

August 20th 2021

Attn: FATF / GAFI
2, rue André Pascal
75775 Paris Cedex 16 FRANCE

Re: Revisions to Recommendation 24 - White Paper for Public Consultation

Dear Sir or Madam,

On behalf of three Canadian civil society organizations -- Publish What You Pay Canada, Transparency International Canada, and Canadians For Tax Fairness, we are pleased to submit feedback as part of this consultation concerning revisions to FATF Recommendation 24. We make this submission together as a coalition and more information about each organization is included at the end of this discussion document.

As organizations with mandates for anti-corruption, transparency, and combating tax avoidance and evasion, we recommend publicly accessible beneficial ownership registries should become the tool FATF members employ to collect information about beneficial owners of legal persons. For this consultation, we have taken the approach of providing recommendations for FATF members, citing legislation from Canada at the federal and sub-national levels where appropriate.

Publicly disclosing information concerning beneficial owners and ensuring this data is high-quality and in line with open data principles—free, searchable, validated, and with verification measures—will serve as a powerful tool for FATF members to deter, detect, investigate, and prosecute criminals who hide the proceeds of crime within various entities.

In April 2021, Canada announced that it will create a publicly accessible beneficial ownership registry for federal private corporations in its 2021 federal budget. This follows 48 countries that are committed to implementing publicly accessible registries covering the whole economy.¹ In 2020, UK Overseas territories including Bermuda, BVI, and the Cayman Islands pledged to publicly disclose beneficial ownership information in registries. At the 2021 G7 Summit in the UK, there was a commitment on behalf of all G7 member states to implement centralized beneficial ownership registries of publicly accessible registries.²

¹ See: <https://www.openownership.org/map/>

² See: <https://www.g7uk.org/g7-finance-ministers-and-central-bank-governors-communicue/>

Please note that we have chosen to respond to a select number of questions (3-13) in the consultation about beneficial ownership transparency, and you will find our responses below:

RESPONSES TO SELECT QUESTIONS ABOUT BENEFICIAL OWNERSHIP OF LEGAL PERSONS

3. (a) What do you see as the key benefits and disadvantages of a BO registry, and (b) what are the alternative approaches to registries, such as BO information held by companies, FIs, and DNFBPs, and their key benefits and disadvantages?

We recommend that beneficial ownership registries should be publicly accessible to prevent any disadvantages stemming from centralized registries solely available to law enforcement and competent authorities. A publicly accessible registry can be two-tiered where law enforcement and competent authorities possess timely access to detailed information concerning natural beneficial owners, whereas select information is available to the general public, DNFBPs, and potentially FIs.

We have summarized the key benefits of making BO information publicly accessible in a registry in comparison to a centralized registry in the following table.

Table 1 - Comparison of publicly accessible registries and centralized registries

	Publicly accessible registry	Centralized registry available to law enforcement and competent authorities
Business, DNFBPs, and investors	Provides businesses and investors with more reliable market information and helps them to know who they are doing business with. This is a critical requirement for a trusted investment and business environment.	Businesses, particularly small-medium enterprises, would either have to pay or would not be able to access this information at all.
Data quality and accuracy	Independent observers can help law enforcement and competent authorities to improve data quality by flagging potential issues and identifying suspicious activity.	Law enforcement would be responsible for analyzing and interpreting significant volumes of data to ensure information is accurate and to analyze this data to identify suspicious activity. This requires significant investment in a team and systems to conduct robust analyses on and flag issues,

		adding pressure to already scarce resources.
Deterrence of proceeds of crime	Maximum deterrence against money launderers from funneling proceeds of crime and terrorist financing through shell companies and real estate.	While a private, centralized registry helps law enforcement with investigations, it does not deter the volume of illicit cash entering an economy because criminals assume that law enforcement will not be able to monitor all suspicious activities. Illicit cash disrupts markets and jeopardizes public safety.
International cooperation to combat proceeds of crime	FATF member states such as Canada will align with the strongest standards from the UK PSC Registry and EU AMLD5 agreement.	Weaker standards and Illicit funds have a greater chance to proliferate in FATF members, thus increasing the risk of terrorist financing, tax evasion, and illegal wildlife trafficking.

