

Legitimate Interest for Beneficial Ownership – A Global Guide

Introduction

As jurisdictions seek to address the question of legitimate interest for access to beneficial ownership information (BOI), legislators may look to foreign legislative developments and court rulings to ascertain their respective paths to addressing the many complexities in balancing transparency objectives and privacy concerns. This paper provides insights into the various international legislative settings on the issue of legitimate interest, at the same time as providing an industry perspective 'checklist' on the key issues legislators must consider in the policy context, such as data protection, fair access and effectiveness in combatting economic crime.

What is beneficial ownership?

The Financial Action Taskforce (FATF) requires jurisdictions to ensure competent authorities have access to adequate, accurate and up-to-date BOI.

The FATF leads global action to tackle money laundering, terrorist and proliferation financing. The 40-member body sets international standards to ensure national authorities can effectively combat illicit funds linked to drugs trafficking, the illicit arms trade, cyber fraud and other serious crimes.

The FATF researches how money is laundered and terrorism is funded, promotes global standards to mitigate the risks and assesses whether countries are taking effective action. In total, more than 200 countries and jurisdictions have committed to implement the FATF Standards (the Standards) as part of a coordinated global response to preventing organised crime, corruption and terrorism. Countries and jurisdictions are assessed with the help of nine FATF Associate Member organisations, other global partners, the IMF and the World Bank. The Standards comprise the FATF Recommendations (the Recommendations) and their Interpretive Notes.

The Recommendations provide a comprehensive framework of measures to help countries tackle illicit financial flows. These include a robust framework of laws, regulations and operational measures to ensure national authorities can take effective action to detect and disrupt financial flows that fuel crime and terrorism and punish those responsible for illegal activity. These Recommendations deal with (among other matters) transparency and beneficial ownership of legal persons and arrangements and international cooperation.

Recommendation 24¹ (in the context of legal persons such as companies) and Recommendation 25² (in the context of legal arrangements such as trusts) specifically require countries to ensure that competent authorities have access to adequate, accurate and up-to-date BOI. Recommendations 24 and 25 also emphasise transparency as a means of combatting money laundering and terrorist financing.

Although the Recommendations do not mandate public access, they encourage effective access for authorities and regulated entities, as well as the ability to share information with relevant authorities. Legislative steps taken by jurisdictions in defining how to grant this access to BOI is guided by the Standards (although the FATF does not have a mandate to impose legislation).

The Recommendations encourage countries to consider facilitating public access to basic and beneficial ownership information to those with a 'legitimate interest'. Public access to this information can enable civil society, other organisations and individuals to cross-check the information, which may, in turn, help to ensure that information is accurate, adequate and up-to-date and to identify potential misuse of legal persons (e.g., in tax evasion, fraud or corruption schemes). However, public access alone is not a sufficient mechanism to ensure accuracy of information. In contemplating the extent and arrangement of public access, the FATF recommends that countries should take into account data protection rules and other privacy, security and confidentiality concerns. It also suggests they consider limiting what basic information and BOI is made publicly available or applying a tiered approach to information disclosure (basic to detailed information), for example, based on legitimate interest.³

The introduction of legitimate interest

In the context of registers of beneficial owners of companies, the European Union's (EU) Fourth Anti-Money Laundering Directive (4AMLD) noted⁴ that, 'The need for accurate and up-to-date information on the beneficial owner is a key factor in tracing criminals who might otherwise hide their identity behind a corporate structure. Member States should therefore ensure that entities incorporated within their territory in accordance with national law obtain and hold adequate, accurate and current information on their beneficial ownership, in addition to basic information such as the company name and address and proof of

¹ Financial Action Task Force. (2023). *Guidance on Beneficial Ownership of Legal Persons (Recommendation 24)* [PDF]. FATF. Retrieved July 8, 2025, from <https://www.fatf-gafi.org>

² Financial Action Task Force (2022), *International standards on combating money laundering and the financing of terrorism and proliferation: FATF Recommendations – Recommendation 24 (Transparency and beneficial ownership of legal persons)*, FATF. <https://www.fatf-gafi.org/en/publications/Fatf-recommendations/Fatf-recommendation-24.html>

³ FATF (2023), *Guidance on Beneficial Ownership for Legal Persons*, FATF. <https://www.fatf-gafi.org/content/dam/fatf-gafi/guidance/Guidance-Beneficial-Ownership-Legal-Persons.pdf.coredownload.pdf>

