

**Talking points**  
**The International dimension of Beneficial Ownership,**  
**10th PALU Annual Conference, 17th July 2019, Lome, Togo**

- Thank you Mr Moderator for the opportunity to engage in a conversation with our learned friends on this very topical issue of beneficial ownership. I will focus my submission to three or four elements on this subject as it pertains to the global and more specifically, the continental fight against Illicit Financial Flows.
- First, the continued existence of Tax Havens that enable and facilitate creation, movement, and "safe-keeping" of these ill-gotten resources. In many instances, these IFFs emanate from developing countries, including many countries in Africa. Tax Havens by their very nature and construct deliberately offer vague and opaque rules and regulations to protect their "clients". This makes tracing, tracking, prosecuting, and recovering these IFFs and assets.
- Second, understanding and knowing the economic and business activities being undertaken in our jurisdictions and these activities are connected to the underdevelopment of our countries. Many of us will be familiar with "letterbox companies", and the function they play in anonymising business activities and the individuals behind these activities. A consequence of this sort of practice makes it extremely difficult for government agencies and officials to adequately address harmful business practices and transgressors of the law within their jurisdictions, and yes it is plausible and possible these very officials are the transgressors!
- Third, the world is changing, the emergence of the digital economy is presenting new challenges for all jurisdictions in determining who or what constitutes a beneficial owner where factors of production are largely intangible and are located in multiple jurisdictions.
- Finally, at the global level, the OECD BEPs package, which is aimed at curbing illicit financial flows and tax avoidance, beneficial ownership registers are at the heart of this fight. However the package doesn't go far enough, and this is well articulated and I am sure my comrades will delve into some of these weaknesses. The global exposé like paradise papers, Panama paper, Lux Leaks. These exposés have brought to the front pages of our newspapers the importance of knowing who are the individuals are behind these movements of large sums of money and asset purchases in Europe, North America, and the Middle East.
- As I conclude, having sat in the sessions just before this one, I am struck by the dichotomy that is confronting the profession, and that is where does the profession place itself in between the rights of citizens affected by the actions of their clients? Is there a moment in time where the profession might want to humanise itself when determining the impact of enabling a client who transgressing the law which impacts citizen?

Additional points in plenary

- Corporate Tax Haven Index - indicators that analyse beneficial ownership registers
- Nordic example of public BO registers