p>	
14:20–14:40	<p>Keynote Speech: Importance of BO Transparency in Fighting Financial Crime <i>BO information can help prevent illicit financial flows and reduce the risks of money laundering and corruption. The keynote will introduce the concept of BO, its significance in fighting financial crime, the international legal framework on BO transparency, and the significance of publicly accessible BO registers.</i> Keynote Speaker: John Versantvoort, Head, Office of Anticorruption and Integrity, ADB</p>	
14:40-15:40	<p>Plenary: Legal and Regulatory Framework for Effective BO Disclosures <i>The session will look at different legal and regulatory issues confronting countries in ensuring effective BO disclosures and will discuss international examples. Some of the concepts that will be considered during this session include:</i></p> <ul style="list-style-type: none"> ● Incorporating explicit obligations on BO disclosure; ● Significance of single, robust, and unified definition of beneficial owner – challenges in determining threshold and harmonising different pieces of legislation; ● Scope of legal entities to be covered within the BO disclosure regime and ● Appropriate designated authority/agency for collecting, maintaining, and verifying BO data. <p>Moderator: Ramandeep Chhina, International Consultant on Beneficial Ownership, ADB Presentation 1: Francesco Checchi, Regional Anti-Corruption Adviser, UNODC Presentation 1: Andrew Irvine, Legal and Company Engagement Director, EITI Secretariat Presentation 2: Kristine Gabuzyan, Head, Department of Anti-Corruption Policy Development and Monitoring, Ministry of Justice (Armenia) Q&A Session</p>	
15:40–15:50	<p>Refreshment Break</p>	
15:50–16:50	<p>Parallel Thematic Sessions: <i>These parallel thematic sessions will continue the discussion from the plenary on legal and regulatory framework for effective BO disclosures, focusing on PEP disclosure and public disclosure of BO Information.</i></p>	
	<p>Session 1: Reporting of PEPs in the BO Registers</p> <p><i>Some of the concepts that will be discussed in this session include:</i></p> <ul style="list-style-type: none"> ● Importance of identifying reporting obligations for PEPs; ● Scope of definition of PEPs and disclosure requirements; ● Considerations for reporting obligations for PEPs; ● Challenges in identifying PEPs as beneficial owners; and 	<p>Session 2: Public Disclosure of BO Information</p> <p><i>Some of the concepts that will be discussed in this session include:</i></p> <ul style="list-style-type: none"> ● Benefits of the public disclosure of BO data; ● Balancing public disclosure of BO data with data protection and privacy laws; ● The extent to which BO information should be made available to public and any exemptions granted – international good practice; and ● Practice of charging a fee for data access.

	<ul style="list-style-type: none"> EITI BO disclosure requirement for PEPs vs. other sectors and standards – country approaches and examples. <p>Moderator: Oliana Valigura, Eurasia Director, EITI</p> <p>Presentation 1: Matthieu Salomon, Senior Governance Officer, Natural Resource Governance Institute</p> <p>Presentation 2: Erdenechimeg Dashdorj, Natural Resource Governance Manager, Open Society Forum, Mongolia</p> <p>Q&A Session</p>	<p>Moderator: Ramandeep Chhina, International Consultant on Beneficial Ownership, ADB</p> <p>Presentation 1: Nicholas Vail, Senior Policy Advisor, Corporate Transparency and Register Reform at Department for Business, Energy and Industrial Strategy and Lee Robins, Enforcement and Service Manager, Companies House</p> <p>Presentation 2: Oliver O. Leonardo, Officer-in-Charge, Enforcement and Investor Protection Department, Securities and Exchange Commission</p> <p>Q&A Session</p>
16:50–17:00	Wrap-Up Session – Day 1	