Beneficial ownership information that is only held at the company level on behalf of corporations and FIs (including DNFBNs) does not serve to deter the volume of illicit funds for FATF members, nor does it allow for law enforcement and competent authorities timely access to beneficial ownership information. Canada currently requires federal companies to maintain internal registers of beneficial ownership information and investigative authorities upon request, may access these registers.³ An unforeseen consequence is a risk of tipping off natural beneficial owners who can relinquish ownership or control status. Holding beneficial ownership information in a publicly accessible registry circumvents this risk and deters nefarious individuals from abusing company structures to hide the proceeds of crime.

Furthermore, individual companies cannot carry out beneficial ownership due-diligence checks to understand risks on behalf of potential suppliers because this information is held at the company level instead of being accessible in a registry. We provide more detail in the next question.

4. What are the key attributes and role regulators play in ensuring that a BO registry has adequate, accurate and up-to-date BO information available for competent authorities? Does

³ See: <https://www.bennettjones.com/Publications-Section/Updates/Update-New-Register-Requirements-of-Individuals-with-Significant-Control>

this make a difference if BO information is held by a BO registry and alternative approaches to registries (e.g. BO information held by companies, FIs, and DNFBPs)?

A publicly accessible or centralized registry should have a registrar with sufficient regulatory authority and the ability to review suspicious disclosures. A registrar should also have the ability to issue reminders to companies to update BO information and notices to submit further information, along with the ability to issue fines and sanctions for instances of serious non-compliance. A review of the UK PSC Register suggests that its effectiveness is limited by the role that Companies House plays in administering the registry. Companies House is a registrar, not a regulator: it does not verify the information provided by persons with significant control. A lack of regulatory oversight offers the opportunity for misspellings of business names or incomplete fields to be exploited by persons with significant control for their benefit.⁴ As such, the registry contains unverified and flawed information, rendering it less effective than it could be. To sum up, a registrar with trained staff plays a crucial role in ensuring that a BO registry has adequate, accurate and up-to-date BO information.

Holding beneficial ownership information outside any type of centralized registry is a disadvantage and places a serious onus and burden upon FIs, DNFBPs, and other businesses to ensure that their information is accurate, adequate, and up-to-date without the guidance from a registrar. A registrar can independently verify and audit information, and issue compliance notices to companies who might be missing information or submitting inaccurate information. To sum up, a registrar with regulatory ability greatly improves compliance and the quality of BO information contained within the registry so FIs, DNFBPs, and other companies can reliably access the registry for their own due-diligence needs.

5. How should the accuracy of BO information disclosed to the BO Registry be confirmed?

Please refer to question six below as we answer this in full.

6. What role should the private sector play, if any, in ensuring that the BO information is adequate, accurate and up-to-date? What lessons should be learned from private sector use of existing registries?

The private sector can play a critical role in ensuring that beneficial ownership information is adequate, accurate, and up-to-date. And we recommend FATF members pass legislation requiring DNFBPs and FIs to collect BO information internally and submit to a central registry in a standardized format. A summary of key obligations for collection of beneficial ownership information on behalf of the private sector can be as such:

- (i) Corporations should be required to verify the identity of natural beneficial owners. As an example, in Canada corporations should be required to adopt the methods as set out by FIUs, this case the Financial Transaction Reports Analysis Centre

⁴ Ibid.

- (FINTRAC), for reporting entities under law and associated regulations, such as *the Proceeds of Crime (Money Laundering) and Terrorist Financing Act*.^{5,6}
- (ii) Natural beneficial owners should be required to sign and deliver to the corporation a declaration that confirms the veracity of the identification and beneficial ownership;
 - (iii) Criminal sanctions should be attached to knowingly false declarations;
 - (iv) Corporations should be required to keep on file all declarations submitted by beneficial owners; and
 - (v) Law enforcement and competent authorities (including the registrar) should be given right of access to beneficial ownership declarations.

It is important to note that business organizations, investment associations, and financial institutions expressed a desire for verified information in the UK PSC register because it would boost the quality of information, and the utility of the registry itself would increase.⁷

7. What effective mechanisms (aside from a BO registry) would achieve the objective of having adequate, accurate and up-to-date BO information for competent authorities? What conditions need to be in place for authorities to rely on financial institutions and DNFBPs to hold BO information? How could BO information held by obliged entities as part of their CDD be utilised in this regard?

The following mechanisms list below are important to ensure adequate, accurate, and up-to-date information in a BO registry.

Data validation

It is imperative that FATF members invest in data verification and validation. Any registry containing BO information should be both validated at data-entry and verified with a registrar with regulatory authority. Data validation is one of the ongoing challenges currently experienced by the UK PSC Register and it creates a problem of unreliable data commonly known as “garbage in, garbage out”.

