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Beneficial Ownership Registries in Latin America and the Caribbean

CURRENT STATUS, CHALLENGES, AND PERSPECTIVES

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By Global Financial Integrity

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Acronyms

Acronym	Full Form
AML	Anti-Money Laundering
AMLD	Anti-Money Laundering Directive
BCA	Belize Companies Act
BCCAR	Belize Companies and Corporate Affairs Registry
BO	Beneficial Ownership
BOT	British Overseas Territories
BOTA	Beneficial Ownership Transparency Act
CARICOM	Caribbean Community
CDD	Customer Due Diligence
CFATF	Caribbean Financial Action Task Force
CFT	Countering the Financing of Terrorism
CIR	Center for Individual Rights
CJEU	Court of Justice of the European Union
CNAD	El Salvador's National Commission of Digital Assets *Comisión Nacional de Activos Digitales de El Salvador*
CSO	Civil Society Organizations
CTA	Corporate Transparency Act of The United States of America
DASP	Digital Asset Service Providers
DBFIA	Domestic Banks and Financial Institutions Act
DIAN	Customs and Tax Authority of Colombia *Dirección de Impuestos y Aduanas Nacionales de Colombia*
DNFBPs	Designated Non-Financial Businesses and Professions
DNR	National Directorate of Registries *Dirección Nacional de Registros*
EITI	Extractive Industries Transparency Initiative *Iniciativa de Transparencia en la Industria Extractiva*

EU	European Union
FATF	Financial Action Task Force
FinCEN	Financial Crimes Enforcement Network of The United States of America
FIU	Financial Intelligence Unit
FSC	Financial Services Commission
FSRC	Financial Services Regulatory Commission
GAFILAT	Latin American Financial Action Task Force *Grupo de Acción Financiera Internacional para América Latina*
GFI	Global Financial Integrity
IADB	Inter-American Development Bank
IBCs	International Business Companies
IMF	International Monetary Fund
LAC	Latin American and Caribbean
LLC	Limited Liability Company
LLCA	Limited Liability Companies Act
LLP	Limited Liability Partnership
LLPA	Limited Liability Partnerships Act
ML	Money Laundering
ML/TF	Money Laundering/Terrorist Financing
MLATs	Mutual Legal Assistance Treaties
MOU	Memorandum of Understanding
NPO	Nonprofit Organizations
NRA	National Risk Assessment
OECD	Organization for Economic Co-operation and Development
OO	Open Ownership
PEPs	Politically Exposed Persons
RBE	*Registre des Bénéficiaries Effectifs Luxembourg* Register of Beneficial Owners of Luxembourg

RCS	*Registre de Commerce et des Sociétés Luxembourg* Register of Commerce and Companies of Luxembourg
RUB	Beneficial Ownership Registry of Colombia *Registro Único de Beneficiarios Finales de Colombia*
RUT	Tax Identification Number of Colombia *Registro Único Tributario de Colombia*
SAT	Mexico Tax Administration Service *Servicio de Administración Tributaria de México*
SSNF	Superintendence of Non Financial Institutions of Panama *Superintendencia de Entidades No Financieras de Panamá*
TCSPs	Trust and Company Service Providers
TF	Terrorism Financing
TIEA	Tax Information Exchange Agreements
UIAF	Financial Analysis and Intelligence Unit of Colombia *Unidad de Información y Análisis Financiero de Colombia*
UNCAC	United Nations Convention Against Corruption
UNODC	United Nations Office on Drugs and Crime
VASPs	Virtual Assets Service Providers

Introduction

Various international organizations, such as the Financial Action Task Force (FATF) and the Organization for Economic Cooperation and Development (OECD), have identified that corporate structures and other types of legal entities are common channels used to give a veneer of legality to illicit financial flows, allowing the individuals behind these crimes to remain anonymous.

The FATF defined beneficial owners as "the natural person(s) who ultimately owns or controls a customer and/or the natural person on whose behalf a transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement."[1] This notion has undergone an evolution throughout the years, expanding its reach and understanding toward the countries following the recommendations issued by FATF in concerns of transparency, fight against money laundering and terrorism financing.[2]

The OECD and the Inter-American Development Bank (IADB) have highlighted that "From a tax perspective, knowing the identity of the natural persons behind entities not only helps a jurisdiction preserve the integrity of its tax system, but also gives treaty partners means of better achieving their own tax goals."[3] They also attach great relevance to this tool for mobilizing domestic resources internally and for fighting tax evasion.

This is why identifying the natural persons behind corporate structures through BO registries has recently become a priority for Latin American and Caribbean countries (LAC). Global Financial Integrity has been accompanying this process in some countries across the region, such as Colombia, Ecuador, and Belize, within the framework of promoting transparency and fighting corruption and financial crimes.

Over the last five years, in the ongoing process of improving the ratings for recommendations 24 and 25, several countries across the Latin American and Caribbean region have increasingly embraced the "registry approach" as one of their main strategies to identify BOs and comply with the OECD Global Forum and the FATF requirements, among other international standards. While the FATF also accepts the "corporate approach" or the "existing information" approach as valid mechanism to comply with recommendations, the registry approach is increasingly allowing countries not only to meet their international obligations but also to strengthen corporate transparency, both in the public and private sectors, and to fight other different crimes, especially those of a financial nature.[4]

1 Financial Action Task Force (FATF). (2014). *Guidance on transparency and BO*. FATF. URL: https://www.fatf-gafi.org/content/dam/fatf-gafi/guidance/Guidance-transparency-beneficial-ownership.pdf.

2 While various FATF recommendations address beneficiary owners' identification through due diligence processes, recommendations 24 and 25 address specifically how identification actions are implemented. For more on this, see: https://www.fatf-gafi.org/content/fatf-gafi/en/publications/Fatfrecommendations/Fatf-recommendations.html.

3 Organization for Economic Cooperation and Development (OECD). (2020). *Effective BO frameworks: A toolkit for policymakers and practitioners.* OECD. URL: https://web-archive.oecd.org/tax/transparency/documents/effective-beneficial-ownership-frameworks-toolkit_en.pdf.

4 FATF (2019), *Best practices on BO for legal persons*, FATF, Paris, Retrieved from www.fatf-gafi.org/publications/documents/best-practices-beneficial-ownership-legal-persons.html.

Considering the newly gained relevance of this measure implemented in the LAC region, this report aims to identify the current state of the region in this area. Particularly, we will analyze the progress made by the countries in adopting the BO registry, along with the main challenges, strengths, and opportunities they face. This includes both the countries that already have registries and are looking to strengthen them, and those that have not developed them yet but have legislation in place that approves the creation of the registry.

It is worth noting that, even though many countries in the region do not yet have a BO registry, they do have laws that reference beneficial ownership and have implemented other mechanisms to identify ownership, such as company registries. However, for the purposes of this analysis, only the BO registry approach was considered. Consequently, the fact that some countries do not have a registry does not imply that the concept of BO is absent in their regulatory frameworks or practices.

The report analyzes the BO registry approach as a whole for 38 countries and jurisdictions across the LAC region, including the British Overseas Territories (BOT),[5] in light of the registry approach. The categories under analysis are described in depth in the methodology, and include whether the country has a BO registry or not, the year of the law under which the registry was created (if any), the type of registry (ex: public, private, partially public), the threshold for BO reporting, the agency in charge of overseeing this registry, the type of penalties in force for non-compliance with reporting, and whether organizations without a legal status and foreign societies are included or not.

Drawing from conversations with experts, public entities in charge of the registries, GFI's experience supporting registry implementation, and a documentary review, this report analyzes the general status of BO registries by subregion in light of the aforementioned categories.

The analysis is structured into three main components: first, it examines the international context that has influenced the development of these policies in the region; second, it presents a detailed diagnosis by subregion (the Caribbean, Central America, and South America); and third, it includes case studies on Belize and Colombia, where we have documented significant progress, persistent challenges, and lessons learned during the implementation process.

The report ends with a set of recommendations and takeaways on the current status of BO registries across the region. These recommendations intend to be a guide for the different key stakeholders—decision makers, civil society organizations, lawmakers, and competent authorities—when considering legal reforms or regulatory amendments. They intend to strengthen mechanisms to tackle various forms of criminality, including: money laundering, terrorism financing, corruption, drug trafficking, human trafficking, environmental crimes, illegal mining and fishing, and wildlife trafficking. Our experience shows that the information gathered through these registries becomes a critical transversal tool for effectively preventing and investigating a wide range of illicit activities.

5 This report excluded Netherlands Overseas Territories, U. S. Overseas Territories, and Venezuela, being this latter excluded because we do not have information enough to establish its status.

Methodology

The methodology for this comprehensive regional report on Beneficial Ownership (BO) Registries and legislation across Latin America and the Caribbean is primarily based on a qualitative methodology. Data were gathered through extensive document analysis and targeted stakeholder engagements in key countries: Belize and Colombia.

1. Document Review and Secondary Data Collection

Our team reviewed current BO regulations, legislative acts, and reports, including jurisdiction-specific laws, international standards, and Financial Action Task Force (FATF) compliance reports. We analyzed public databases, government reports, and compliance documents to map out each country and territory's BO frameworks and legislative updates. This provided insight into the regional scope, enforcement mechanisms, and transparency levels of BO regulations.

2. Stakeholder Engagement and Primary Data Collection

Insights were enriched through consultations and interviews with stakeholders, including policymakers, regulatory bodies, and private sector representatives in Belize and Colombia. These engagements allowed an in-depth understanding of each country's BO implementation challenges, best practices, and plans. Stakeholders provided feedback on enforcement difficulties, regional compliance pressures, and the impact of BO transparency on corruption and illicit financial flows.

3. Comparative Analysis

A comparative framework was applied to analyze BO regulations in LAC. In total, we analyzed 38 countries and jurisdictions: 22 in the Caribbean, seven in Central America, and 10 in South America. For reference, we included Guyana, Surinam, and Belize in the Caribbean list due to their Caribbean identity, and we are not including for the scope of this analysis the US overseas territories, the Dutch territories, and Venezuela. We are including Mexico as part of the analysis, along with the Central America overview, and the BOT in the Caribbean section.

To analyze their BO status, we focused our analysis only on the registry approach.[6] That means that we are comparing BO status in terms of BO registry existence. We used these categories of analysis:

- **Legislation creating BO registries**: We addressed only the legislation that created/enforced the BO registry in the country. In some countries, there is more than one legislation that creates and regulates the registry.
- **Date of legislation creating the BO registers**: Year of approval of the legislation that created the registry. We are not including previous legislation where BO was mentioned or considered. Only the one that created a registry.

6 FATF (2019), *Best practices on BO for legal persons*, FATF, Paris, Retrieved from www.fatf-gafi.org/publications/documents/best-practices-beneficial-ownership-legal-persons.html.

- **Registry Status:** We considered five main types and statuses of registries, including:
  a. Active/public: Registries that are active, operational, and open to the public. This means that anyone interested can access BO information through a website or other platform without needing to demonstrate a legitimate interest.
  b. Active/private: Registries that are active, operational, and restrict access to their information, allowing only certain government authorities to consult the data. Even with legitimate interest, general public access is not permitted.
  c. Active/Partially public: Registries that are active and private but can be accessed by the public if they show a legitimate interest, or some areas of the information are partially opened to some entities.
  d. In progress: Registries that have been approved under in-country legislation but are currently under development. These registries are not yet active or operational.
  e. No registry: The country does not have a BO registry approved by legislation. Please note that we are not considering general company registries in this context.
- **Threshold**: The percentage of ownership or control that, according to each country's law, defines a reporting entity as a beneficial owner.
- **Custodian of Registry**: The entities that are in charge of managing the BO registry in each territory.
- **Penalties**: The penalties that, according to legislation in each country, are enforced against an obligated entity in case it fails to comply with BO requirements. These may be financial, administrative, or imprisonment.
- **Non-legal persons as obligated entities**: Different types of non-legal entities are included as obligated entities by each territory's legislation to provide BO information.
- **Foreign company requirements**: If the regulations of each country regarding the BO reporting somehow establish as obligated parties foreign companies with commercial operations in that jurisdiction.

4. Data Synthesis and Interpretation

Data from the document review and stakeholder engagements were mainly synthesized to evaluate the effectiveness of BO regulations in addressing financial transparency and reducing illicit financial activities. Patterns and trends were identified, illustrating correlations between transparency levels and enforcement outcomes. The findings were contextualized within regional compliance standards, such as FATF & OECD guidelines, to assess alignment and suggest potential improvements.

This multi-faceted approach enabled a comprehensive analysis of BO practices across the region, identifying key strengths and challenges in each country's approach to transparency and anti-corruption in the financial sector.