⁴ European Parliament, & Council of the European Union. (2015). *Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC*. Official Journal of the European Union, L 141, 5–44.

incorporation and legal ownership. With a view to enhancing transparency in order to combat the misuse of legal entities, Member States should ensure that beneficial ownership information is stored in a central register located outside the company, in full compliance with Union law. Member States can, for that purpose, use a central database which collects beneficial ownership information, or the business register, or another central register. Member States may decide that obliged entities are responsible for filling in the register. Member States should make sure that in all cases that information is made available to competent authorities and FIUs and is provided to obliged entities when the latter take customer due diligence measures. Member States should also ensure that other persons who are able to demonstrate *a legitimate interest with respect to money laundering, terrorist financing, and the associated predicate offences, such as corruption, tax crimes and fraud, are granted access to beneficial ownership information, in accordance with data protection rules. The persons who are able to demonstrate a legitimate interest should have access to information on the nature and extent of the beneficial interest held consisting of its approximate weight.*

Under the Fifth Anti-Money Laundering Directive (5AMLD), in the context of trust registers, it was noted⁵ that, 'With a view to the different characteristics of trusts and similar legal arrangements, Member States should be able, under national law and in accordance with data protection rules, to determine the level of transparency with regard to trusts and similar legal arrangements that are not comparable to corporate and other legal entities. The risks of money laundering and terrorist financing involved can differ, based on the characteristics of the type of trust or similar legal arrangement and the understanding of those risks can evolve over time, for instance as a result of the national and supranational risk assessments. For that reason, it should be possible for Member States to provide for wider access to information on beneficial ownership of trusts and similar legal arrangements, if such access constitutes a necessary and proportionate measure with the legitimate aim of preventing the use of the financial system for the purposes of money laundering or terrorist financing. When determining the level of transparency of the beneficial ownership information of such trusts or similar legal arrangements, Member States should have due regard to the protection of fundamental rights of individuals, in particular the right to privacy and protection of personal data. Access to beneficial ownership information of trusts and similar legal arrangements should be granted to any person that can demonstrate a legitimate interest. Access should also be granted to any person that files a written request in relation to a trust or similar legal arrangement which holds or owns a controlling interest in any corporate or other legal entity incorporated outside the Union, through direct or indirect ownership, including through bearer shareholdings, or through control via other means. The criteria and conditions granting access to requests for beneficial ownership information of trusts and similar legal arrangements should be sufficiently precise and in line with the aims of this Directive. It should be possible for Member States to refuse a written request where there are reasonable grounds to suspect that the written request is not in line with the objectives of this Directive.'

⁵ Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU

Following on from 4AMLD and 5AMLD, corporate and trust beneficial ownership registers were introduced, some giving public access to the information contained in the register.

The Court of Justice of the European Union (CJEU) ruling⁶ in November 2022 invalidated the provision in the 5AMLD that required Member States to ensure that information on beneficial ownership is accessible in all cases to any member of the general public, citing a breach of privacy rights under the *Charter of Fundamental Rights of the European Union*. Consequently, EU Member States have been required to limit access by the general public to beneficial ownership registers based on legitimate interest.

In October 2024, in response to preliminary questions raised by the Dutch District Court, the CJEU⁷ confirmed that in considering the legitimate interest test under the General Data Protection Regulation (GDPR) it is necessary to be able to demonstrate that the processing of personal data must be necessary for the purposes of the legitimate interest being pursued. The interests or fundamental freedoms and rights of the data subject must not outweigh the legitimate interest of the controller or of a third party.

The EU is now carrying out a work programme to implement the Sixth Anti-Money Laundering Directive (6AMLD).

In particular, in order to ensure the gradual and full implementation of 6AMLD, thereby preventing vulnerabilities within financial systems and ensuring that all Member States uphold anti-money laundering (AML) standards in a consistent and effective manner, a number of interim deadlines were established. However, 11 Member States, namely Belgium, Croatia, Cyprus, Denmark, Estonia, Germany, Greece, Italy, Poland, Slovakia and Sweden, failed to meet the first of these deadlines. The deadline was set at 12 months from the entry into force of the directive (i.e., July 2025), which concerned the implementation of art.74 6AMLD to ensure accessibility to beneficial ownership information of legal entities, trusts or similar legal arrangements. Consequently, the European Commission (EC) announced in a public press release on 25 September 2025 that it had initiated infringement proceedings against these countries by issuing a letter of formal notice ex art.258 *Treaty on the Functioning of the European Union* for failing to notify the domestic implementation measures of the directive.