DAY 2: Tuesday, 22 February 2022 Manila, Philippines	
Regional Workshop on Advancing Beneficial Ownership Transparency in Asia and Pacific Region	
14:00 15:15	<p>BO Data Collection and Disclosure – Policy Considerations</p> <p><i>This session will discuss and explore international examples and practices, mainly at policy level, on collecting BO data, the level of detail that needs to be disclosed, and the challenges that might be faced.</i></p> <p><i>Some of the issues that will be considered in this session include:</i></p> <ul style="list-style-type: none"> What BO information should be collected? How BO should information be collected? Integration into existing system or new system – international practices; and Updating the BO information (timeframes and other mechanisms) – international practices and challenges. <p>Moderator: Ramandeep Chhina, International Consultant on Beneficial Ownership, ADB</p> <p>Presentation 1: Hakim Hamadi, Head of the Technical Assistance and Outreach Unit, Global Forum</p> <p>Presentation 2: Gay Ordenes, Asia Director, EITI Secretariat</p> <p>Q&A Session</p>
15:15-15:30	Refreshment Break
15:30-16:45	<p>BO Data Collection and Disclosure – Technical and Practical Considerations</p> <p><i>This session will continue the discussion on BO data collection and disclosures, mainly focussing on technical considerations, data standard, and the challenges faced.</i></p> <p><i>Some of the issues that will be considered in this session include:</i></p> <ul style="list-style-type: none"> Current mechanisms to collect BO data and the challenges faced; International practices in collecting structured BO information: Beneficial Ownership Data Standard and the EITI BO disclosure form; and Storage of historical BO information – policy and technical considerations. <p>Moderator: Ramandeep Chhina, International Consultant on Beneficial Ownership, ADB</p> <p>Presentation 1: Louise Russell-Prywata, Director - Policy and Advocacy, Open Ownership</p> <p>Presentation 2: Fridolin Berek, Expert Staff, Corruption Prevention at the National Secretariat of Corruption Prevention</p> <p>Q&A Session</p>

16:45-17:00	Wrap-Up Session – Day 2
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DAY 3: Wednesday, 23 February 2022 Manila, Philippines

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14:00-15:15	<p>BO Data Verification Mechanisms: Policy, Technical and Practical Considerations</p> <p><i>This session will look at various BO data verification challenges, at policy, technical and practical level, international practice, and different enforcement and verification mechanisms to enhance BO transparency.</i></p> <p><i>Some of the issues that will be considered during this session include:</i></p> <ul style="list-style-type: none"> • The extent of complexity of ownership and control structures; • How and when the BO data should be verified? • Which authority should be held responsible to verify the BO information? • Best practices on BO data verification, including digital and interoperable registers and cross-checking; • The role of civil society, competent authorities, Financial Institutions, and Designated Non-Financial Businesses and Professions (DNFBPs) in BO data verification and • Sanctions and penalties for non-compliance with the BO disclosure regime. <p>Moderator: Ramandeep Chhina, International Consultant on Beneficial Ownership, ADB Presentation 1: Stephen Abbott Pugh, Data and Technology Manager, Open Ownership Presentation 2: Elizabeth Fiona Alpe, Senior Transaction Support Specialist (Integrity), Private Sector Operations Department (PSOD), ADB Q&A Session</p>
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15:15-15:30	Refreshment Break
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15:30-16:45	<p>Impact and Use of BO Data</p> <p><i>This session will look at the impact and use of the BO data by civil society, journalists, private sector, financial institutions, DNFBPs, government agencies, and law enforcement authorities, as well as some international examples and practices on how this data has been effectively used.</i></p> <p><i>Some of the issues that will be considered during this session include:</i></p> <ul style="list-style-type: none"> • Use of BO data by financial institutions, DNFBPS and other private sector (including companies); • Use of BO data by academics, civil society and journalists; and • Use of BO data by government agencies and law enforcement authorities <p>Moderator: Ramandeep Chhina, International Consultant on Beneficial Ownership, ADB Presentation 1: Maira Martini, Research and Policy Expert, Corrupt Money Flows, Transparency International Presentation 2: Vincent Lazatin, National Director, Bantay Kita Q&A Session</p>
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16:45-16:55	Wrap-up Session – Day 3
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16:55-17:00	<p>Closing Remarks</p> <p>Hiranya Mukhopadhyay, Chief of Governance Thematic Group, Sustainable Development and Climate Change Department, ADB</p>
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