5. Innovations and Limitations

This report brings several methodological and analytical innovations to the landscape of BO transparency research in LAC. Notably, it is one of the first to include and assess British Overseas Territories alongside sovereign states in the region. This deliberate inclusion responds to the recognition that these jurisdictions, despite their size and constitutional status, often play a relevant role in the global financial system. Their integration into this regional assessment brings much-needed attention to opacity risks that have been underexplored in international comparative studies. By compiling and analyzing legal frameworks across both sovereign and non-sovereign jurisdictions, the report helps bridge an existing knowledge gap and provides a more accurate reflection of BO transparency dynamics in the region. The scarcity of accessible, comparative data on these territories further motivated GFI to assemble and verify information from official legal sources and registry documentation to provide an integrated and credible regional baseline.

The report also introduces an original registry-focused analytical approach, assessing only those countries and territories where a BO registry has been formally established by law. This method allowed for standardized comparisons across core criteria, including registry access, threshold levels, public procurement integration, and verification mechanisms. However, this approach also presents important limitations. Countries that are actively debating or drafting BO legislation but have not yet passed a law to create a registry have been categorized as countries with no BO registry. Likewise, the research relies exclusively on national-level legislation published through official government channels—a choice that ensures data reliability but necessarily omits any subnational developments or informal arrangements not reflected in formal legal texts. As a result, countries or territories that may have relevant practices or administrative measures in place but lack a published legal mandate are not covered.

In jurisdictions where BO thresholds have been adopted through some form of regulation but no BO registry exists, those cases are marked as "No BO registry" for registry status. The report limits its scope to jurisdictions that follow a "registry approach," defined as the legal requirement for periodic, centralized filing of BO information with a designated authority. This excludes jurisdictions that rely exclusively on decentralized, *ad hoc* collection of BO information through corporate or financial entity registries.

Data collection, writing and analysis for this study began the 1st of November 2024 and ended on March 15, 2025. Any developments occurring after this date are not reflected in the report. Despite these limitations, the report offers a strong foundation for understanding the legal infrastructure surrounding BO transparency in the region and supports future efforts to track progress and close remaining gaps.

Trends and Challenges in International Beneficial Ownership Matters Influencing the LAC Region

A. International Background

In recent years, the implementation of BO registries has become a global trend with an increasing number of countries aligned mainly with FATF's Recommendations 24 and 25, advancing legislative bills to establish registries that enable the identification of the natural persons behind corporate structures and vehicles. This term, introduced by the FATF in 2003,[7] has been incorporated into numerous pieces of legislation as part of the due diligence processes required of various obligated entities, especially under regulations focused on preventing money laundering and terrorism financing.

Particularly, Recommendation 24 requires countries to ensure that competent authorities have access to adequate, accurate, and up-to-date information on the beneficial owners of companies.[8] To do so, it describes the minimum criteria to establish which companies are required to report. Besides, Recommendation 25 requires countries to ensure that adequate, accurate, and up-to-date information is provided on express trusts, including data on settlor, trustee, and beneficiaries, so that competent authorities may timely get or gain access to.[9]

In order to comply with the recommendations and provisions of other international efforts promoting the identification of beneficial owners, such as the Global Forum on Transparency and Exchange of Information for Tax Purposes, the Extractive Industries Transparency Initiative (EITI), and the United Nations Convention Against Corruption (UNCAC), many countries, mainly European, began to pass the establishment of BO registries on the legislative level.

This was the case of the United Kingdom, where the first BO registry was created in 2016, as part of the implementation of the Fourth European Union Directive to Counter Money Laundering and Terrorism Financing (4AMLD).[10] Likewise, other European Union countries, driven by the same regulatory frameworks, began presenting innovative initiatives to log BO information of the companies registered in their jurisdictions. For Latin America, the UK registry has been one of the main points of reference, having been the first and because of its public nature.

7 ECD & Global Forum. (n. d.). *Beneficial Ownership and Tax Transparency – Implementation and Remaining Challenges: OECD and Global Forum Report to G20 Finance Ministers and Central Bank Governors.* PUBE. Retrieved from https://www.oecd.org/en/publications/beneficial-ownership-and-tax-transparency-implementation-and-remaining-challenges_f95790b1-en.html.

8 FATF. Recommendation 24. Transparencia y beneficiario final de las personas jurídicas. Retrieved from: https://www.cfatf-gafic.org/es/documentos/gafi40-recomendaciones/430-fatf-recomendacion-24-transparencia-y-beneficiario-final-de-las-personas-juridicas.

9 FATF. Recommendation 25. Transparencia y beneficiario final de otras estructuras jurídicas. Retrieved from: https://www.cfatf-gafic.org/es/documentos/gafi40-recomendaciones/431-fatf-recomendacion-25-transparencia-y-beneficiario-final-de-otras-estructuras-juridicas.

10 UK Government. (2023). *Economic Crime and Corporate Transparency Act: Beneficial ownership.* Retrieved from https://www.gov.uk/government/publications/economic-crime-and-corporate-transparency-act-2023-factsheets/economic-crime-and-corporate-transparency-act-beneficial-ownership.

In 2019, the FATF published its "Best Practices on Beneficial Ownership for Legal Persons," which served as a reference for many countries to improve their existing registries and align their lawmaking initiatives with the new recommendations. Additionally, as trusts and other non-legal person structures linked to financial crime-related activities were being increasingly used, the FATF issued some specific guidelines within the framework of Recommendation 25. This guidance enhanced the definitions and scope of those structures and urged countries to accurately assess the risks of related crimes such as money laundering and terrorism financing (ML/FT).

B. Towards Cementing Beneficial Ownership Registries in the Region

In the last six years, this move has gained increased relevance across Latin America and the Caribbean (LAC) as a tool to prevent financial crime and promote transparency. According to the FATF, between 2016 and 2017, important loopholes and needs in the countries under study were detected, especially in what has to do with the ability to identify BO. Some main areas in need of improvement, as pointed out after the Fourth Round of Mutual Assessment, are: timely access to information for competent authorities, strengthening international cooperation in sharing information, accuracy and reliability of data gathered, as well as the need for more effective penalties for non-compliance.[11]

As mentioned at the beginning of this report, the FATF acknowledges that there are different approaches to fulfilling the identification of BO across the LAC region, many countries have adopted the "registry approach" since 2019, aiming to improve their future mutual assessments and to reach specific goals. Among these goals, we can highlight the following: to centralize the information in a single platform for public query, to guarantee access to information for competent authorities, to avoid source dispersion, and to effectively monitor data accuracy and updating over time. This approach complements the existing systems based on a "company approach" or "existing information approach."[12]

The registry approach led to multiple discussions about its nature. In several countries, beneficial owner data is being articulated to business or corporate records in place, which identify legal representatives and shareholders. Separate records have been established in other countries, which, in line with the beneficial owner definition in the country (threshold, obligated parties, ownership conditions, etc.), include further requirements for identifying BO such as voting rights, shareholding, effective control, and so on.[13]

But for LAC, the main discussion revolved around the registry's public or private access. On this matter, international standards do not suggest a specific modality, enabling countries to decide which model is better for them.

11 FATF (2019), *Best practices on beneficial owners for legal persons*, FATF, Paris, Retrieved from https://www.fatf-gafi.org/content/dam/fatf-gafi/translations/guidance/GAFILAT-Best-Practices-Beneficial-Ownership-Legal-Persons.pdf.coredownload.inline.pdf.

12 FATF (2019), *Best practices on beneficial owners for legal persons*, FATF, Paris, Retrieved from https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Guidance-Beneficial-Ownership-Legal-Persons.html.

13 FATF (2023), *Guidance on BO for legal persons*, FATF, Paris, https://www.fatf-gafi.org/content/dam/fatf-gafi/translations/guidance/GAFILAT-Best-Practices-Beneficial-Ownership-Legal-Persons.pdf.coredownload.inline.pdf.

C. Trends Toward a Public or Private Beneficial Ownership Registry

Various factors must be considered when defining the feasibility of making BO information publicly available, closed, or partially open. The FATF does not establish a unique mechanism as more adequate, and leaves countries to decide on this. Each country can choose the model that best fits its technical and administrative capacities, and its specific political contexts and circumstances.

A public registry is one that allows open access to any citizen, often through a user-friendly online platform. Conversely, a private registry can only be accessed by certain government entities, as provided by national legislation or the authorities responsible for supervision and control. In some cases, countries have adopted mixed models, as will be seen below in the regional analysis. These models provide, for example, access to information to citizens or some given agencies, provided there is a legitimate interest request.

In Europe initially, many countries opted to establish BO public registries, that is, open to any citizen through website search or other mechanisms. While Latin America saw only a few legislative efforts to establish public or partially public registries, in response to concerns related to the use of information, security, and risks associated with the situation in countries with internal armed conflicts, active criminal groups, and issues like kidnapping and extortion. The corporate sector and many legislators advocated the need to safeguard BO sensitive information. So, within the framework of mutual assessment compliance and rating improvement, many jurisdictions opted for private instead of public registries.

It is worth noting that civil society organizations such as Transparency International have insisted on the importance of promoting public registries, given their important role in preventing corruption and other applications made easier when information is available to civil society organizations (CSOs), journalists, and ordinary citizens.[14] In June 2024, the Australian Treasury assessed the impact of establishing a public registry versus a private registry. One of the main takeaways was that the potential impact on the privacy of reporting entities is proportional to the benefits of deploying a public registry. It was followed, however, by a set of recommendations aiming to avoid the most notorious risks and providing opportunities to safeguard the identity of minors or persons with any kind of security risk.[15]

In the Caribbean, it was quite apparent that a private registry was the most common approach. Recently, some territories such as Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, and the Turks and Caicos have taken a step forward by reforming their regulatory frameworks toward mechanisms whereby anybody who demonstrates a legitimate interest may be granted partial access to the information held in the registries. This is a major breakthrough regarding information access and democratization, transparency, and the prevention of crimes such as corruption, as will be seen in our analysis below on the Caribbean.

14 Transparency International. (n.d.). *How to guide: Designing political integrity indicators* (Final). Retrieved from https://knowledgehub.transparency.org/assets/uploads/kproducts/How-to-Guide_Designing-Political-Integrity-Indicators_FinalES.pdf.

15 Australian Government Department of the Treasury. (2024). *Beneficial ownership policy: Privacy impact assessment*. Retrieved from https://treasury.gov.au/publication/p2024-604972.

In contrast with the steps forward in the Caribbean, a 2023 ruling by the Court of Justice of the European Union (CJEU) dismissed the provision of the 5th European Union Directive Against Money Laundering[16] which guaranteed public access to information on corporate beneficial owners. This was a setback in the international arena in the trend of making registries more and more public. In this sense, the ruling may influence lawmakers in LAC, as Europe is often viewed as a reference point for BO transparency standards.

According to Transparency International, "*With the adoption of the provision on public access, the EU recognized that competent authorities and obliged entities have failed to deter money laundering, and that the rest of the society—including media and civil society—act as watchdogs*".[17] Therefore, this ruling impacts significatively on the multi-actor view of the fight against corruption, money laundering, and terrorism financing.

Many countries, such as Luxembourg, took different steps on the legislative level, as rather than promoting greater access and enhanced punishing policies for non-compliant parties, opted instead for the Trade and Companies Registry (RCS, as per its initials in French) and the Beneficial Ownership Act (RBE, as per its initials in French) limiting access to the information contained in the registry to Luxembourg authorities, professionals required to comply with anti-money laundering and financing terrorism (AML/CFT), and those who demonstrate legitimate interest, such as journalists and other CSOs.[18]

D. Challenges to Consolidating this Registry in the United States and Its Influence Across the Region

While this report does not include a comprehensive analysis of the United States (U.S.) case, it becomes relevant to ponder how regulatory decisions and trends in that country may have a direct or indirect impact on the LAC region. Given the US importance, as well as its central role in the international financial system and the processes of global cooperation and compliance in transparency issues, its regulatory progress on BO identification may reverberate across the region. Therefore, we include a brief analysis of the approach adopted by the US on this matter, and a review of the latest changes, so as to better understand its potential influence on policies and decision-making across the region.

The Corporate Transparency Act (CTA) has been linked to multiple legal proceedings that have threatened the effective implementation of a BO registry in the US. The Center for Individual Rights (CIR) claimed in favor of a small coalition of companies called Texas Cop Shop and the Mississippi

16 European Union Court of Justice. (2023). *Sentencia del Tribunal de Justicia de la Unión Europea en el asunto C-37/20, que anuló la disposición de la Quinta Directiva Antilavado de Dinero de la UE.* Diario Oficial de la Unión Europea. Retrieved from https://curia.europa.eu.

17 Transparency International. (2023). *CJEU ruling on EU public BO registers: What next for corporate transparency?* Transparency International. Retrieved from https://www.transparency.org/en/blog/cjeu-ruling-eu-public-beneficial-ownership-registers-what-next-for-corporate-transparency.

18 Shearman & Sterling LLP. (2023, March 1). *Luxembourg adapts its RCS and RBE legislations after CJEU ruling.* Shearman & Sterling LLP. Retrieved from https://www.aoshearman.com/en/insights/luxembourg-adapts-its-rcs-and-rbe-legislations-after-cjeu-ruling.