The legitimate interest test is likely to re-emerge as a gatekeeping tool, with a definition expected to be proposed following the conclusion of the European Data Protection Board's stakeholder consultation on data processing.

Although legally established in June 2024, the new Anti-Money Laundering Authority (AMLA) of the EU will be fully operational and begin direct supervision from January 2028. It is expected that the AMLA will seek to exercise oversight of how legitimate interest access throughout EU Member States is managed, as is set out in its mandate, in addition to the recent CJEU court rulings.

⁶ Court of Justice of the European Union. (2022). *Judgment of the Court (Grand Chamber) of 22 November 2022, WM and Sovim SA v Luxembourg Business Registers, Case C-601/20*. ECLI:EU:C:2022:912.

⁷ Court of Justice of the European Union. (2024). *Koninklijke Nederlandse Lawn Tennisbond v. Autoriteit Persoonsgegevens. Case C-621/22*. ECLI:EU:C:2024:858.

How does the definition of legitimate interest vary around the world?

The following jurisdictional summaries are intended to provide a high-level overview only. They do not constitute an exhaustive analysis of every approach taken internationally.

United Kingdom

The UK began to maintain a public register of people with significant control (PSC) in 2016 designed to identify any person who 'owns or controls' a company registered at Companies House. The PSC register is open and searchable online, although questions remain around data accuracy and misuse.

Following the introduction of the *Economic Crime and Corporate Transparency Act 2023*, reforms are underway to improve identity verification and enforcement mechanisms with respect to information contained at Companies House.

In the case of trusts, BOI is held under the Trust Registration Service (TRS). Access to trust BOI is restricted to persons with a legitimate interest, such as law enforcement agencies or those connected to AML investigations.

There is a special regime for overseas entities holding interests in land in the UK where detailed BOI is required on the register of overseas entities. Information contained in the register may be made available upon application to the registrar.

The UK also continues to grant unlimited access to its PSC register to the general public; this approach is unique, and a contrast to the prevailing practice throughout the rest of the world.

The UK continues to monitor EU developments closely, as it seeks to balance transparency ambitions with privacy protections and national security considerations, particularly in light of geopolitical developments.

BOTs

The position of beneficial ownership in the British Overseas Territories (BOTs) has been evolving at pace since the 2013 G8 meeting. The UK government at the time prioritised three transparency objectives for BOTs to pursue, including a framework for the collection of BOI on all registered companies and centralised registers for data, with the intent that these would be freely accessible to law enforcement in addition to general access for the public.

A decade later, in November 2024, Anguilla, Bermuda, the British Virgin Islands (BVI), the Cayman Islands and the Turks and Caicos Islands committed during the Joint Ministerial Council⁸ to 'implement Legitimate Interest Access Registers of Beneficial Ownership with the maximum possible degree of access and transparency'.

Both the Cayman Islands and the BVI have enacted legislation as recently as June 2025, setting out a framework for testing legitimate interest to access information.

⁸ Foreign, Commonwealth & Development Office; Starmer, K. S., & Lammy, D. (2024). *UK and Overseas Territories Joint Ministerial Council 2024: communiqué*. GOV.UK. Retrieved July 8, 2025, from <https://www.gov.uk/government/publications/uk-and-overseas-territories-joint-ministerial-council-2024-communiqué/2024-uk-and-overseas-territories-joint-ministerial-council-communiqué>

Bermuda enacted the *Beneficial Ownership Act* in September 2025, which addresses matters related to FATF Recommendation 24 and OECD tax transparency. Bermuda has committed to implementing a legitimate interest access regime through the Act's regulations, scheduled for the second quarter of 2026.

BVI

The BVI government committed to introducing a publicly accessible register of beneficial ownership by the end of 2023, in line with UK requirements. However, following the CJEU ruling in 2022, implementation was delayed, with authorities citing the judgment as grounds to reassess the legal framework. The BVI is a significant jurisdiction in the debate of legitimate interest, with the jurisdiction possessing the largest company registry of all BOTs, with almost ten companies for every inhabitant.⁹

The BVI government published its framework for access to the register of beneficial ownership for BVI business companies and limited partnerships in June 2025. The new access regime will come into full effect on 1 April 2026. This follows a nine-month transitional period that began on 1 July 2025, during which system upgrades, stakeholder guidance and user testing will be finalised. Guidance was issued as recently as January 2026.