Adjustments to the disclosure form, including drop down menus to select nationality, could limit spelling errors but the above highlights the importance of having a team responsible for implementation of a beneficial ownership registry and verifying reports. For example, data quality was an issue noted in implementation of *Canada’s Extractive Sector Transparency Measures Act* (ESTMA). Natural Resources Canada (NRCAN), a federal ministry, has worked to address data quality by creating a template and providing a validation checklist, against which NRCAN checks each submitted report. These resources supplemented a revised guidance

⁵ Refer to “Methods to verify the identity of an individual and confirm the existence of a corporation or an entity other than a corporation”: <https://www.fintrac-canafe.gc.ca/guidance-directives/client-clientele/Guide11/11-eng>

⁶ Refer to “Beneficial Ownership Requirements”: <https://www.fintrac-canafe.gc.ca/guidance-directives/client-clientele/bor-eng>

⁷ Ibid. pg. 37-39

document and technical requirements document after year one of implementation to improve the quality and consistency of company reports.⁸

Tip-line for whistleblower disclosure

It is important for the registry to have an option for whistleblowers to flag and disclose false or missing information from companies. In addition, a reporting portal or a tip-line can help whistleblowers tie corruption and bribery or other financial crimes, including money laundering, tax evasion, or terrorist financing, to beneficial owners and the business(es) they control.

Penalties

Registers require compliance from business entities who must disclose information about their ultimate beneficial owners (UBOs). While reporting entities may make mistakes in good faith, others may willfully fail to disclose information or provide incorrect details to obscure the identities of their beneficial owners. Reporting entities who make mistakes in good faith should be given the opportunity to correct data entry errors and ensure that the information contained in the register is correct. However, failure to correct data identified by the registrar, regulator, or by law enforcement in a timely manner should be subject to an administrative monetary penalty.

The challenge then remains as to how to handle businesses and beneficial owners that deliberately disclose false information or fail to disclose information altogether. Businesses that are set up specifically for criminal purposes are unlikely to be compliant with disclosure requirements and penalties set too low may be considered part of the cost of doing business.

The appropriate penalties to levy against individuals for willful non-compliance should be carefully considered and treated separately from errors made in good faith. In jurisdictions with public registries such as the Netherlands and Norway, non-compliance with registration can result in criminal sanctions such as six months maximum imprisonment or community service (Netherlands), or one-year maximum imprisonment (Norway).⁹ Failure to comply can result in financial penalties in both the Netherlands and in Norway. Additionally, there are fines against the business in question, as well as operating restrictions that prevent the business from distributing profits, holding government contracts, and accessing European Union (EU) and other government funds.¹⁰ Sweden also punishes noncompliance via fine.¹¹ Fines for willful non-disclosure in EU jurisdictions run as high as €1,000,000 in Germany and generally range from

⁸ Reporting template, validation checklist, and guidance document for ESM TA can be found here <https://www.nrcan.gc.ca/our-natural-resources/minerals-mining/mining-resources/extractive-sector-transparency-m/tools-extractive-businesses/18192>

⁹ *Supra*, note 5.

¹⁰ *Ibid*.

¹¹ Swedish Companies Registration Office. "How to Register Beneficial Ownership Information". February 5, 2018. <https://bolagsverket.se/en/us/about/beneficial-ownership-register/how-to-register-beneficial-ownership-information-1.15230>

€50,000 to €200,000 for noncompliance, as well as terms of imprisonment in Gibraltar, Malta, the Netherlands, and Norway.¹²

FATF members can assess where it should apply criminal and administrative monetary penalties against businesses for non-compliance with FIU reporting requirements. In Canada, issuing administrative monetary penalties is FINTRAC standard practice. With respect to failing to meet record-keeping requirements or failure to provide assistance, or information during a compliance examination, the relevant penalties include fines up to \$500,000 and/or a term of imprisonment up to five years.^{13,14} Restrictions may also be placed on business operations, following the model adopted by Portugal where profit disbursement is prevented until businesses comply with UBO register requirements.¹⁵

8. How can the compliance burden on low risk companies be reduced, without creating loopholes that could be exploited by criminals?

We recommend comprehensive compliance for all types of corporate entities including relevant trusts and partnerships in order to serve as a strong deterrent against misuse. We do not recommend reducing compliance requirements for particular entities deemed as lower risk because they may end up becoming entities that are eventually exploited by criminals to launder the proceeds of crime.