Libertarian Party versus the CTA. Mainly claiming that the law requiring US companies to provide information about their beneficial owners is unconstitutional and breaks the Fourth Amendment, concerning submitting confidential information without the due legal proceedings to support it.[19]

The proceedings—only one of the multiple attempts to stop the operation of the registry operated by the Financial Crime Enforcement Network (FinCEN) —have set a regional precedent, as have the decisions in the European Union, since it would allow for those who are in disagreement with these transparency measures to consider that it is possible, through legislation, to avoid regulations. Since the US is an indisputable reference for LAC, it is still unknown whether the recent efforts to hinder the registry may have a negative impact on those that have already been deployed across the region, or even further efforts to move towards increasingly public registries.

On February 17, 2025, a preliminary injunction issued in the case of *Smith v. United States Department of the Treasury* was lifted, removing the last legal obstacle to implementing the CTA.[20] This decision would allow resuming the process of registering beneficial owners, which was ultimately confirmed on February 18, 2025, by FinCEN through a public statement granting an additional 30-day window to many of the companies required to report in order to comply with the regulation.[21] However, on March 2, 2025, through social media—and later followed by an official statement from the Department of the Treasury—President Donald Trump announced the suspension of sanctions or fines related to noncompliance with the CTA's BO reporting requirements. He also stated that "The Department of the Treasury will issue a proposed rule that will narrow the scope of the regulation to include only foreign companies required to report."[22]

This news might discourage promotion transparency efforts and bring some challenges for the registry's effectiveness and operability, which is a key tool for LAC authorities. Through mechanisms of cooperation and information exchange, this kind of registry allows access to relevant data on companies with subsidiaries both across the region and in the US, as well as on individuals linked to transnational or domestic crimes operating through structures domiciled in that country.

In this context, some countries in the region currently in the process of establishing their own registries might be influenced by this decision, leaning toward models that prioritize the protection of information and adopting a more cautious approach regarding the disclosure of business data.

19 Constitutional Information Resources (CIR). (2023). *Texas top cop shop et al. v. Merrick Garland et al.* Constitutional Information Resources. Retrieved from https://cir-usa.org/cases/texas-top-cop-shop-et-al-v-merrick-garland-et-al/.

20 The FACT Coalition. (2023, February 17). *Federal judge lifts injunction in Smith case, allowing enforcement of Corporate Transparency Act*. The FACT Coalition. Retrieved from https://thefactcoalition.org/federal-judge-injunction-smith-case/.

21 Financial Crimes Enforcement Network (FinCEN). (2023, February 15). *FinCEN Beneficial Ownership Information Notice: Deadline extension*. Retrieved from https://www.fincen.gov/sites/default/files/shared/FinCEN-BOI-Notice-Deadline-Extension-508FINAL.pdf.

22 U.S. Department of the Treasury. (2025, March 2). *Press release: Treasury Department Announces Suspension of Enforcement of Corporate Transparency Act Against U.S. Citizens and Domestic Reporting Companies.* Department of the Treasury. Retrieved from https://home.treasury.gov/news/press-releases/sb0038.

The Caribbean

BO transparency has become a regional priority in the Caribbean, largely due to pressures from international bodies like FATF and the EU, both of which seek to curb illicit financial flows and enhance accountability.[23] This section provides a regional analysis of BO transparency across the Caribbean, covering Antigua and Barbuda, the Bahamas, Barbados, Belize, Cuba, Dominica, the Dominican Republic, Grenada, Guyana, Haiti, Jamaica, Saint Kitts and Nevis, Saint Lucia, St. Vincent & the Grenadines, Suriname, and Trinidad and Tobago, along with the British Overseas Territories (BOTs) of Anguilla, Bermuda, the British Virgin Islands, the Cayman Islands, Montserrat, and the Turks and Caicos Islands. The analysis examines legislative progress, enforcement mechanisms, registry accessibility, and international compliance trends in BO reforms across these jurisdictions. While many Caribbean nations have taken significant steps to establish BO frameworks and registries, challenges persist in areas such as public access, verification, and enforcement capacity.

Notably, countries like Belize, Jamaica, and Guyana have introduced regulatory BO frameworks, while others, such as the Cayman Islands and the British Virgin Islands, have implemented centralized registries with restricted access. However, the lack of uniform enforcement mechanisms and varying ownership thresholds, ranging from 10% in Trinidad and Tobago to 25% in most other jurisdictions, continues to pose transparency risks. Furthermore, some Caribbean territories, including Anguilla and Trinidad and Tobago, remain on the EU's "grey list" due to perceived deficiencies in BO compliance. As regulatory scrutiny increases, jurisdictions such as Bermuda and Montserrat are transitioning to legitimate interest access models, allowing vetted stakeholders to access BO data under specific conditions. This section explores the diverse regulatory approaches adopted across the region, highlighting key trends, challenges, and recommendations for enhancing BO transparency, enforcement, and international cooperation.

A notable trend is the push for centralized BO registries, such as those implemented in the Cayman Islands and the British Virgin Islands, where recent laws, like the Beneficial Ownership Transparency Act of 2023 in Cayman, underscore this shift.[24] Although these registries are mainly private, they lay the groundwork for more robust regulatory control and alignment with global standards.[25]

Caribbean jurisdictions, such as Bermuda[26] and the Bahamas, are actively exploring ways to make BO registries more accessible, reflecting a regional shift toward transparency. However, the implementation of BO legislation faces challenges, including limited resources, privacy concerns, and the complexity of ownership structures, particularly in offshore jurisdictions where corporate networks

23 FATF (2024): FATF Official Site.

24 Government of Cayman Islands (2023): https://legislation.gov.ky/cms/images/LEGISLATION/PRINCIPAL/2023/2023-0013/BeneficialOwnershipTransparencyAct2023_Act%2013%20of%202023.pdf.

25 Harneys. (2024). Cayman Islands revamps BO framework for 2024. Retrieved from https://www.harneys.com/our-blogs/regulatory/cayman-islands-revamps-beneficial-ownership-framework-for-2024/.

26 Royal Gazette. (2024, November 21). Consultation opens on BO legislation. Retrieved from https://www.royalgazette.com/politics/news/article/20241121/consultation-opens-on-beneficial-ownership-legislation/.

often obscure actual ownership.[27] Smaller territories, like Montserrat and countries like Grenada, face major challenges in aligning with global standards due to insufficient enforcement resources.[28]

Some Caribbean countries have faced increasing scrutiny from international regulatory bodies, leading to the placement of some on the EU's "grey list" for tax non-cooperation. This list highlights jurisdictions with perceived deficiencies in tax governance or transparency, particularly around BO frameworks, anti-money laundering (AML), and financial reporting. Trinidad and Tobago, for instance, has been listed due to its ongoing challenges in fully implementing AML standards and BO transparency measures. Although the country has made progress with its Companies Amendment Act, 2019, establishing a BO registry accessible to regulatory authorities, it has yet to meet all of the EU's and FATF's requirements for financial transparency.[29]

The U.S. Virgin Islands and Anguilla also appear on the EU grey list, facing similar concerns around tax compliance and BO regulations. While Anguilla has implemented frameworks for BO reporting, its registry remains private, accessible only to local authorities and not to the public, a limitation the EU views as a gap in transparency.[30] The U.S. Virgin Islands, regulated by the United States Corporate Transparency Act (CTA), requires companies to submit BO information to FinCEN, but the registry remains private, which has drawn criticism from the EU for insufficient openness.[31] However, on March 2, 2025, the U.S. Treasury Department announced the suspension of enforcement of the CTA[32] against U.S. citizens and domestic reporting companies including those in the U.S. Virgin Islands. This suspension, part of a broader regulatory shift, delays the implementation of BO reporting requirements. These inclusions highlight the EU's emphasis on public accessibility in BO frameworks and tax transparency as part of its efforts to combat tax evasion and enhance global financial integrity.

In Belize, the Companies Amendment Act of 2023 mandates that companies file BO information via the Online Business Registry System, available only to authorities, thereby aligning with FATF standards and maintaining privacy.[33] Guyana supports BO transparency through a public registry under its National Anti-Money Laundering Action Plan, reinforcing anti-corruption compliance.[34] Jamaica

27 OECD (2024), Beneficial Ownership and Tax Transparency – Implementation and Remaining Challenges: OECD and Global Forum Report to G20 Finance Ministers and Central Bank Governors, OECD Publishing, Paris, https://doi.org/10.1787/f95790b1-en.

28 Caribbean Financial Action Task Force (CFATF). (2023). Annual Report 2022-2023. Retrieved from https://www.cfatf.org/documents/cfatf-annual-reports/22989-cfatf-annual-report-2022-2023/file.

29 European Union. (2024). *EU list of non-cooperative jurisdictions for tax purposes*. Retrieved from https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/.

30 EU Council. (2024). *Anguilla and U.S. Virgin Islands on the EU's grey list for tax purposes.* Retrieved from https://www.consilium.europa.eu/en/policies/eu-list-of-non-cooperative-jurisdictions/.

31 U.S. Department of the Treasury. (2023). *Corporate Transparency Act: Beneficial ownership information reporting requirements*. Retrieved from https://www.fincen.gov/boi.

32 U.S. Department of the Treasury. (2025, March 2). Statement regarding enforcement of the Corporate Transparency Act following judicial decision. U.S. Department of the Treasury. https://home.treasury.gov/news/press-releases/sb0038.

33 GS Tax Consultants. (2023). The Belize Companies (Amendment) Act, 2023 and the Accounting Records (Maintenance) Amendment Act, 2023. Retrieved from https://www.gstaxconsultants.com/news-articles/296-the-belize-companies-amendment-act-2023-and-the-accounting-records-maintenance-amendment-act-2023.

34 Organization of American States (OAS). (2024). Guyana: Presentation to the MESICIC Committee of Experts [PowerPoint slides]. Retrieved from https://www.oas.org/es/sla/dlc/mesicic/docs/Marzo2024_ss_Guyana_ppt.pdf.

has advanced BO transparency with a registry managed by the Companies Office,[35] accessible only to regulatory agencies. Barbados is progressing toward BO transparency, with ongoing policy discussions about establishing a BO registry to enhance FATF compliance.

International best practices, like the public BO registries established in the UK, have bolstered accountability by enabling both public and regulatory access, thus increasing transparency in corporate ownership and financial transactions.[36] However, while privacy considerations are critical, the Caribbean generally maintains private BO registries to prioritize privacy, although this can limit broader transparency. Standardizing BO data collection and strengthening international cooperation would enhance enforcement across the region, making compliance more achievable and uniform.[37]

Further supporting these transparency efforts, the United Nations Office on Drugs and Crime (UNODC) has emphasized anti-corruption through its Anti-Corruption Hub for Latin America and the Caribbean, developed under the United Nations Convention Against Corruption (UNCAC). This initiative aids Caribbean nations in creating robust frameworks that incorporate BO transparency to address corruption and promote accountability, aligning with global anti-corruption standards.[38]

Beneficial Ownership Registries in the Caribbean

BO transparency in the Caribbean has seen gradual progress, yet significant gaps persist in key areas such as thresholds, public procurement, sanctions, and verification mechanisms. The adoption of BO reforms across the region is driven primarily by international commitments to AML and anti-corruption frameworks. However, inconsistencies in implementation and enforcement hinder the full realization of these reforms' potential.

One major area of divergence is the threshold for reporting BO. While some jurisdictions, such as Trinidad and Tobago, have adopted a 10% threshold to reflect a risk-based approach and capture a broader range of ownership structures, others, like Jamaica, Belize, and Guyana, adhere to the higher 25% threshold recommended by the FATF. While this higher threshold aligns with international standards, it creates opportunities for obfuscation in more complex ownership arrangements, where significant influence may be exercised below the reporting level.[39]

Public procurement remains a largely untapped area for utilizing BO data in the Caribbean. Although corporate entities are generally required to disclose BO for compliance purposes, BO transparency in

35 Companies Office of Jamaica (2023): Jamaica BO Registry.

36 UK Department for Business, Energy & Industrial Strategy. (2016). Enhancing transparency of BO information to combat corruption and promote trust. Retrieved from https://assets.publishing.service.gov.uk/media/5a7f570ded915d74e33f5d42/bis-16-161-beneficial-ownership-transparency.pdf.

37 Financial Action Task Force (FATF). (2023). Guidance on BO transparency for legal arrangements. Retrieved from https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Guidance-Beneficial-Ownership-Transparency-Legal-Arrangements.html.

38 United Nations Office on Drugs and Crime (UNODC). (n.d.). Corruption. Retrieved from https://www.unodc.org/ropan/en/corrupcin.html.

39 National Democratic Institute & Open Ownership. (2024). Beneficial ownership transparency: A guide for parliaments. National Democratic Institute and Open Ownership. Retrieved from https://www.openownership.org.

procurement processes is not explicitly mandated. The absence of such requirements prevents governments from leveraging BO data to deter corruption and ensure accountability in the allocation of public contracts. Including BO transparency provisions in procurement frameworks would be a critical step towards strengthening integrity and trust in public spending.