This framework limits access to certain information relating to individuals with 25 per cent or more ownership or control and is granted only to applicants who can demonstrate a legitimate interest. These may include those investigating suspected financial crime or conducting due-diligence under relevant AML, counter-terrorist financing (CFT) or counter-proliferation financing (CPF) legislation if the relevant thresholds can be satisfied. Disclosed information will include the beneficial owner's name, month and year of birth, nationality and the nature of their ownership interest. Reduced information is available where BVI entities are owned by regulated trustees.

Through a newly designed online portal, applicants will be able to submit their request for access digitally, subject to a processing time of up to 12 business days. Applicants must provide supporting documentation, including a confidentiality declaration, and identify the legal entity and beneficial owner in question. A notification and objection process are central to the policy: upon receipt of a valid request, the relevant legal entity is notified and given five business days to raise any objections, such as risks of harm, involvement of minors or national security concerns. These concerns will be assessed by the Registrar on a case-by-case basis. Beneficial owners may also apply for exemptions from disclosure on similar grounds at any time.

Strict limits are placed on the use of disclosed information, which may be used only for the purpose stated in the application. Misuse, unauthorised disclosure or data breaches may lead to fines, revocation of access or legal proceedings. Entities with obligations under the regime must report any discrepancies in BOI to the Registrar within 14 business days.

The policy is underpinned by the *BVI Business Companies and Limited Partnerships (Beneficial Ownership) Regulations, 2024* and aligns with evolving global standards in

⁹ Government of the Virgin Islands (2024). *British Virgin Islands companies support 2.3 million jobs and generate US\$14 billion in tax*. Retrieved from <https://bvi.gov.vg/media-centre/british-virgin-islands-companies-support-23-million-jobs-and-generate-us14-billion-tax>

AML/CFT/CPF. It reinforces the BVI's position as a responsible international financial centre, at the same time as safeguarding constitutional rights to privacy and data protection under the *Virgin Islands Constitution Order 2007* and the *Data Protection Act 2021*.

The BVI has also introduced a beneficial ownership register for trusts; however, this falls outside of the legitimate interest regime.

Cayman Islands

In 2019 the Cayman Islands similarly committed to introducing a public register, once it becomes the global standard. Since the CJEU decision authorities have signaled a preference for a tiered-access system based on legitimate interest, highlighting the need to balance transparency with data protection obligations.

The Cayman Islands has recently taken steps to strengthen its beneficial ownership framework by broadening the type of entities in scope and maintaining efficient compliance paths for regulated entities. In addition, it has access to legitimate information for third parties. Two key regime changes came into effect in February 2025, including the *Access Restriction Regulations*¹⁰ and the *Legitimate Interest Access Regulations*¹¹, which respectively propose protection of vulnerable individuals and govern public access to information.

This framework for access specifies a strict criterion for applicants, including journalists, who must be able to demonstrate that information sought is to be used for *bona fide* research or investigative journalism of relevance to AML or CTF. The scope for access also allows civil society organisations to apply for access if they are involved in activities relating to financial crime prevention.

United States

The United States (US) introduced federal beneficial ownership reporting requirements under the *Corporate Transparency Act* (CTA), which came into effect in 2024. Information is submitted to the Financial Crimes Enforcement Network (FinCEN) and held in a non-public registry.

Access to the data is limited to federal and state law enforcement, national security agencies and financial institutions conducting customer due-diligence, subject to strict protocols.

Although the registry is not publicly accessible, the framework adopts a functional equivalent of a legitimate interest test by permitting access only to entities with a demonstrated legal or regulatory need. Access to BOI is limited to specific entities for authorised purposes. These include federal, state, local and tribal government agencies involved in national security, intelligence or law enforcement activities. Financial institutions and their regulators also have access in certain circumstances, primarily to facilitate compliance with customer due-diligence requirements.

¹⁰ *Beneficial Ownership Transparency (Access Restriction) Regulations*, 2024 (SL 42 of 2024)

¹¹ *Beneficial Ownership Transparency (Legitimate Interest Access) Regulations*, 2024 (SL 47 of 2024)

On 21 March 2025, FinCEN issued an interim BOI reporting rule limiting reporting under the CTA to non-US foreign entities and individuals (and removing the requirement for US entities to be required to register).

