



G8 Action Plan Principles to prevent the misuse of companies and legal arrangements

Subject to our different constitutional circumstances, and understanding that a one-size-fits all approach may not be the most effective, the G8 endorses the following core principles that are fundamental to the transparency of ownership and control of companies and legal arrangements. These core principles, consistent with the FATF standards, are essential to ensure the integrity of beneficial ownership and basic company information, the timely access to such information by law enforcement for investigative purposes, as well as, where appropriate, the legitimate commercial interests of the private sector.

The G8 also commits to publish national Action Plans based on these principles that set out the concrete action each of us will take to counter money laundering and tax evasion. To ensure G8 members are held to account for their commitments, the G8 agrees to a process of self reporting through a public update on the progress made against individual action plans and to inform the Financial Action Task Force.

- 1. Companies should know who owns and controls them and their beneficial ownership and basic information should** be adequate, accurate, and current. As such, companies should be required to obtain and hold their beneficial ownership and basic information, and ensure documentation of this information is accurate.
- 2. Beneficial ownership information on companies should be accessible onshore** to law enforcement, tax administrations and other relevant authorities including, as appropriate, financial intelligence units. **This could be achieved through central registries of company beneficial ownership and basic information at national or state level.** Countries should consider measures to facilitate access to company beneficial ownership information by financial institutions and other regulated businesses. Some basic company information should be publicly accessible.
- 3. Trustees of express trusts should know the beneficial ownership of the trust, including information on beneficiaries and settlors. This information should be accessible by law enforcement, tax administrations and other relevant authorities including, as appropriate, financial intelligence units.**
- 4. Authorities should understand the risks to which their anti-money laundering and countering the financing of terrorism regime is exposed and implement effective and proportionate measures to target those risks.** Appropriate information on the results of the risk assessments should be shared with relevant authorities, regulated businesses and other jurisdictions.
- 5. The misuse of financial instruments and of certain shareholding structures** which may obstruct transparency, such as bearer shares and nominee shareholders and directors, should be prevented.
- 6. Financial institutions and designated non financial businesses and professions, including trust and company service providers, should be subject to effective anti-money laundering and counter terrorist financing obligations** to identify and verify the beneficial ownership of their customers. **Countries should ensure effective supervision of these obligations.**
- 7. Effective, proportionate and dissuasive sanctions should be available** for companies, financial institutions and other regulated businesses that do not comply with their respective obligations, including those regarding customer due diligence. These sanctions should be robustly enforced.
- 8. National authorities should cooperate effectively domestically and across borders** to combat the abuse of companies and legal arrangements for illicit activity. Countries should ensure that their relevant authorities can rapidly, constructively, and effectively provide basic company and beneficial ownership information upon request from foreign counterparts.