Sanctions for non-compliance with BO reporting obligations vary across the region. Countries like Antigua and Barbuda and Trinidad and Tobago impose financial and administrative penalties, while Barbados includes imprisonment for more severe breaches. Despite the presence of legal sanctions, enforcement remains a challenge due to limited capacity and resources within registry authorities. Without consistent enforcement, these penalties risk being ineffective as deterrents, undermining the integrity of BO disclosure systems.[40]

The inclusion of non-legal persons, such as trusts and partnerships, under BO regulations is another area of concern. While countries like the Bahamas and Belize require BO disclosures for foreign entities, few jurisdictions adequately address trusts and other complex legal arrangements. This omission creates loopholes that can be exploited to obscure BO, particularly in financial centers where such structures are frequently used for secrecy purposes.[41]

Access to BO registries remains restricted across the Caribbean, with most registers maintained as private databases by regulatory authorities such as the Financial Services Commissions or Registrar Generals. Throughout our analysis, it was found that out of the 22 jurisdictions, including the BOT, 14 countries had private registries. Out of the 22, four countries have no BO Registry, three with partially public or legitimate access registries, and one publicly accessed registry. The limited accessibility of BO information may hinder the overall effectiveness of BO regimes in addressing illicit financial flows, tax evasion, and corruption.

Verification of BO information is another element to consider. While entities are legally obligated to provide accurate information, few countries have robust mechanisms to validate the accuracy of submissions. Based on our own research, the registries of Jamaica and Trinidad and Tobago, for example, could benefit from a greater incorporation of systematic verification processes, which would strengthen the integrity and accuracy of BO data. Without adequate verification, BO data cannot be fully relied upon or used effectively by regulatory agencies or other interested parties.

BO transparency in the BOT of the Caribbean has evolved significantly in recent years, driven by global regulatory pressures and the need to combat financial crime. Jurisdictions such as the Cayman Islands, Bermuda, the British Virgin Islands, Anguilla, and the Turks and Caicos Islands have historically maintained private BO registers, restricting access to regulatory authorities while limiting scrutiny from civil society and investigative bodies. However, a major shift is expected following a

40 Ime, F., & Kiepe, T. (2024). Guide to drafting effective legislation for BO transparency. Open Ownership. Retrieved from https://www.openownership.org.

41 Ime, F., Cirimello, L., & Kiepe, T. (2024). Legislating for effective BO transparency reforms in the extractive sector. Opening Extractives. Retrieved from https://eiti.org/opening-extractives.

January 8, 2025, ministerial statement in the UK House of Commons,[42] which announced that these territories will introduce legitimate interest access to BO registers by April 2025, with full implementation targeted for June 2025 or earlier. While this move stops short of full public access, it marks a significant step toward enhanced transparency, allowing vetted stakeholders—including journalists, civil society organizations, and financial crime investigators—to request access to BO data under specific conditions.

This change aligns with the global trend toward phased access models, as seen in Bermuda's decision to introduce tiered access for financial institutions in 2025 and extend it to those with a legitimate interest by 2026. Meanwhile, Montserrat has taken a different approach, maintaining a centralized BO framework through its Persons with Significant Control (PSC) Register,[43] ensuring that competent authorities have real-time access to BO data. The challenge across all BOTs remains to balance financial transparency with privacy concerns while strengthening BO verification, enforcement, and cross-border cooperation to align with FATF and international best practices.

Lastly, regional frameworks such as the Caribbean Community (CARICOM) present an important opportunity to promote for harmonizing BO standards across the Caribbean. Greater collaboration through regional initiatives could streamline legislation, encourage the sharing of best practices, and improve cross-border cooperation in tackling illicit financial flows. Leveraging such frameworks would also enhance capacity-building efforts and ensure more consistent implementation of BO reforms across member states.

While progress has been made in implementing BO reforms across the Caribbean, significant gaps remain in the definition of thresholds, public procurement utilization, enforcement of sanctions, and verification mechanisms. Private registers and inconsistent regional approaches further impede transparency. In some countries, public access to information is notably absent, limiting the ability of civil society, media, and other actors to monitor ownership information and detect misuse.[44] To strengthen BO regimes and align them with global standards, Caribbean countries should consider lowering thresholds to enhanced BO disclosure[45]. This would promote transparency of information or certain information of BO in public procurement, enhancing verification systems, and exploring regional cooperation to harmonize standards and improve enforcement.

For a detailed overview of each of the countries analyzed, please refer to Table 1 in this document (page 17).

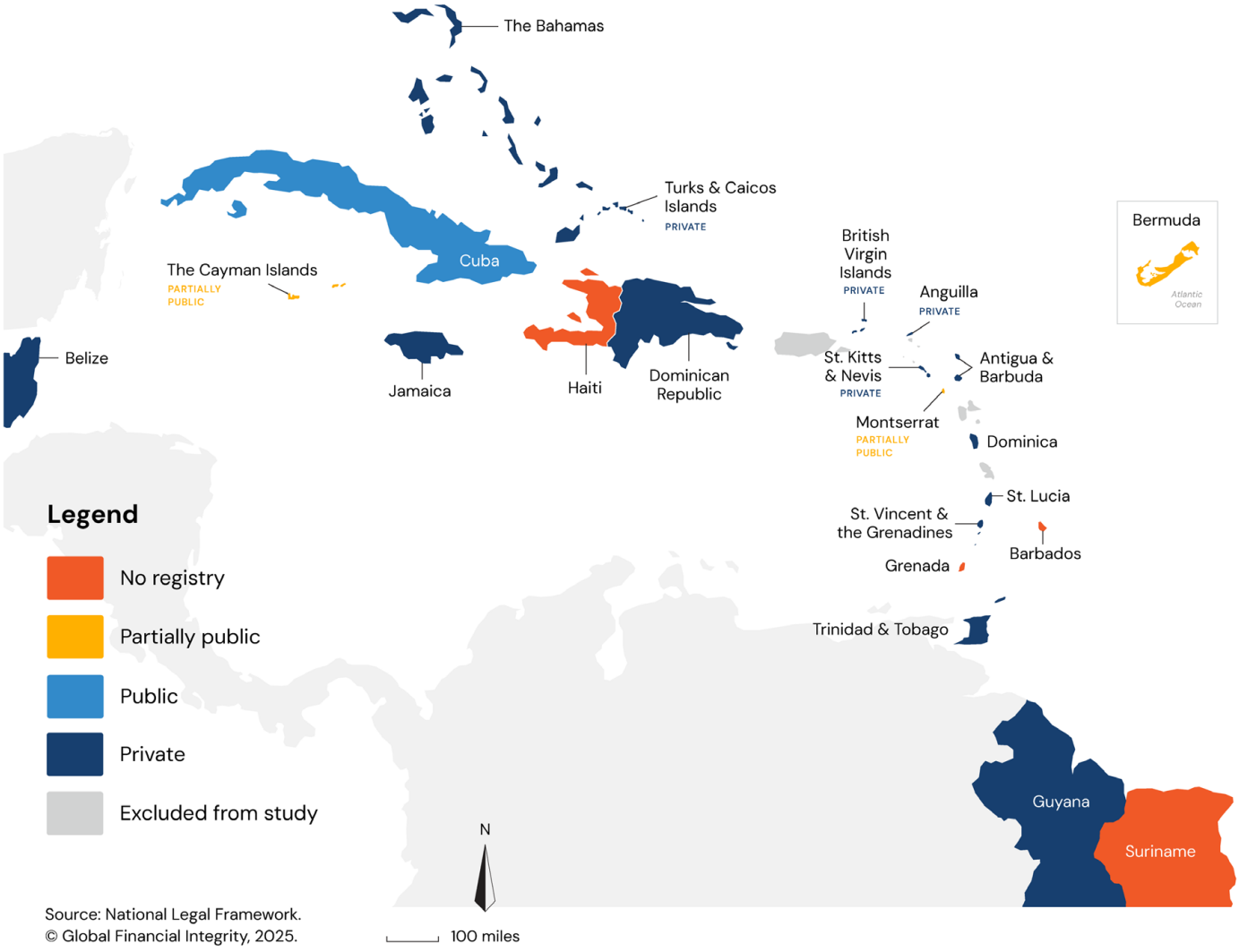
42 UK Parliament. (2025, January 8). Beneficial ownership transparency in the British Overseas Territories (HCWS356). UK Government. https://questions-statements.parliament.uk/written-statements/detail/2025-01-08/hcws356.

43 Montserrat Financial Services Commission (FSC). (2024). Persons with Significant Control (Registration) Regulations, 2024 (SRO No. 15 of 2024). Government of Montserrat. https://www.fscmontserrat.org/wp-content/uploads/2024/04/SRO-No.-15-of-2024-Persons-with-Significant-Control-Registration-Regulations-21.03.2024.pdf.

44 See Footnote 16.

45 Open Ownership. (2022, March 7). FATF Recommendation 24: Global standards on BO are rising. Open Ownership. https://www.openownership.org/en/blog/fatf-recommendation-24-global-standards-on-beneficial-ownership-are-rising/.

Beneficial Ownership Registry Type in the Caribbean



Source: National Legal Framework.

Table 1

Beneficial Ownership Registries in the Caribbean

In this report, we focus exclusively on the year when the legislation establishing the BO registry was enacted in each country. It is essential to note that this refers solely to the year the BO registry was formally created, not to other years where BO may have been mentioned under some other legislation. The information about the threshold, status, use in public procurement, sanctions, and inclusion of foreign companies and obligated entities is merely concentrated on the BO registry regulations, not some other BO requirements in each country.

COUNTRY	BO REGISTRY LEGISLATION	BO REGISTRY LEGISLATION DATE	REGISTRY TYPE	THRESHOLD	REGISTRY CUSTODIAN	SANCTIONS	OBLIGATED ENTITY (NON-LEGAL PERSON)	FOREIGN COMPANIES REGULATIONS
Antigua and Barbuda	Companies (Amendment) Act, 2022	2022	Private	≥ 5% ownership or control	Financial Services Regulatory Commission (FSRC)	Administrative and Financial Penalties	Yes	Required to file BO information annually, no later than 30 days after the anniversary date of incorporation
Bahamas	Register of Beneficial Ownership Act, 2018	2018	Private	≥10% ownership or control	Registrar General's Department	Financial and Imprisonment Penalties	Yes	Required to comply with BO Regulations
Barbados[46]	No Beneficial Ownership Registry							
Belize	Companies (Amendment) Act, 2023	2023	Private	>25% ownership or control	Belize Companies and Corporate Affairs Registry	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
Cuba	Decree Law 317. Information centralized in the Central Mercantile Registry	2013	Public	≥25% ownership	National Bureau of Statistics and Information (ONEI)	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
Dominica	Money Laundering (Prevention) Act, 2011; Money Laundering (Prevention) Regulations, 2013	2013	Private	≥ 10% ownership or control	Financial Services Unit (FSU)	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
Dominican Republic	Law No 155	2017	Private	≥ 20% ownership or control	General Directorate of Internal Taxes (DGII)	Administrative and Financial Penalties	Not mentioned	Not mentioned

Table 1 continued on next page

46 While Barbados does not have a centralized Beneficial Ownership Registry they have taken measures to comply with international standards. These compliance mechanisms are found in more than one legislation and National Policy: The Companies Act & the Beneficial Ownership Guidelines (2021). These outline the definition of Beneficial Ownership, the relevant threshold and the agency that will receive the information and maintain the registry.

COUNTRY	BO REGISTRY LEGISLATION	BO REGISTRY LEGISLATION DATE	REGISTRY TYPE	THRESHOLD	REGISTRY CUSTODIAN	SANCTIONS	OBLIGATED ENTITY (NON-LEGAL PERSON)	FOREIGN COMPANIES REGULATIONS
Grenada	No Beneficial Ownership Registry							
Guyana	Anti-Money Laundering and Countering the Financing of Terrorism (Amendment) (No. 2) Act, 2015	2015	Private	≥ 25% ownership or control	Deeds and Commercial Registries Authority	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
Haiti	No Beneficial Ownership Registry							
Jamaica	Companies (Amendment) Act, 2023	2023	Private	≥ 25% ownership or control	Companies Office of Jamaica (COJ)	Financial Penalties	Yes	Required to comply with BO Regulations
Saint Kitts and Nevis	Statutory Rules And Orders – No. 51 of 2011 – Financial Services (Implementation of Industry Standards) Regulations, 2011	2011	Private	≥ 5% ownership or control	Financial Services Regulatory Commission (FSRC)	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
Saint Lucia	Money Laundering (Prevention) Act, Cap. 12.20; Companies Act, Cap. 13.01	2010	Private	≥ 25% ownership or control	Financial Intelligence Unit (FIU)	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
St. Vincent & the Grenadines	Beneficial Ownership (Amendment) Act, 2023	2023	Private	≥ 25% ownership or control	Financial Services Authority (FSA)	Financial and Imprisonment Penalties	Yes	Required to comply with BO Regulations
Suriname[47]	No Beneficial Ownership Registry							
Trinidad and Tobago	Companies (Amendment) Act, 2019;	2019	Private	≥ 10% ownership or control	Registrar General's Department	Financial and Imprisonment Penalties	Yes	Required to comply with BO Regulations
British Overseas Territories								
Anguilla	Commercial Registry and Beneficial Ownership Registration System Act, 2023	2023	Private	> 25% ownership or control	Financial Services Commission (FSC)	Administrative and Financial Penalties	Not mentioned	Required to comply with BO Regulations

Table 1 continued on next page

47 While Suriname has no official laws that requires the reporting of Beneficial Ownership, they are members of the Extractives Industry Transparency Initiative (EITI). Suriname has committed to BO transparency for the extractives sector.