Latin America

Several Latin American jurisdictions are in the process of enhancing beneficial ownership frameworks in line with FATF recommendations.

Countries such as Argentina, Brazil and Colombia have introduced central registers of beneficial ownership, although public access remains limited or non-existent. Discussions are ongoing in regional forums about adopting legitimate interest models, particularly in the context of law enforcement and anti-corruption initiatives. However, implementation varies significantly across jurisdictions, with many still lacking a legal basis for structured third-party access to BOI.

Italy

Italy represents an interesting case study since among the major EU Member States it has not yet implemented a beneficial ownership registry and this delay has even triggered the above-mentioned infringement procedure by the EC on the implementation of art.74 of 6AMLD. Moreover, an Italian case on the compatibility of the Italian implementing legislation with 5AMLD is currently pending at the CJEU.

More specifically, Italy was one of the last countries to implement legislation on the register of beneficial owners, which formally entered into force on 9 October 2023. The legislation, in alignment with the CJEU's ruling of November 2022¹², provides that access to the register of entities requires the existence of a 'legitimate interest'¹³.

Despite its formal entry into force, the register has never become operational as it was immediately suspended following objections concerning the excessive exposure of beneficial owners under a system that prioritised transparency over privacy and security. These objections led the Italian Supreme Administrative Court, in autumn 2024, to submit six preliminary questions to the CJEU¹⁴.

As a result, no disclosures have ever been made with respect to information contained on the register and access remains suspended until the CJEU issues its ruling.

One of the questions referred to the CJEU concerns the definition of 'legitimate interest'. Under Italian law, the concept is framed in general terms and partly reflects the administrative law notion relevant to access to public documents. In particular, legitimate interest arises where knowledge of beneficial ownership is necessary to protect or defend a legally recognised right and where there is clear and documented evidence of a discrepancy between beneficial and legal ownership. The interest must be direct, concrete and current

¹² See note 5. *Judgment of the Court (Grand Chamber) of 22 November 2022, WM and Sovim SA v Luxembourg Business Registers, Case C 601/20*. ECLI:EU:C:2022:912.

¹³ Until 1 January 2026 public access to beneficial ownership data for companies was still permitted.

¹⁴ Italian Supreme Administrative Court, rulings No. 8246/2024 and No. 8248/2024 which gave rise to the CJEU case C-684/2024.

and for entities representing collective or diffuse interests, it cannot simply coincide with the individual interests of members of the group¹⁵.

This broader definition of legitimate interest diverges from the principles set out by the CJEU, which require that access be justified by the need to prevent money laundering and terrorist financing¹⁶. For example, under Italian law, access could be granted to the heir of a settlor of a trust created for the benefit of third parties or to a creditor or spouse seeking to determine the actual extent of a debtor's or partner's assets – situations deemed unlawful by the CJEU as they lack a genuine link to AML objectives. By contrast, according to the CJEU, access could legitimately be granted to a journalist making a specific request in the context of an investigation into money laundering, as this would be consistent with AML objectives.

As mentioned earlier, the delay of the actual implementation of the beneficial ownership registry due to the pending litigation at the CJEU has triggered the infringement procedure against Italy and other EU Member States, activated by the EC with letters sent to the respective governments on 25 September 2025¹⁷. Italy has implemented domestic legislation through the introduction of a legislative decree¹⁸, which came into force on 1 January 2026 and harmonised access to beneficial ownership data for both companies and for trusts and similar entities, based on the existence of a legitimate interest. However, pending the decision on the issues referred to the CJEU, access to such information remains suspended.

Canada

In Canada, BOI registers have been adopted in relation to corporations. Some of the provinces and territories have adopted public BOI registers, while others provide for BOI to be kept internally by the corporation and with access available, for the most part, to only governmental, public or regulatory investigative entities. There has been very little discussion on the concept of making information available to other entities or individuals demonstrating a legitimate interest. In the case of trusts, there is expanded BOI that is filed with the income tax returns of trusts. Some details on this follow.

As regards corporations:

Under Canada's division of legislative powers, corporations can be formed either under the federal corporate statute or under that of one of provinces or territories. All of those jurisdictions currently have BOI reporting requirements other than the province of Alberta and the territories of Nunavut and the Northwest Territories. The jurisdictions with BOI reporting apply it to private corporations incorporated in their jurisdiction, with the exception of the province of Québec, which requires reporting for corporations and partnerships formed anywhere in the world with activities in Québec (therefore some refer to the Québec central register as a *de facto* national public register).