A risk assessment conducted by Canada's Finance Department in 2015 noted that Canada faces very high threats of money laundering through fraud, bribery, piracy, counterfeiting, terrorist financing, and various types of smuggling and trafficking in which front or shell companies are used to facilitate the proceeds of crime.¹⁶

Canadian shell companies have a reputation of being marketed abroad for tax evasion schemes as well as to launder billions of dollars into Canada's economy.¹⁷ Legitimate business and investments benefit from strong regulations to stop illicit financial flows.

Additionally, initial evidence from the UK PSC registry shows compliance with registry requirements does not create an undue burden on business. In a government survey, UK businesses were asked if collecting and submitting information had affected how their business operates. The majority (95%) said it had no impact at all. In fact, some said the registry's increase in corporate transparency was economically advantageous as it would likely result in

¹² *Supra*, note 5.

¹³ Financial Transactions and Analysis Reports Centre of Canada. Obligations: Penalties for non-compliance. August 28, 2018. <https://www.fintrac-canafe.gc.ca/pen/1-eng>

¹⁴ Penalty scheme under the Extractives Sector Transparency Act (ESTMA) can be considered as well <https://laws-lois.justice.gc.ca/eng/acts/E-22.7/page-3.html#docCont>

¹⁵ *Supra*, note 5.

¹⁶ See: <https://www.canada.ca/en/department-finance/services/publications/assessment-inherent-risks-money-laundering-terrorist-financing.html>

¹⁷ See: <https://business.financialpost.com/investing/global-investor/heres-how-the-shell-companies-exposed-in-the-panama-papers-work>

improved business confidence and lead to greater investment.¹⁸ The government study also found that the median overall cost of compliance in the UK was relatively small, at just £125 (about \$240 Canadian).¹⁹

9. Who should play a role in the verification of BO information? How effective is the framework on discrepancy reporting? What are the possible verification approaches that can balance the need for accuracy and compliance cost?

As mentioned in question six, FATF members should assess placing responsibility upon companies to collect and maintain accurate, up-to-date records of BO information. Moreover, natural beneficial owners should be required to provide declarations stating that information submitted to corporations is accurate.

Concerning verifying information submitted to registries, the registrar should list and approve national identity documents such as passports, driver's licenses, or provincially issued identification cards with photos. FATF members can consult with FIU guidance in determining the types of ID and procedures to verify the identities of beneficial owners.²⁰ We also recommend that digital ID verification measures be considered in the near future and FATF members may use the recent draft FATF guidance on digital IDs as a means to develop knowledge in deploying digital ID technology.²¹

In Canada, we have recommended that the federal government work with the Digital ID & Authentication Council of Canada (DIACC) as they are developing a Pan-Canadian Trust Framework that provides guidance on how a digital identity ecosystem can be deployed across Canada.²² Such technology can be used in the future and offers the potential to ease verification for beneficial owners. An online digital ID system would still allow beneficial owners to submit ID information in person at government service offices, or through notarized copies through representatives.

10. Should BO registries (where they exist) follow a risk-based approach to verifying of BO information?

We recommend that a risk-based approach is appropriate when the registrar decides to request further information from companies for compliance purposes. FATF members can consult national FIUs and use ML/TF risk assessment matrices based on business type, or relationship-based risks.²³

¹⁸ People of Significant Control (PSC) Register: Review of implementation, p. 45.

¹⁹ *Ibid.*

²⁰ See: <https://www.fintrac-canafe.gc.ca/guidance-directives/client-clientele/Guide11/11-eng>

²¹ See: <https://www.mccarthy.ca/en/insights/blogs/techlex/fatf-releases-draft-guidance-digital-identity>

²² See: <https://diacc.ca/wp-content/uploads/2016/08/PCTF-Overview-FINAL.pdf>

²³ See: <https://www.fintrac-canafe.gc.ca/guidance-directives/compliance-conformite/rba/rba-eng>

11. How frequently should disclosed BO information be updated or re-confirmed (e.g. annually, within a set period after a change is made)?

Out of date information hampers law enforcement activity, due diligence procedures undertaken by businesses and reporting entities to manage risks, and the work of journalists and other members of civil society who benefit from an open, searchable publicly accessible registry. Businesses should report changes to beneficial ownership status (for example, acquisition of beneficial ownership status or the sale of shares and termination of beneficial ownership status) within 30 days of the change in beneficial ownership taking place. Failure to disclose this change should be subject to warning notices or publicly disclosed administrative monetary penalty. Such a penalty is consistent with Canada’s laws to combat money laundering.