COUNTRY	BO REGISTRY LEGISLATION	BO REGISTRY LEGISLATION DATE	REGISTRY TYPE	THRESHOLD	REGISTRY CUSTODIAN	SANCTIONS	OBLIGATED ENTITY (NON-LEGAL PERSON)	FOREIGN COMPANIES REGULATIONS
Bermuda	The Registrar of Companies (Compliance Measures) Act 2017	2017	Legitimate Interest (Partially Public)	> 25%	Bermuda Monetary Authority (BMA)	Administrative and Financial Penalties	Not mentioned	Required to comply with BO Regulations
British Virgin Islands (BVI)	Beneficial Ownership Secure Search System Act, 2017	2017	Private	> 25% ownership or control	BVI Financial Services Commission	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
The Cayman Islands	Beneficial Ownership Transparency Act, 2023 (BOTA)	2023	Legitimate Interest (Partially Public)	> 25% ownership or control	The General Registry of the Cayman Islands	Administrative and Financial Penalties	Not mentioned	Required to comply with BO Regulations
Montserrat	Companies Act 2023;	2024	Legitimate Interest (Partially Public	>25% ownership or control	Financial Services Commission (FSC)	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
Turks and Caicos Islands	Beneficial Ownership Regulations 2017, Companies Ordinance 2017	2017	Private	> 25% ownership or control	Financial Services Commission (FSC)	Administrative and Financial Penalties	Not mentioned	Required to comply with BO Regulations

Source: National Regulatory Framework. Global Financial Integrity, 2025.

Mexico and Central America

Corporate transparency has gained increasing prominence on the agendas of several countries in the region. Both Mexico and various Central American nations have begun to take important steps toward improving BO identification. This section focuses on the subregion of Central America, analyzing the status and progress of BO registries in countries such as Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. Also, it includes an analysis of Mexico's efforts. While some countries, such as Costa Rica and Panama, have made significant progress in this area, the majority have yet to adopt BO registries as a complementary tool in their efforts to strengthen corporate transparency.

In Central America, a variety of dynamics have facilitated the use of corporate structures to commit financial crimes, prompting several countries to reinforce their control mechanisms. In the case of Panama, the implementation of a BO registry was a key step in avoiding re-inclusion on the FATF grey list in 2023. That year, through a series of legislative reforms, the country succeeded in strengthening its AML/CFT framework, most notably with the creation of the "Private and Unique System for the Registration of Beneficial Ownership of Legal Entities in Panama," which made it possible to centralize information and improve the traceability of the beneficial ownership of legal entities.[48] Panama's efforts to improve its international reputation and promote transparency regarding the beneficial owners of domestic and foreign companies operating within its territory have served as a catalyst for other countries in the region.

Costa Rica's commitment to corporate transparency is reflected in the implementation of the Registry of Transparency and Beneficial Ownership, a platform managed by the Central Bank that centralizes information on legal entities and their beneficial owners. Since its launch in 2019, the country has achieved notable progress in terms of registry coverage, although it still faces challenges related to information verification and the enforcement of penalties for non-compliance. Nonetheless, Costa Rica's experience has become a benchmark within the region.

Mexico, meanwhile, has taken important steps by incorporating the concept of BO into its legal framework, particularly in the areas of taxation and anti-money laundering (AML). However, the country still lacks a centralized registry. The responsibility for identifying BO lies primarily with financial institutions and obligated entities under the Federal Law for the Prevention and Identification of Operations with Illicit Funds. This has led to a fragmented approach that limits the efficiency of access to and use of information by competent authorities.

In countries such as El Salvador, Guatemala and Honduras, the situation is still at a nascent stage. Although efforts have been made to incorporate the notion of BO into AML regulations, the absence of centralized registries and robust verification mechanisms continues to limit the real impact of these provisions. Limited institutional coordination, limited technical capacity, and complex political contexts have hindered the implementation of more structural reforms.

48 National Authority for Transparency (SSNF). (2023, September). *Preguntas frecuentes*. Secretaría Nacional de Transparencia de la Nación. Retrieved from https://ssnf.gob.pa/wp-content/uploads/2023/09/Preguntas-frecuentes.pdf.

Despite these challenges, the growing interest in aligning with international standards, driven by FATF evaluations, pressure from multilateral organizations, and international commitments on fiscal transparency, presents an opportunity for countries in the subregion to strengthen their regulatory frameworks and develop effective and sustainable registries. Learning from the experiences of countries like Panama and Costa Rica can serve as a guide for adapting solutions to national contexts and advancing more cohesively toward corporate transparency in Central America and Mexico.

Beneficial Ownership Registries in Mexico and Central America

As part of our analysis of the seven countries included in the report within the category of Mexico and Central America, three currently have a BO registry in place, while four do not. It is worth noting that in the case of Guatemala, which, for the purposes of this study, is not yet considered a country making significant progress in establishing a centralized registry, there is already a draft bill under discussion aimed at creating one. Thus, it is possible that this status may change soon if policy makers approve the "Beneficial Ownership Law", filed on December 9, 2024.[49]

Countries like Honduras and El Salvador still lack a BO registry, and as of the date of this report, no legislative initiatives aimed at establishing one have been identified. Concerning compliance with FATF standards, Honduras has been rated as "non-compliant (NC) with Recommendation 24 since its Fourth Mutual Evaluation Round in 2016,[50] despite having made commitments in this area as part of a loan agreement with the International Monetary Fund (IMF) in 2020.

El Salvador, for its part, recently completed its Fourth Round of Mutual Evaluation, receiving a score of partially compliant (PC) for Recommendation 24 and mostly compliant (MC) for Recommendation 25. However, the country still does not have a centralized BO registry that captures information on both legal entities and unincorporated corporate structures operating within its jurisdiction. According to the FATF, "the information held by the commercial registry is not updated in a timely manner,"[51] and the country lacks a clear understanding of the various risks associated with corporate structures in relation to money laundering and terrorism financing. Additionally, companies largely lack centralized and accessible sources of information to carry out an effective due diligence process when they are obligated entities under AML/CFT regulations.

In contrast, as mentioned before, Costa Rica has been a pioneer in the establishment of BO registries and in the innovative use of such tools to combat corruption and financial crime. Its registry is governed by a structured legal framework.[52] The registry enables citizens to determine whether they

49 Alta Legal. (2023, February 20). *Iniciativa de ley del beneficiario final*. Álta Legal. Retrieved from https://altalegal.com/comunicacion/iniciativa-de-ley-del-beneficiario-final/.

50 Financial Action Task Force (FATF). (2023). *4th round mutual evaluation ratings*. Financial Action Task Force. Retrieved from https://www.fatf-gafi.org/content/dam/fatf-gafi/Global-Network/4th-Round-Ratings.pdf.

51 GAFILAT. (2024). *Evaluación mutua de cuarta ronda de la República de El Salvador.* GAFILAT. Retrieved from https://biblioteca.gafilat.org/?p=6959.

52 Costa Rica Judicial Power. (n. d.). Ley N° 9795: *Ley de Beneficiario Final.* Poder Judicial de Costa Rica. Retrieved from http://www.pgrweb.go.cr/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&nValor1=1&nValor2=83186&nValor3=106701&strTipM=TC.

are considered obligated entities through an online platform. Recently, in October 2024, Costa Rica expanded its scope to include Nonprofit Organizations (NPOs) as obligated entities, with a few exceptions, alongside foreign branches and foundations operating in the country. This is an innovative development, especially considering that many countries in the region do not include NPOs among their obligated reporting entities.[53]

Meanwhile, Mexico faces some of the greatest challenges in the region in implementing BO transparency policies. Although the country has legal provisions defining the concept of "controlling beneficiary" under the Federal Law for the Prevention and Identification of Operations with Resources of Illicit Origin—most recently updated in 2021[54]— and while the Federal Tax Code has required since 2022 that controlling beneficiaries, including trusts and other corporate vehicles, be identified and documented in accordance with the guidelines of the Tax Administration Service (SAT, for its Spanish acronym),[55] Mexico has a registry-based approach to centralize this information.

Furthermore, Mexico should look into harmonizing the legal definition of "controlling beneficiary" and, as proposed in recent legislative reforms to the Federal Law for the Prevention and Identification of Operations with Resources of Illicit Origin, adopting the internationally recognized term "beneficial owner." Those reforms even recommend leveraging the electronic company registry system managed by the Ministry of the Economy for the purpose of collecting and reporting information by obligated entities.[56]

Despite the numerous challenges facing Central America and Mexico, there are encouraging signs of progress, including public debates, international commitments, and pending legislative proposals that aim to establish more robust regulatory frameworks. It is also important that, in countries where registries are already operational, foreign companies are included as obligated reporting entities, indicating a growing regional trend toward enhanced transparency. In relation with the recent statements made by the president of the U.S, Donald Trump,—announcing the suspension of reporting obligations under the U.S. BO registry and casting doubt on its effectiveness in the fight against financial crime—it may have significant repercussions for ongoing policy discussions in countries such as Mexico.

A detailed status and the categories analyzed for each country, is seen in Table 2 (page 23).

53 Costa Rica Judicial Power. (2024). *Resolución conjunta de alcance general para el registro de transparencia y beneficiarios finales*. Dirección General de Tributación e Instituto Costarricense sobre Drogas. Retrieved from http://www.pgrweb.go.cr/scij/Busqueda/Normativa/Normas/nrm_texto_completo.aspx?param1=NRTC&param2=1&nValor1=1&nValor2=102813&nValor3=142408&strTipM=TC&lResultado=1&nValor4=1&strSelect=sel.

54 Deputy Hall of the Honorable Congress of the Union. (2020, May 21). *Ley de protección de datos personales en posesión de los sujetos obligados*. Cámara de Diputados del H. Congreso de la Unión. Retrieved from https://www.diputados.gob.mx/LeyesBiblio/pdf/LFPIORPI_200521.pdf.

55 Cámara de Diputados del H. Congreso de la Unión. (2021). *Código Fiscal de la Federación*. Cámara de Diputados del H. Congreso de la Unión. Retrieved from https://www.diputados.gob.mx/LeyesBiblio/pdf/CFF.pdf.

56 Corral Jurado, J. (2024). *Iniciativa con Proyecto de Decreto por el que se reforman, adicionan y derogan diversas disposiciones de la Ley Federal para la Prevención e Identificación de Operaciones con Recursos de Procedencia Ilícita, y se reforman los artículos 11 bis y 400 bis del Código Penal Federal*. Senado de la República.

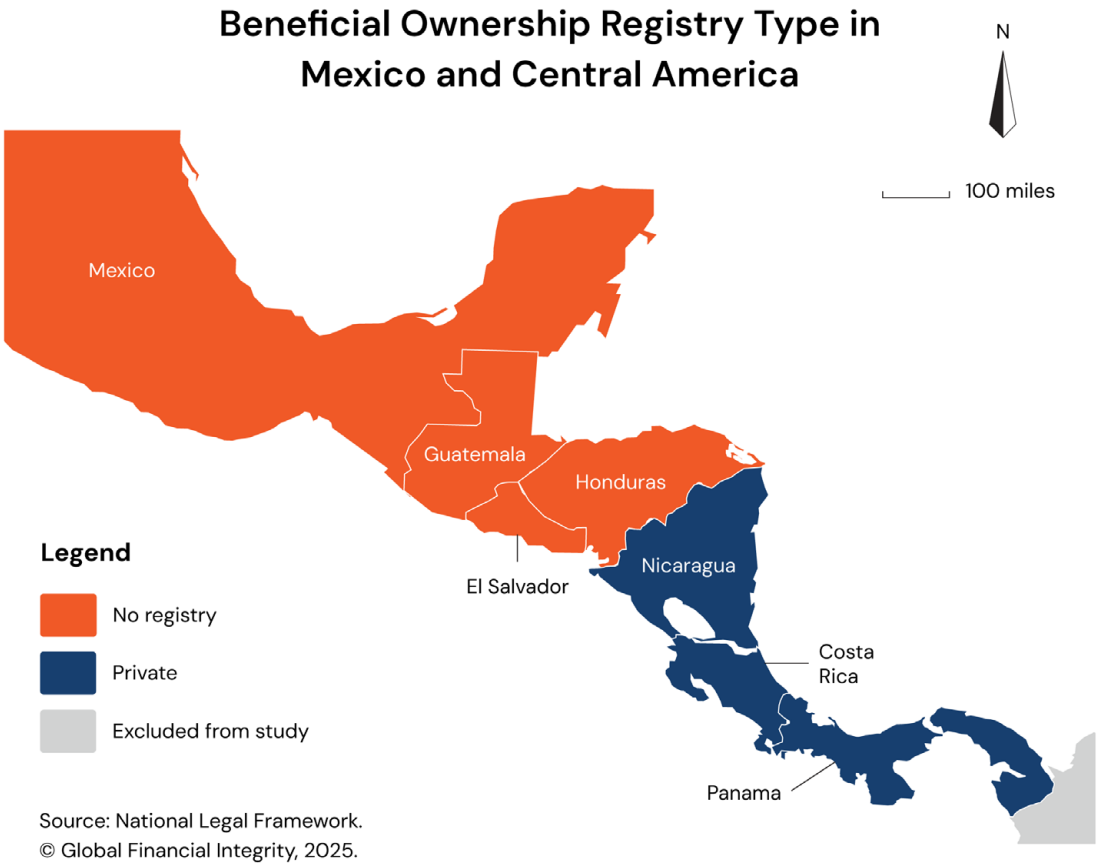

Beneficial Ownership Registry Type in Mexico and Central America
N
100 miles
Mexico
Guatemala
Honduras
El Salvador
Nicaragua
Costa Rica
Panama
Legend
No registry
Private
Excluded from study
Source: National Legal Framework.
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Table 2

Beneficial Ownership Registries in Mexico and Central America

In this report, we focus exclusively on the year when the legislation establishing the BO registry was enacted in each country. It is essential to note that this refers solely to the year the BO registry was formally created, not to other years where BO may have been mentioned under some other legislation. The information about the threshold, status, use in public procurement, sanctions and inclusion of foreign companies and obligated entities is merely concentrated on the BO registry regulations, not some other BO requirements in each country.