¹⁵ See Article 21, paragraph 4, letter d-bis) of *Legislative Decree No. 231/2007*.

¹⁶ Paragraphs 65 and 75, *Judgment of the Court (Grand Chamber) of 22 November 2022, WM and Sovim SA v Luxembourg Business Registers, Case C 601/20*. ECLI:EU:C:2022:912.

¹⁷ *Infringement procedure n. 2025/0276 ex art. 258 TFEU*.

¹⁸ *Legislative Decree No. 210 of December 31, 2025*.

Under the federal BOI legislation, the November 2022 CJEU ruling (which has no direct applicability in Canada, but presumably should have some influence) has been ignored. Rather, the main principle is that in January 2024, a public BOI central register for federal corporations was opened, freely available to all on the federal government's website. More on the margins, but important to understand when contemplating possible future change, is that at the same time in early 2024, legislation that was then enacted but not yet in force and providing instead for off-public register access to the information to governmental, public or regulatory investigative entities, was narrowed. A remnant of that legislation providing for off-public register access was retained and put into force at that time, indicating that the federal corporate authority may provide the narrow amount of submitted BOI that is not on the public register (citizenship and tax residence information) to governmental, public or regulatory investigative entities such as the Canada Revenue Agency and provincial income tax departments, the federal financial intelligence unit, provincial corporate registers and the police (the 'public authorities').

Furthermore, the federal corporate authority and, in the context of a serious investigation, the above-mentioned governmental, public or regulatory entities, can make a direct request to a corporation for the latter's internal BOI register (which includes a description of steps taken by the corporation to keep the BOI up-to-date). Some in Canada with a concern for privacy suggest that, for future change, this currently disclosed information should all be made available to the current restricted list of public authorities showing an interest (in the context of a serious investigation, except for broad access for the federal financial intelligence unit), and that both public registers and direct requests for information to the corporation (other than under pre-existing standard governmental audit powers) should be terminated. In fact, the province of Ontario announced in late 2025 that its BOI regime for its provincial corporations would essentially follow this model as of 2027.

STEP Canada made a submission¹⁹ to the federal corporate authority in February 2024, asking that the public aspect of the federal BOI register be repealed on the ground that it is an unreasonable invasion of privacy and asking, for the same reason, that the search function on the public register remain as being based on the name of registered corporations and not be extended to search by name of individual. The federal government has responded²⁰ by not extending the search function to search by individual.

The federal government has stated a desire for the federal BOI register to be scalable, so as to become a national, public and searchable BOI register that would incorporate data from participating provinces and territories; however, there has been no apparent movement on this.

As regarding the BOI registers in the provinces and territories, Québec has a public central register that includes search by name of individual, available on the Québec government's website. This may have evolved from stated policy goals of the legislation that go beyond fighting tax evasion, money laundering and corruption to also include an apparent general

¹⁹ Society of Trust and Estate Practitioners (2022), *STEP eNews: Bill C-42*, STEP Canada.
https://step.ca/downloads/marketing/STEP_eNews_Feb_22_Bill_C42.pdf

²⁰ Society of Trust and Estate Practitioners (2020), *STEP eNews: Public policy committee update*, STEP Canada.
https://step.ca/downloads/marketing/STEP_eNews_Aug_20_PPC.pdf

anti-fraud aspect, by providing public access to protect the public in the context of socio-economic relations.

In late 2025, British Columbia appeared shortly to be converting its BOI registers from those internally held by corporations to add a public register.

By way of example, Ontario's and Saskatchewan's rules, as regards the absence of a public BOI register (rather, corporations keep an internal register), are similar to such rules in the other Canadian jurisdictions with BOI legislation. As regards disclosure of BOI in Ontario that is on the internal corporate registers, recipients are, in essence, limited to governmental and public bodies: for law enforcement purposes (police and first nations officers may request disclosure in conducting an investigation), tax purposes (for Ontario or federal tax authorities administering tax laws) or regulatory purposes (for listed regulatory bodies administering particular laws).