FATF member states may also consider a simple means for companies to re-confirm that existing beneficial ownership information remains the same during annual filings in order to reduce burden upon companies which are already compliant.

12. Should access to a BO registry or another mechanism be extended beyond national (AML/CFT) competent authorities (e.g. to AML/CFT obliged entities such as financial institutions and/or DNFBPs)?

Access to a BO registry should be extended beyond competent authorities and be made publicly accessible, searchable, and free-of-cost. The general public, FIs, DNFBPs, companies, and FIUs, should have full searchability of select fields to fulfill anti-money laundering obligations.

Searchability by full name and any common names is beneficial for whistleblowers, foreign tax authorities, civil society groups and journalists, as well as private sector entities with due diligence obligations. It is possible that citizenship, usual residential address, and countries of tax residency carry higher expectations of privacy, so further analysis undertaken by FATF members is needed to determine if these fields should be made public without infringing upon privacy statutes. For insights into such an analysis within a Canadian context, please refer to *A Public Beneficial Ownership Registry and the Canadian Privacy Regime: A Legal Analysis*²⁴ as a separate attachment.

Table 2: Fields of Information to be publicly disclosed and privacy rationale in Canada

Proposed fields of information to be collected and publicly disclosed	Explanation and privacy rationale (see analysis for full details ²⁵)
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²⁴ The full report can also be found at: <https://static1.squarespace.com/static/5c8938b492441bf93fdbc536/t/5eac6dd026b8946d37f7dde2/1588358609932/endsnowwashing-public-beneficial-ownership-registry.pdf>

²⁵ See pages 22-23 in *A Public Beneficial Ownership Registry and the Canadian Privacy Regime: A Legal Analysis*

To understand the extent of ownership and control status of individuals that are conducting business activities in an enterprise:	
The percentage of shares held for any person who qualifies as a beneficial owner, and a disclosure of how that individual exercises significant control (e.g., control or direction of other shares, agreements with other shareholders to vote in concert, the existence of personal relationships with other owners that result in significant control, and veto rights)	Clarifies to what extent a beneficial owner owns, controls, or directs a company. Possibly slightly higher expectation of privacy, yet this type of information is already publicly available in Canada under The System for Electronic Disclosure by Insiders (SEDI). ²⁶
Date shareholder became or ceased to be a beneficial owner	Clarifies ownership record.
The individual's status as a politically exposed person, foreign or Canadian	No reasonable expectation of privacy. Useful for reporting entities as it helps meet obligations under the PCMLTFA.
To support identification of the beneficial owner:	
A unique identifier number that shows ties to other business entities over which the individual has significant control	Avoids confusion between registered persons of the same name and from the same country. Low expectation of privacy and not sensitive information.
The full name of the beneficial owner	Needed for identification. Not inherently sensitive.
Commonly known names of the beneficial owner	Needed to identify persons who do not use their exact legal name. Lower expectation of privacy.
Partial date of birth	Improves positive identification of the beneficial owner and would likely be rationally connected to the purpose of a beneficial ownership registry.

²⁶ See: https://www.sedi.ca/sedi/new_help/english/public/PDF_en/NI_55-102_Eng.pdf

Address	<p>Improves positive identification. For instance, the province of Quebec uses the following definition in legislation that received royal assent to publicly disclose ultimate beneficial ownership information.²⁷</p> <p><i>“A registrant who must declare the domicile of a natural person under a provision of this Act may also declare a professional address for the natural person.”</i></p>
Country of usual residence (past and present)	<p>Country of usual residence improves positive identification and is included in existing registries in other jurisdictions. There is a lower expectation of privacy as similar information is found on SEDI. Canada can go further in line with leading expert opinion highlighted in a recent C.D. Howe report, which suggests collecting information about countries of current and past residences in order to ensure effectiveness for whistleblowers in other jurisdictions.²⁸</p>

13. What measures should be taken to address concerns relating to privacy, security and potential misuse of BO information, arising from access to BO information?

We recommend caution for public disclosure of citizenship(s) and countries of tax residency due to risks of harassment and fraud. In Canada, these fields carry a higher expectation of privacy based on our analysis and having such information available in the public realm might be used to target certain individuals. Instead, tax information and citizenship information can be collected

²⁷ Refer to Bill 78 c.19, *Act mainly to improve the transparency of enterprises*, 1st session, 42nd legislature, Quebec, 2021:

<http://www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=5&file=2021C19A.PDF>

²⁸ Refer to “*Why we Fail to Catch Money Launderers 99.9% of the Time.*” by Kevin Comeau; April 2019 C.D. Howe Institute. See <https://www.cdhowe.org/public-policy-research/why-we-fail-catch-money-launderers-999-percent-time>

and made available only to competent authorities and law enforcement in order to protect the privacy and security of natural beneficial owners.