COUNTRY	BO REGISTRY LEGISLATION	BO REGISTRY LEGISLATION DATE	REGISTRY TYPE	THRESHOLD	REGISTRY CUSTODIAN	SANCTIONS	OBLIGATED ENTITY (NON-LEGAL PERSON)	FOREIGN COMPANIES REGULATIONS
Costa Rica	Ley para mejorar la fight against el fraude fiscal 9416	2016	Private	Between 15% and 25% ownership	Central Bank	Administrative and Financial Penalties	Yes	Required to comply with BO regulations
El Salvador	No Beneficial Ownership Registry							
Guatemala	Initiative of Law 6486 "Beneficial Ownership Law"	2025	No registry	N/A	N/A	N/A	N/A	N/A
Honduras	No Beneficial Ownership Registry							
Mexico[57]	No Beneficial Ownership Registry							
Nicaragua	Registry of Ultimate Beneficial Ownership of Commercial Companies, Law No. 1035	2020	Private	≥ 25% ownership	National Directorate of Registries (DNR for its acronym in Spanish)	Administrative Penalties	Not mentioned	Required to comply with BO Regulations
Panama	Registry of Private and Unique System of Beneficial Owners of Legal Persons, Law No. 129	2020	Private	≥ 25% ownership or control	Superintendence of Non-Financial Institutions (SSNF)	Administrative and Financial Penalties	Not mentioned	Required to comply with BO regulations with a legal representative

Source: National Regulatory Framework. Global Financial Integrity, 2025.

57 Even though Mexico lacks a Centralized Beneficiary Ownership Registry actively in place, this nation has weighted other mechanisms to identify beneficiary owners and has independent national initiatives, such as the Guadalajara beneficiary ownership registry. It is worth mentioning that the country currently complies with the FATF requirements, even though it has yet to deploy a BO registry.

South America

In South America, several countries have been making strides in the implementation of BO registries, in line with the OECD and FATF's provisions. On the regional level, among nine countries examined in this report (Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Paraguay, Peru, and Uruguay) at least three have pioneered the implementation of measures in favor of BO transparency, including granting certain authorities —defined in each jurisdiction— powers of data verification and reporting obligation.

Uruguay has been one of the first countries in the region to establish a centralized, and mandatory registry, with clear controls on data verification and updates. Its legal framework not only obliges legal entities to identify their BO, but also provides for effective sanctions in cases of non-compliance or false reporting.

In Peru, the BO registry is managed by the National Superintendency of Tax Administration (SUNAT: for its acronym in Spanish), and has been designed as a tool that aligns fiscal oversight efforts with those aimed at preventing money laundering. Although it still faces challenges in terms of compliance and oversight, the Peruvian regulatory framework has succeeded in establishing a solid foundation that promotes transparency and enables inter-institutional cooperation.

Brazil, in turn, introduced the concept of BO into its legal framework through resolutions issued by the Federal Revenue Service (Receita Federal), which requires legal entities registered in the country to declare their beneficial owners as part of the registration process with the National Registry of Legal Entities (CNPJ, for its acronym in Portuguese). The country has also made progress in process automation and institutional interoperability, facilitating access to information for competent authorities, although it has yet to implement a fully public registry.

Other countries in the region, such as Argentina, Colombia, Chile, and Ecuador, have begun implementing or strengthening their own registries that are at different stages of regulatory and operational development. In general, these countries have opted for centralized reporting systems, though challenges remain in terms of public access, interoperability among government agencies, and active verification of reported information.

What these countries have experienced offers important takeaways for those still in the early stages of implementation and demonstrates that a strong regulatory framework must be accompanied by technical capacity, political will, effective oversight and enforcement mechanisms in order to achieve meaningful transparency on BO information.

Beneficial Ownership Registries Across South America

Of all the countries in South America, only Bolivia lacks a BO registry, because Venezuela was not included in this analysis. In the case of Uruguay, although its registry is classified as private, "the

information pertaining to personal companies (general partnerships, simple limited partnerships, partnerships of capital and labor, limited liability companies, and partnerships limited by shares with respect to the general partner), as well as agricultural societies and associations whose owners are exclusively natural persons and who are, in effect, their beneficial owners, is available in the Registry of Legal Entities… and the public may access this information upon payment of a registration fee".[58] That provision gives Uruguay's registry the particular characteristic of being partially public for certain corporate structures.

In this context, it is important to highlight that in South America, statutory information—such as details on shareholders, legal representatives, and other key data—is often available through company or legal entity registries, which are commonly accessible to the public via online platforms. In some cases, more detailed information on individuals who hold ownership or control of legal entities can be obtained paying a fee. However, it is important to note that while this represents a strong indicator of corporate transparency and may allow access to information on individuals who may or may not qualify as beneficial owners under each country's legal framework, these are not exactly BO registries. Moreover, they do not encompass all the criteria through which effective ownership or control can be enforced, as defined by FATF.

In Ecuador, for example, the Corporate Registry —operated by the Superintendence of Companies, Securities, and Insurance (SuperCIAS, as per its acronym in Spanish)— is open to the public. It contains information related to corporate structure ownership, such as shareholder structure. Thus, it is a shareholder registry, instead of a BO registry.

On September 17, 2024, Ecuador's Internal Revenue Service (SRI, as per its acronym in Spanish) issued Resolution 033, which was a key development to strengthening corporate transparency in the country. This regulation established the conditions, terms, and exceptions for the mandatory reporting of information on corporate shareholder structure and BO, through the "Beneficial Ownership and Shareholder Composition Report (REBEFICS, for its Spanish acronym)". This mechanism requires all the obligated entities to report data such as beneficial owner name and ID, type and ID number, nationality, country of residence, address, the criteria by which they are considered beneficial owners, and their effective shareholding rate in the company.

By implementing REBEFICS, Ecuador has shown its commitment to international standards in issues like the fight against money laundering and terrorism financing. This resolution sets a deadline to submit this information and establishes monetary penalties in case of failure to provide or incomplete submission of the data required. This measure not only enhances the oversight capacity of tax and enforcement authorities but also aligns the country with the FATF guidelines, contributing to a more transparent and reliable corporate environment.

In any case, viewed from the perspective of public information access and the quest for information

58 United Nations Office Against Drugs and Crime (UNODC). (2022, November 7-11). *Contribuciones de Uruguay al Grupo de Trabajo 2 de la Conferencia de los Estados Partes de la Convención de las Naciones Unidas contra la Corrupción* (CAC-COSP-WG.2). Retrieved from https://www.unodc.org/documents/treaties/UNCAC/WorkingGroups/workinggroup2/2022-November-7-11/contributions_to_CAC-COSP-WG.2-2022-CRP.1/URUGUAY_SP.pdf.

sources for a number of journalists and CSOs striving to fight corruption and environmental crimes across the region, partial access to data, such as shareholder composition, legal representation and others, has helped to identify criminal structures and beneficial owners linked to specific crime, such as the corruption scandal of "Centros Poblados" in Colombia. The analysis of the shareholder composition of various temporary joint ventures (corporate structures without legal status) and companies linked to a contract awarded to bring internet connectivity to rural areas led the investigators to an individual who — having previously been convicted for corruption in the country — was the connection between those companies and was found to be the beneficial owner of the corruption scheme.[59]

Argentina is the only country in the region that has a partially public BO registry. This allows for a number of players to access the registry data. According to General Resolution 5529 of 2024, differential access permission is provided to the registry. Public agencies, such as the Judicial Power, the Financial Information Unit (FIU), the Central Bank of the Argentine Republic, the National Securities Commission, the Superintendency of Insurance, the National Institute of Associations and Social Economy, and other authorities responsible for the oversight and supervision of legal entities; and "all corporations, legal entities, or other contractual or legal structures established in the Argentine Republic or of foreign origin that carry out activities in the country or hold property or assets located or placed within the country".[60] This is quite an interesting case in the region, since it advances a model defining differentiated access permissions, thus allowing to safeguard the security of the obligated entities (one of the main concerns across the region), as well as privacy, information management, and public interest to make registry an effective tool to counter money laundering and corruption crimes.

Concerning the threshold on which the BO condition is defined, Colombia is the country with the lowest threshold in the region. According to Colombian law, individuals who hold more than 5% of control or ownership, over a legal or non-legal estructure are obligated to report. This approach has both advantages and disadvantages, but overall, it positions Colombia as a pioneer in adopting some of the lowest thresholds from a compliance perspective. On the one hand, having such a low threshold could be beneficial as it enables the identification of a greater number of beneficial owners. On the other hand, it may increase the administrative burden for obligated entities with many beneficial owners and require greater effort and budgetary investment to monitor the information collected. Among the remaining countries of South America, most have thresholds ranging between 10% and 25% that are alligned with global trends.

One of the region's most pressing challenges is the verification of information and the effective enforcement of penalties. In countries that rely solely on monetary sanctions—such as fines—for non-compliance (including failure to report, omission, or the submission of inaccurate information), there is a growing risk of creating a system where companies intent on concealing their beneficial owners simply choose to absorb the financial penalty rather than disclose accurate information. This undermines the integrity and deterrent value of the registry. This risk is further compounded when

59 Transparencia por Colombia. (2022, December). *Estudio de caso: Centros Poblados*. Transparencia por Colombia. Retrieved from https://transparenciacolombia.org.co/wp-content/uploads/2022/12/Estudio-de-Caso-Centros-Poblados.pdf.

60 Federal Administration of Public Revenue (AFIP). (2024, July 17). *Norma RAG 5529*. Administración Federal de Ingresos Públicos. Retrieved from https://www.boletinoficial.gob.ar/detalleAviso/primera/310787/20240719.

the fines are relatively low and the institutional capacity to verify the reported information is limited, making it even easier for those aiming to obscure ownership to evade any meaningful sanction.

In matters of use of information, for the purpose of this analysis, we find it relevant to identify initiatives that are using beneficial owner data for public procurement purposes. In the LAC region, we could only find a single nationwide initiative that includes this data in platforms set for public procurement transparency. This is the case of Chile, even though their beneficial owner registry is yet to be consolidated. Among some modifications to their Law of Public Procurement, Chile included a new form to be filled out by all State vendors, including information on their beneficial owners.[61]

The example of Chile is a great step forward, showing the path ahead in matters of the use of information to improve public procurement processes. However, across the region, countries are yet expected to begin promoting interoperability in information, which is still being gathered by BO registries, not only for the purpose of having a sole centralized registry, contrasting information accuracy with other sources, but also to relieve the administrative burden on obligated entities in different countries.

South America has shown to be at the forefront of transparency policies and is taking steps forward in its aim to provide public access to information for crime prevention. Although some countries are still in the process of creating their registries or gathering information (dissemination phase), some countries that are further along have begun to offer interesting lessons learned for others to follow, and are starting to assess the effectiveness of their regulations in order to improve through reforms and new regulations. The case of Colombia, which will be explored in depth later in this document, reflects interesting challenges and successes that might be followed for other countries in the region to further consolidate their registries.

Below we break down the information of each category analyzed for the South American countries.

61 ChileCompra. (2024, noviembre). *Personas jurídicas deberán declarar sus beneficiarios finales completando nueva declaración jurada del registro de proveedores*. ChileCompra. Retrieved from https://www.chilecompra.cl/2024/11/personas-juridicas-deberan-declarar-sus-beneficiarios-finales-completando-nueva-declaracion-jurada-del-registro-de-proveedores/.