As regards trusts:

As regards trusts in Canada, beginning with income tax filings for periods ending from 31 December 2023, and with only narrow exceptions, all trusts file an income tax return, which includes identifying information for all settlors, trustees, beneficiaries and persons such as protectors who exert influence over trustee decisions regarding the appointment of income or capital of the trust. The reporting is wide because on the federal tax return, contingent beneficiaries must be described in the filing, including those that cannot be listed by name, such as those not yet born. However, the trust tax returns are, by their nature, filed confidentially with the federal income tax authorities and also with the Québec income tax authorities for trusts in Québec.

Hong Kong

In 2018, Hong Kong established a significant controllers register (SCR) in order to comply with FATF Recommendation 24. Companies subject to the regime are required to maintain an SCR at their registered office or at another location in Hong Kong, either in hard copy or electronic form. The register captures beneficial ownership and control at the 25 per cent threshold, whether through ownership interests or voting rights. Access to the SCR is restricted: it may be inspected only by law enforcement authorities or by individuals recorded as significant controllers. Hong Kong has not adopted a 'legitimate interest' access regime.

Australia

Australia has long required companies incorporated in Australia, private/unlisted and listed, to maintain up-to-date records of their officeholders and shareholders and promptly report changes to the Australian Securities and Investments Commission (ASIC), Australia's corporate and financial services regulator. Listed Australian companies are required to disclose many of those details, without charge, to the public; however, a complete list of shareholders is not generally available.

Otherwise for a small charge any member of the public can obtain a company extract from ASIC for any company incorporated in Australia (private or listed) that reveals basic details of the company's registered office, officeholders (current and former directors, alternate directors and company secretaries) and, for private companies, all current and former

shareholders. Currently, those extracts reveal only the legal owner of a shareholding; they do not reveal beneficial ownership to clarify whether the registered shareholder holds their shareholding on trust for others. The only indication in a company extract for a private company that a registered shareholder does not beneficially own their shareholding is through the marking of a 'yes' or 'no' in a column for each shareholding titled 'beneficially held'. Where not beneficially held, the extract does not identify any further details about the beneficial owner.

There is no central public register of trusts in Australia. Apart from reporting obligations to the Australian Taxation Office, trusts operating in Australia can be difficult for government authorities and the public to track and monitor.

Although land ownership registers in all Australian states and territories are publicly searchable, they rarely reveal anything beyond legal ownership (which, if held on trust, only identifies the trustee). The same lack of public transparency often applies for Australian businesses operated through trust structures.

Australia became a member of Open Government Partnership (OGP) in 2015.²¹ The OGP is a global initiative of over 70 countries and 150 local governments, focused on the promotion of transparency, accountable governance, the empowerment of citizens and tackling corruption²².

In May 2022, Australia's federal government commenced a process of public consultation for the establishment of a publicly accessible register of beneficial ownership information for unlisted Australian companies.

In November 2022, Australia's federal treasury department released a consultation paper²³ on a proposed design for the first phase of such a register.

On 27 November 2025, the *Treasury Laws Amendment (Strengthening Financial Systems and Other Measures Bill 2025 (Commonwealth))* passed through both houses of Australia's federal parliament and the Bill received Royal Assent on 4 December 2025.

Although the Bill is not due to be implemented until at least 2027, it is intended to amend Australia's *Corporations Act* to expand beneficial ownership disclosure obligations for unlisted Australian companies and require them to:

- identify, verify and determine the nature of beneficial ownership of their shareholdings;
- collect and record full details, where beneficial ownership is held through a trust, of the trust, including details about all relevant beneficiaries;
- create and maintain an accurate register of beneficial ownership for all shareholdings; and
- provide ASIC with access to their register on request.

²¹ Open Government Partnership, *Australia – country profile*.

<https://www.opengovpartnership.org/members/australia/>

²² Open Government Partnership, *About the Open Government Partnership*.

<https://www.opengovpartnership.org/about/>

²³ Australian Treasury (2022), *Consultation on beneficial ownership transparency*.

<https://treasury.gov.au/consultation/c2022-322265>

The reforms are still to be finalised and implemented but it is understood that, initially, an unlisted company's beneficial ownership register will not be accessible to the public. Instead, it will be accessible by ASIC for the initial stage of implementing the reforms, journalists and academics may be given the right to access and inspect an unlisted company's beneficial ownership register by making a request through ASIC. In the second stage of implementation, it is understood that a public register of beneficial ownership information for unlisted companies will be established and maintained, possibly by ASIC, with certain access made available to the public.