We recommend that individual beneficial owners should be able to seek exemptions on the grounds of safety as we agree with the concern outlined in the consultation document. We recommend referring to the Government of British Columbia’s recommendations for exemptions as per *The Land Owner Transparency Act (LOTA)*.²⁹

Some national registers in the EU give consideration for individuals who have a demonstrable risk of victimization from fraud, kidnapping, blackmail, or extortion. Other national registries give consideration for individuals under the age of majority, or who are legally disabled.³⁰

In the UK for instance, individuals may apply to restrict the disclosure of their private information on the public registry. See Note 1 in the annex at the end of this discussion document for terms of the exemption. The UK example provides an idea of a policy measure designed to address the privacy concerns of a publicly accessible registry.

We recommend the registrar review all requests for exemptions and for requests regarding investment decisions.

Thank you for taking the time to consider our feedback. If you have any questions, please do not hesitate to get in touch.

Yours sincerely,

Sasha Caldera, Campaign Manager, Beneficial Ownership Transparency—Publish What You Pay Canada
James Cohen, Executive Director—Transparency International Canada
Toby Sanger, Executive Director—Canadians For Tax Fairness

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About Publish What You Pay Canada (PWYP-Canada)

Publish What You Pay Canada is part of the global Publish What You Pay movement of civil society organizations working to make oil, gas and mineral governance open, accountable, sustainable, equitable and responsive to all people. As a movement, we envision a world where all people benefit from their natural resources, today and tomorrow. Launched in 2008, PWYP-Canada today numbers 15 members and realizes its work through advocacy, research and

²⁹ *Land Owner Transparency Act*, SBC 2019 c.23. See section 40(1) under “Application to omit information” <https://www.bclaws.gov.bc.ca/civix/document/id/complete/statreg/19023>

³⁰ See: <https://www.pwc.nl/nl/assets/documents/ubo-register-update-december-2018.pdf>

public outreach to promote and achieve enhanced disclosure of information about extractive industry projects.

About Transparency International Canada (TI-Canada)

TI-Canada is the Canadian chapter of Transparency International (TI). Founded in 1996, TI is the world's leading anti-corruption movement with over 100 chapters and contact points around the world and an international secretariat in Berlin. TI Canada was also founded in 1996 is the country's leading anti-corruption voice and thought leader with in-house and volunteer experts from a range of sectors in Canada.

About Canadians For Tax Fairness

Canadians for Tax Fairness is a non-profit organization whose aim is to raise public awareness of crucial issues of tax justice and to change the way Canadians talk about tax. We advocate for fair and progressive government policies aimed at building a strong and sustainable economy, reducing inequalities, and funding quality public services. Canadians for Tax Fairness believes in the development and implementation of a tax system, based on the ability to pay, to fund the comprehensive, high-quality network of public services and programs required to meet our social, economic, and environmental needs in the 21st century.

ANNEX:

Note 1: Exemptions from the UK PSC Register:

Applying to restrict disclosure of private information from the UK Register of Persons of Significant Control (Beneficial Ownership Registry)³¹

“Certain characteristics or personal attributes of a Person of Significant Control (PSC) when associated with a company could put them, or someone who lives with them at serious risk of violence or intimidation. In these cases, an application can be made so that no information about them in relation to that company is available on the public register. If the application’s successful, the PSC’s registered information is protected. This would still be available to specified public authorities on application. In these cases, the public register will show there’s a PSC subject to protection.

...The activities of certain companies can place their directors and PSCs, or someone who lives with them, at serious risk of violence or intimidation. This could be due to their involvement in a particular sector of commerce or industry.

An application may be appropriate if:

³¹ See: <https://www.gov.uk/government/publications/restricting-the-disclosure-of-your-psc-information/restricting-the-disclosure-of-your-information>

you're a director or PSC of a company whose business is licensed under the Animal (Scientific Procedures) Act 1986

you're a director or PSC of a company active in the defence industry

you're a director or PSC of a company that's a readily traceable supplier to, or partner of an organisation in the above categories

a company you're a director or PSC of, has been targeted by activists."