Beneficial Ownership Registry Type in South America

Source: National Legal Framework.

Table 3

Beneficial Ownership Registries in South America

In this report, we focus exclusively on the year when the legislation establishing the BO registry was enacted in each country. It is essential to note that this refers solely to the year the BO registry was formally created, not to other years where BO may have been mentioned under some other legislation. The information about the threshold, status, use in public procurement, sanctions and inclusion of foreign companies and obligated entities is merely concentrated on the BO registry regulations, not some other BO requirements in each country.

COUNTRY	BO REGISTRY LEGISLATION	BO REGISTRY LEGISLATION DATE	REGISTRY TYPE	THRESHOLD	REGISTRY CUSTODIAN	SANCTIONS	OBLIGATED ENTITY (NON-LEGAL PERSON)	FOREIGN COMPANIES REGULATIONS
Argentina	Resolution 5529	2024	Partially public	≥10% ownership or control	Federal Administration of Public Revenues (AFIP)	Administrative and Financial Penalties	Yes	Not mentioned
Bolivia	No Beneficial Ownership Registry							
Brazil	Regulatory Instruction 1634	2016	Private	≥25% ownership	National Cadastre of Legal Entities	Administrative Penalties	Yes	Required to comply with BO regulation
Chile*	Boletín N° 16.475-05	2023	In progress	N/A	N/A	N/A	N/A	N/A
Colombia	Law 2155 - Tax Reform & Law 2195	2021	Private	≥5% ownership or control	Tax and Customs Directorate (DIAN)	Financial Penalties	Yes	Required to comply with BO Regulations
Ecuador	Resolution NAC-DGERC-GC22-46	2022	Private	≥10% ownership	Internal Revenue Service (SRI)	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations
Paraguay	Law 6464	2019	Private	≥10% ownership	General Directorate of Persons and Legal Structures	Financial Penalties	Not mentioned	Not mentioned
Peru	Legislative Decree No 1372	2018	Private	≥10 ownership	National Superintendence of Customs and Tax Administration (SUNAT)	Financial Penalties	Yes	Required to comply with BO Regulations
Uruguay	Law 19484	2017	Partially public	≥ 15% ownership or control	Financial Analysis Unit of the Central Bank	Administrative and Financial Penalties	Yes	Required to comply with BO Regulations

*Chile has made significant progress in detecting potential conflicts of interest in public procurement processes through the Chile Compra system, which includes information on BO.

Source: National Regulatory Framework. Global Financial Integrity, 2025.

Case Studies

Global Financial Integrity (GFI) has been working in LAC for the past eight years. In 2019, it began to assist government agencies in Colombia in several processes, including the Anticorruption Law 2195 of 2022 and the tax reform 2155 of 2021, through which Colombia established its Single Registry of Beneficial Owners (RUB). In 2023, GFI began working in Belize, particularly to support BO analysis in the country. Belize already had a consolidated registry, but since then, we have been working to provide recommendations looking to improve its effectiveness and engage civil society in this tool's relevance to fight corruption and other financial crimes.

That is why we will analyze the cases of Belize and Colombia, for the experience and close follow-up on the deployment of BO policies. Below, we describe the main successes, challenges, and lessons learned that may be useful for other countries in the region that are establishing their registries.

Belize

Belize has made significant strides in strengthening its BO transparency framework, addressing deficiencies identified in its previous FATF and CFATF Mutual Evaluations. Historically, gaps in the availability, reliability, and accessibility of BO information posed serious risks, particularly regarding International Business Companies (IBCs) and their potential misuse in financial crimes. In response, Belize has enacted comprehensive legislative reforms, most notably through the Belize Companies (Amendment) Act, 2023, aligning its BO framework more closely with international standards. While these reforms represent important progress, challenges remain in enforcement, verification, and cross-agency coordination. This case study examines Belize's BO framework, highlighting achievements, gaps, and opportunities for further strengthening transparency.

The foundation of Belize's BO regime is built on the Belize Companies Act (BCA) and accompanying legislation, which regulates companies, limited liability partnerships (LLPs), limited liability companies (LLCs), and foundations. The 2023 amendments include:

- Mandatory BO disclosure requirements for all incorporated entities.
- A centralized BO register is maintained by the Belize Companies and Corporate Affairs Registry (BCCAR).
- Sanctions for non-compliance, including financial penalties and administrative actions.
- Stronger oversight of company service providers, ensuring compliance with AML/CFT obligations.

Additionally, foundations, LLPs, and LLCs must now file BO information annually, and any changes to ownership structures must be reported within 30 days. Registered agents, who play a critical role in company formation, are required to conduct customer due diligence (CDD) and maintain BO records, ensuring compliance with AML/CFT frameworks.

Unlike some jurisdictions that have adopted publicly accessible BO registers, Belize has opted for restricted access, limiting BO information primarily to:

- Law enforcement agencies (e.g., Financial Inteligence Unit (FIU), The Financial Services Commission (FSC), Belize Police Department).
- Regulatory bodies (e.g., Central Bank of Belize, tax authorities).
- Financial institutions and designated non-financial businesses and professions (DNFBPs).

While this balances privacy concerns with regulatory oversight, it could limit civil society and media scrutiny, reducing the potential for public accountability. Another key challenge is verification. Although companies are required to submit accurate information, there is no centralized mechanism to systematically verify submissions, creating risks of false or incomplete reporting.

Belize has introduced more robust enforcement mechanisms, including:

- Administrative fines up to BZD 100,000 (USD 50,000) for non-compliance.
- Criminal penalties, including imprisonment for up to five years for fraudulent BO reporting.
- License revocations and business restrictions for entities failing to comply with BO regulations.

However, effective enforcement remains a challenge due to resource constraints within regulatory agencies. The FSC and FIU are tasked with monitoring compliance, but enforcement actions remain limited in scope. Strengthening on-site inspections and real-time monitoring will be critical in ensuring compliance across the financial sector.

A significant gap in Belize's BO framework is its limited integration with public procurement and tax compliance mechanisms. Unlike jurisdictions where BO data is used to prevent conflicts of interest in government contracts, Belize has yet to mandate BO disclosure for companies bidding on public tenders. This remains an opportunity for reform, as integrating BO data into procurement systems can:

- Enhance government integrity and prevent corruption.
- Improve tax enforcement by linking corporate ownership to revenue data.
- Deter politically exposed persons (PEPs) from using shell companies for illicit enrichment.

Belize has improved international cooperation through mutual legal assistance treaties (MLATs) and MOUs with regional regulators, allowing for the sharing of BO information. The FIU plays a pivotal role in responding to foreign requests for BO data, particularly in cases of tax evasion, money laundering, and cross-border corporate fraud. Despite this progress, Belize could be supported by regional frameworks like CARICOM to harmonize BO regulations across Caribbean jurisdictions. A regional BO registry initiative could improve transparency and prevent jurisdiction shopping by illicit actors seeking weaker disclosure requirements.

Belize's BO transparency reforms represent a significant step forward in combating financial crime and strengthening corporate governance. However, ensuring full compliance and effectiveness re-

quires continued regulatory enhancements, better enforcement mechanisms, and stronger international cooperation. By addressing the remaining gaps in verification, enforcement, and data accessibility, Belize can position itself as a regional leader in financial transparency, ensuring that corporate entities operate with integrity and accountability.

As global scrutiny on BO transparency intensifies, Belize must remain proactive in refining its BO framework. The path ahead requires sustained political will, investment in regulatory capacity, and a commitment to regional cooperation—all essential elements in building a more transparent and resilient financial system.

Colombia

In Colombia, the path toward implementing a BO registry has been gradual, marked by key milestones both technically and politically. Although the concept of BO had been included in legislation since 2016—particularly in the tax and financial sectors—it was not until 2022 that the country took a decisive step with the creation of the Single Registry of Beneficial Owners (RUB, for its acronym in Spanish) in 2022.[62] This tool emerged in a particular context: it was the combination of an ambitious tax reform debates over anticorruption legislation and strong calls to improve tax collection and increase transparency in public resource management.

One of the most relevant aspects in the Colombian case was that the National Tax and Customs Directorate (DIAN for its acronym in Spanish) was designated as the authority responsible for managing the RUB. This decision had a dual purpose: from one side, to use the registry as a tool against tax evasion, and on the other side, to align with global standards, especially FATF recommendations. DIAN already had a robust technological platform, which facilitated the development of the form and the launch of the system, as well as providing access to a broad database of existing obligated entities.

This was an advantage over many other national agencies. However, their role as RUB administrators brought new challenges, such as articulating data accessibility with other State agencies, in charge of roles of monitoring, oversight, and enforcement of crimes such as money laundering and terrorism financing, as well to implement the system on a small budget, and so on.

Strengths and Successes on RUB Implementation

To define beneficial owners, Colombia integrated several key elements recommended by the FATF. For example, they included foreign companies and foreign non-legal structures as obligated entities, which was a strategic decision considering the importance of foreign investment in sensitive sectors such as the mining and energy industry. This measure helped close gaps that other countries have yet to address, and showed an effort to comply with the FATF guidance on Recommendation 24, as well as to prevent financial crimes, such as corruption or money laundering.

62 In Colombia, the RUB was created under the Law 2155 of 2021 and the Law 2195 of 2022. Later on, other registry aspects were regulated through resolutions: 0000164 of 2021, 0000037 of 2022, and 001240 of 2022; issued by DIAN.

It also set a reporting threshold of 5% for all obligated entities, including legal and non-legal persons. Thus, Colombia has one of the lowest thresholds in the world. This threshold allows the country to cover more beneficial owners, which may be positive or negative, depending on the perspective used.

The country decided to create a private registry with only six national entities having access through an inter-administrative agreement with DIAN. This seeks to guarantee a responsible use of information, without jeopardizing personal data protection, but it has also implied some risks in terms of agility and efficiency in inter-agency sharing of information.

Information reporting concluded on July 31, 2023, and according to official data reported by DIAN and discussions held with GFI, over 754,000 regulated entities reported information, achieving at least 18 million records.[63] The process had relatively favorable results, achieving a considerable reporting of BO information by the obligated entities. This achievement was made possible through coordination between the entities with access to the registry and civil society, which, through an intensive communication campaign across multiple channels, effectively engaged obligated entities and raised awareness about the importance of accurate reporting.

Notable successes of the process and strengths of the RUB include:

- Taking advantage of a political and fiscal juncture to promote the registry, which facilitated its approval and regulation.
- DIAN's technical capacity to integrate the RUB in an existing platform, reducing costs and time.
- The adoption of international standards adapted to local conditions, especially regarding foreign companies and non-legal persons.
- Articulating a joint communication strategy for entities with access to the RUB, beyond the managing entity, in order to promote effective reporting of beneficial owners by obligated entities, explaining the impact and importance of the measure, rather than describing it as a merely new requirement.
- Creating an exclusive registry for non-legal structures (trusts, joint ventures, and other corporate vehicles), with an initial identification of these structures for further collection of their beneficial owners.

Challenges and Lessons Learned on RUB Implementation

Following the reporting process, one of the key challenges identified has been verifying the effective compliance by obligated entities, both in reporting and submitting accurate information. Moreover, keeping the registry operational and up to date will require sustained institutional capacity and a clear supervision strategy involving coordinated efforts from all entities with access to the information.

63 Dirección de Impuestos y Aduanas Nacionales (DIAN). (2023, 31 de julio). *Comunicado de Prensa No. 048: Declaración de contingencia para obligados a reportar en el Registro Único de Beneficiarios Finales.* Recuperado de https://www.dian.gov.co/Prensa/Paginas/NG-Comunicado-de-Prensa-048-2023.aspx.

However, the universe of obligated entities to be reported is not completely clear. Although DIAN, as the country's tax and customs authority, maintains an extensive database of obligated entities, different inspection and oversight bodies manage some other databases and report different figures concerning the number of legal entities operating in the country. GFI analyzed the status of legal entities in Colombia and found discrepancies between the universe of legal entities recorded by entities such as DIAN and those registered by the Chambers of Commerce. This makes it difficult to know whether obligated subjects reporting compliance is really significant, and presents a set of recommendations for Colombia regarding harmonizing, coordinating, and articulating information regarding existing legal entities.

In other countries, BO registries have, for example, been used to eliminate companies with no apparent activity, potentially shell or front companies. In Colombia it was identified that a company with its activities canceled by the Chamber of Commerce may remain in DIAN's databases until its legal representatives formally request the deactivation of its Tax Identification Number (RUT, for its acronym in Spanish). This situation can complicate efforts to monitor and identify entities required to report their beneficial owners and hinder the verification process.

Additionally, the process of inter-agency coordination among entities with regulated access to the RUB took a significant amount of time, hindering effective access to information of the agencies in charge of investigations on money laundering, corruption, or other crimes. In November 2024, during a working group organized by GFI with the participation of national authorities, including the Attorney General's Office, the Financial Analysis and Intelligence Unit (UIAF, for its acronym in Spanish) and DIAN, it became evident that some authorities with access to the RUB have had to carry out individual due diligence processes, because the BO information reported for a particular company may not be reliable.