In announcing the above reforms, the Australian federal government has indicated that it will continue work on enhancing transparency around the beneficial ownership of trusts²⁴. It remains to be seen in what form that will occur and to what extent it mirrors the similar work of other countries.

STEP Recommendations

Privacy and security: safeguarding the most vulnerable

STEP has long been of the view, as expressed in our *Tackling Economic Crime* report²⁵ in 2024, that firm restrictions must be placed around access of beneficial ownership registers to ensure privacy and security for individuals who may have their personal safety compromised as a result of a broad-brush approach to widening access to information on beneficial ownership registers.

We therefore support steps taken in jurisdictions such as the Cayman Islands, where demonstrating either a defined public interest is essential or that there is a link between the applicant and an entity subject to investigation.

We also support a process in which applications are reviewed and assessed by a body with the requisite authority, expertise and capability to balance access with privacy rights. It would be determined expeditiously and guided by published criteria to ensure consistency and proportionality. One option would be for this process to be conducted through the courts, on notice to the company (although concerns about potentially 'tipping-off' would need to be considered). Alternatively, applications could be considered by a tribunal, comprising senior representatives from the local registrar of companies, the privacy commissioner's office and any official body responsible for investigating financial activities suspected of money laundering or terrorist financing. Subject to concerns around 'tipping-off', companies and potentially beneficial owners could be given reasonable notice of applications, with sufficient detail on legitimate interest claims to enable them to provide input on the legitimacy of the request. An appropriate application fee should be applied.

²⁴ Australian Treasury (2025), *Improving transparency of the true owners of companies*, Ministerial media release.

<https://ministers.treasury.gov.au/ministers/andrew-leigh-2025/media-releases/improving-transparency-true-owners-companies>

²⁵ Society of Trust and Estate Practitioners (2024), *Tackling economic crime*, STEP.

<https://www.step.org/knowledge-hub/tackling-economic-crime>

We remain concerned that the broadening of access to BOI, particularly in high-risk jurisdictions, will increase the risk of the misuse of such information. We therefore believe that the use of the information disclosed under an application described above should be subject to limitations, so that it may be used only for the purpose stated in the application. A failure to comply with such limitations, resulting in the misuse or unauthorised disclosure of such information or other data breaches should lead to fines, revocation of access or legal proceedings.

In addition, it is STEP's view that any framework for access (as is the case in many jurisdictions) should include the legal ability for beneficial owners to request that access to their personal information (or the personal information of anyone who lives with them) is restricted where they are at risk of harm or intimidation if their information is made available. The company or trust with respect to which the BOI is provided should be able to apply for information to be restricted with respect to beneficial owners who are minors or who lack capacity (without having to show the need for any risk of harm arising from the disclosure of their personal information).

Tiered access to registers

We remain of the view that a tiered approach to access of BOI is essential to ensuring proportionate and accountable access, especially in a cross-border context where legislative variances must be respected, including where they pertain to legitimate private interests.

Our *Tackling Economic Crime* report emphasised our support for a restricted and tiered access to registers, allowing competent authorities, law enforcement and those conducting legitimate customer due-diligence to access data. Likewise, those who can show a legitimate interest with respect to money laundering, terrorist financing and the associated predicate offences, such as corruption, tax crimes and fraud. This should be done at the same time as protecting individuals from arbitrary or open access. There should be a graduated approach to access, where the degree of access is proportionate to the user's function, legal obligation or legitimate interest.

Essential harmonisation of standards

We embrace measures that further align global coherence. We hope the new AMLA framework will look to align its approach to financial crime with the FATF and OECD frameworks, which have achieved a large international consensus. The multiplicity of further frameworks and even more nuanced approaches to legitimate access would compromise the harmonisation already achieved through FATF Recommendation 24²⁶ and existing data protection principles²⁷. It is STEP's view that the EC should prioritise harmonisation of its frameworks for access with these.

²⁶ Financial Action Task Force. (2022). *International standards on combating money laundering and the financing of terrorism & proliferation: FATF Recommendations — Recommendation 24 (Transparency and beneficial ownership of legal persons)*. FATF. <https://www.fatf-gafi.org/en/publications/Fatf-recommendations/Fatf-recommendation-24.html>

²⁷ European Parliament & Council of the European Union. (2016). *Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (General Data Protection Regulation)*.

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