In this context, one of the recommendations discussed was to strengthen the internal coordination between the entities with access to the RUB, so the team responsible for verification and compliance with the report in DIAN can identify such cases and issue the corresponding sanctioning requirements to those who have reported incorrect or incomplete information or have failed to comply with the reporting obligation.

Some of the main challenges identified in implementing the RUB are:

- To strengthen DIAN's internal capacity to check the BO information and to identify who failed to comply with this requirement.
- To strengthen the country's capacity to identify the number of obligated legal persons and non-legal entities, so as to reach a centralized mechanism, where the number of obligated entities is the same for different related agencies. This involves coordinating with private entities such as the Chambers of Commerce, which do not have mechanisms for coordination with supervisory and control entities for these purposes.
- To develop internal reporting mechanisms among entities with access to the RUB to flag findings and inconsistencies in the information reported, enabling DIAN to conduct follow-up actions and impose sanctions as necessary.

- To expand and strengthen existing sanctions for failure to report information or for submitting inaccurate information. Currently, sanctions are purely financial, and the penalty amounts are very low relative to companies with substantial economic capacity.
- To keep strategic and periodic national-level communication among entities with access to the RUB to continue strengthening mechanisms for information exchange, case monitoring, and compliance verification.
- To analyze mechanisms to integrate RUB information into public procurement processes involving territorial entities, ministries, and other state agencies. Although Colombia currently has a robust system for identifying companies that contract with the state, BO information is not yet incorporated into this system.

Regarding opportunities, the RUB could become a key tool for strengthening international cooperation, particularly relevant in investigations of financial crimes or structures with cross-border ramifications. It also has potential as a resource for tracing the assets of public officials, contractors, or businesspersons who interact with the state. In this context, considering legislative reforms that extend access to the registry to other public entities, or that allow partial access to the public, could facilitate the integration of this information in public procurement processes and strengthen the control mechanisms exercised by journalists and civil society.

Ultimately, the Colombian experience demonstrates that it is indeed possible to advance the consolidation of a BO registry even in complex contexts. The key has been combining political will, technical capacity, and a strategic vision that connects transparency to other public policy goals. Challenges remain, but the progress achieved thus far offers valuable lessons for other countries in the region.

Conclusions

This report has offered a comprehensive overview of the current state of BO registry transparency in LAC, highlighting substantial legislative progress and emerging regional trends while also identifying persistent gaps that undermine the effectiveness of BO frameworks in combating financial crime, corruption, tax evasion, and illicit financial flows. Across 38 jurisdictions analyzed—including sovereign states and British Overseas Territories—there are more jurisdictions with a registry, than without it. The creation of BO registries has become a central policy tool in the region's anti-corruption and financial integrity agenda. However, the divergent approaches to verification, access, and registry integration reveal that implementation lags behind legislative advancement.

A significant concern relates to the verification of BO data. Despite legal mandates requiring entities to submit accurate and up-to-date information, only a limited number of countries have adopted robust systems to confirm the veracity of submissions. This lack of verification could weaken the operational value of registries, as data integrity is essential for law enforcement and financial intelligence units to conduct effective investigations.[64] Countries with high levels of cross-border capital flows and exposure to complex ownership structures are particularly vulnerable in this regard.

Additionally, the absence of systematic linkages between BO registries and public procurement platforms represents an opportunity to strengthen accountability in government contracting.[65] As this report shows, very few countries in the region integrate BO data into public procurement transparency mechanisms, and therefore have not yet incorporated BO registries as a tool to detect and prevent conflicts of interest, political favoritism, or the misuse of State funds.

From an access perspective, the prevalence of private registries reflects ongoing challenges between privacy protections and public interest in transparency. While many registries limit access to state authorities, only a handful allow legitimate interest-based or partially public access, and even fewer are fully public. Although these access models are not inherently incompatible with international standards, the lack of differentiated or tiered access mechanisms curtails the ability of civil society, investigative journalists, and oversight bodies to scrutinize the beneficial owners of companies operating in high-risk sectors or involved in public contracts.[66]

At present, only a few countries in the region connect BO data with their public procurement systems. According to our analysis, both Chile and Mexico have initiatives that integrate BO information to some extent with public procurement systems. In Mexico, the city of Guadalajara has launched an initiative called "*A quién le compra Guadalajara*" ("Who Guadalajara Buys From"), which aims to make public the BO information of companies contracted by the local government. Although many

64 Open Ownership. (2022). Verification of BO data. Open Ownership. https://www.openownership.org/en/publications/verification-of-beneficial-ownership-data/.

65 Open Contracting Partnership. (n. d.). Beneficial ownership transparency in public procurement. Open Contracting Partnership. https://www.open-contracting.org/what-is-open-contracting/beneficial-ownership/.

66 Berkhout, R., & Fernando, F. (2022). "Chapter 3 Practical Implementation of Beneficial Ownership Requirements". In Unmasking Control: A Guide to Beneficial Ownership Transparency. USA: International Monetary Fund. Retrieved Mar 26, 2025, from https://doi.org/10.5089/9798400208041.071.CH003.

countries have transparency platforms for procurement processes, these rarely display BO data, and when such information is requested, it is typically confined to internal due diligence processes and not published alongside other contracting details. BO registries should be integrated with procurement systems or at least serve as tools to detect conflicts of interest and prevent corruption.

Furthermore, the report emphasizes that non-legal persons and foreign entities are inconsistently included as obligated parties in BO reporting frameworks. This is particularly relevant given the prevalence of trusts, special purpose vehicles, and cross-border corporate structures used in the region for activities ranging from tax minimization to organized crime. In countries where illicit economies are significant, this loophole severely constrains the state's ability to identify the ultimate beneficiaries of criminal networks. Strengthening regulatory coverage in this area is essential not only for financial crime enforcement but also for upholding human rights.

In this regard, the link between BO transparency and the fight against human trafficking and environmental crimes, especially those involving land and resource concessions, cannot be overstated. Criminal networks often hide behind anonymous companies to operate trafficking routes, launder illicit gains, or acquire land for illegal logging and mining.[67] To show some examples improving the quality and accessibility of BO data can therefore serve as a powerful deterrent and investigative tool. In countries that have ratified the Escazú Agreement,[68] which upholds the right to access environmental information, the integration of BO data into environmental governance systems could represent a meaningful step forward in aligning anti-corruption and environmental justice agendas.

The report also acknowledges the role of regional cooperation and international influence. While FATF Recommendations 24 and 25 have clearly driven legislative momentum, the uncertain trajectory of BO transparency in major jurisdictions—as seen with the legal contestations surrounding the U.S. Corporate Transparency Act or the European Court of Justice's decision limiting public access in the EU—risks generating policy backsliding in LAC. It is therefore crucial that domestic regulatory decisions remain grounded in context-specific risk.

The path toward BO transparency appears to be advancing, largely driven by compliance with FATF and OECD standards, as well as, in some cases, IMF recommendations. However, in terms of implementation and the actual effectiveness of these registries in combating corruption, money laundering, environmental crimes, and terrorist financing, there is still a long way to go. In the case of private registries—particularly in the Caribbean—there is very limited publicly available information on cases where BO data has been effectively used, or where it has been key to identifying natural persons involved in criminal activities through corporate entities.

The mere existence of BO registries does not mean the region is fulfilling its transparency goals. In many countries, company registries have been aligned with BO requirements, but the definition of

67 Yamaguchi, S. (2023). The nexus between illegal trade and environmental crime. OECD Trade and Environment Working Papers, 2023/02. OECD Publishing. https://doi.org/10.1787/8dae4616-en.

68 ECLAC. (2018). Regional Agreement on Access to Information, Public Participation and Justice in Environmental Matters in Latin America and the Caribbean (Escazú Agreement). United Nations Economic Commission for Latin America and the Caribbean (ECLAC). https://www.cepal.org/en/escazuagreement.

beneficial owner is still narrowly focused on ownership thresholds. Other critical factors—such as indirect control, significant influence, and voting rights—are often overlooked. As a result, much work remains to ensure that the various pathways to exercising control or benefiting from a company are properly accounted for, thereby reducing opacity and limiting the potential for concealment through complex legal structures.

When it comes to challenges, many more were identified. For the purposes of this analysis, we assessed whether jurisdictions have legislation in place to establish BO registries, the thresholds defined in each legal framework, the nature of the registries (public or private), the entities responsible for their administration, the sanctions for non-compliance, and whether the registries are currently operational. We also examined key implementation aspects, which represent some of the main obstacles for jurisdictions where registries are already in place.

We also assessed whether registries in the region require non-legal persons or a variety of legal vehicles to report their beneficial owners. As mentioned above, the FATF expanded its provisions under Recommendation 25 by broadly defining trusts as key structures subject to due diligence and BO identification. However, several other vehicles commonly used in the region, such as temporary business partnerships, trusts (under different legal definitions), and autonomous patrimonies, are not consistently obligated to report across all jurisdictions.

Latin America and the Caribbean still face major challenges in terms of registry operability, information verification, and practical usefulness. Emerging international trends favoring greater restrictions on access to BO information may influence future decisions in countries that have considered opening their registries. Fully identifying beneficial owners and making this data a useful tool for various types of investigations, including those beyond financial crimes, remains a regional challenge that we hope will be overcome in the coming years, so that regulatory efforts yield tangible benefits. This outlook will likely prompt future mutual evaluations to recommend regulatory changes in countries that have not yet included certain structures as reporting entities, expanding the scope to encompass the wide range of corporate vehicles that may pose financial crime risks.

Recommendations

Based on the findings and analysis presented, the following recommendations are proposed for consideration by policymakers, regulators, civil society organizations, and international partners regarding the treatment of BO records in the LAC region:

1. Strengthen data verification mechanisms

— Promote the systematic verification of BO data through cross-referencing with tax records, ID registries, and international databases.

— Require annual or real-time updates and impose meaningful sanctions for non-compliance or data falsification.

— Encourage the use of automated red flag systems to detect inconsistencies or risk indicators in BO declarations.

2. Ensure the comprehensive inclusion of entities and obligated subjects in the BO regimes

— Expand legal obligations to include non-legal persons reports such as trusts, foundations, unincorporated associations, and other complex structures.

— Request foreign companies with significant economic activity or presence in the jurisdiction to report BO data under local law.

— Include inputs FATF's guidance on legal arrangements and align BO frameworks accordingly.

— Improve coordination between entities that manage the database of existing obligated subjects, such as the number of active legal entities in the country, to create a single updated database with the total number of obligated subjects. This involves coordinating with chambers of commerce, especially to prevent the use of companies for criminal activities.

3. Promote partial and differentiated information access models

— Implement tiered access frameworks that grant public authorities full access, allow legitimate interest access for journalists and NGOs, and when applicable include limited anonymized access for the general public.

— Clearly define "legitimate interest" in legislation that contemplates it to prevent misuse while enabling accountability.

— Safeguard sensitive data (e.g., minors, at-risk individuals) through redaction protocols or conditional release procedures.

4. Integrate BO data into public procurement systems

— Link BO registries with government e-procurement platforms to flag potential conflicts of interest or shell company participation in bidding processes.

- Request vendors bidding on public contracts to declare their BO as a condition of eligibility.
- Promote pilot initiatives, such as Chile's BO disclosure form for suppliers that should be studied and mirrored.

5. Leverage BO data in environmental and human rights contexts

- In Escazú signatory countries, ensure that BO transparency measures support the right to access environmental information by mapping corporate control of natural resources and land use.
- Train environmental regulators and law enforcement agencies to use BO data when investigating illegal land acquisition, environmental degradation, or trafficking connected to extractive projects.
- Create cross-thematic working groups involving financial regulators, environmental authorities, and anti-trafficking units to jointly analyze BO data.

6. Bolster regional and international cooperation

- Harmonize regional BO standards and practices through forums such as CARICOM, GAFILAT, CFATF and UNODC-supported networks, allowing for peer learning and data exchange protocols.
- Establish mutual recognition agreements to facilitate the sharing of BO information for cross-border investigations and financial monitoring.
- Monitor and evaluate implementation progress through regional scorecards or dashboards to encourage transparency and public accountability.

7. Invest in technical infrastructure and capacity building

- Promote the development of secure, interoperable, and user-friendly BO databases with multilingual interfaces where needed.
- Train registry officials of BO, tax authorities, and FIUs in the use of analytical tools and data auditing techniques.
- Provide technical assistance and funding opportunities for civil society organizations to monitor BO transparency implementation and to advocate for reforms.

BO transparency is not only a technical or compliance issue—it is vital for democratic accountability, environmental justice, and anti-corruption. The insights presented in this report underscore the value of a holistic, risk-based, and inclusive approach with respect to BO registries in the region. As Latin America and the Caribbean continue to adressed domestic challenges as well as global and regional trends, the strategic implementation of the recommendations above will be key to building effective, transparent, and accountable governance systems according to the particular context of each jurisdiction.

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