



Beneficial Owners Registry

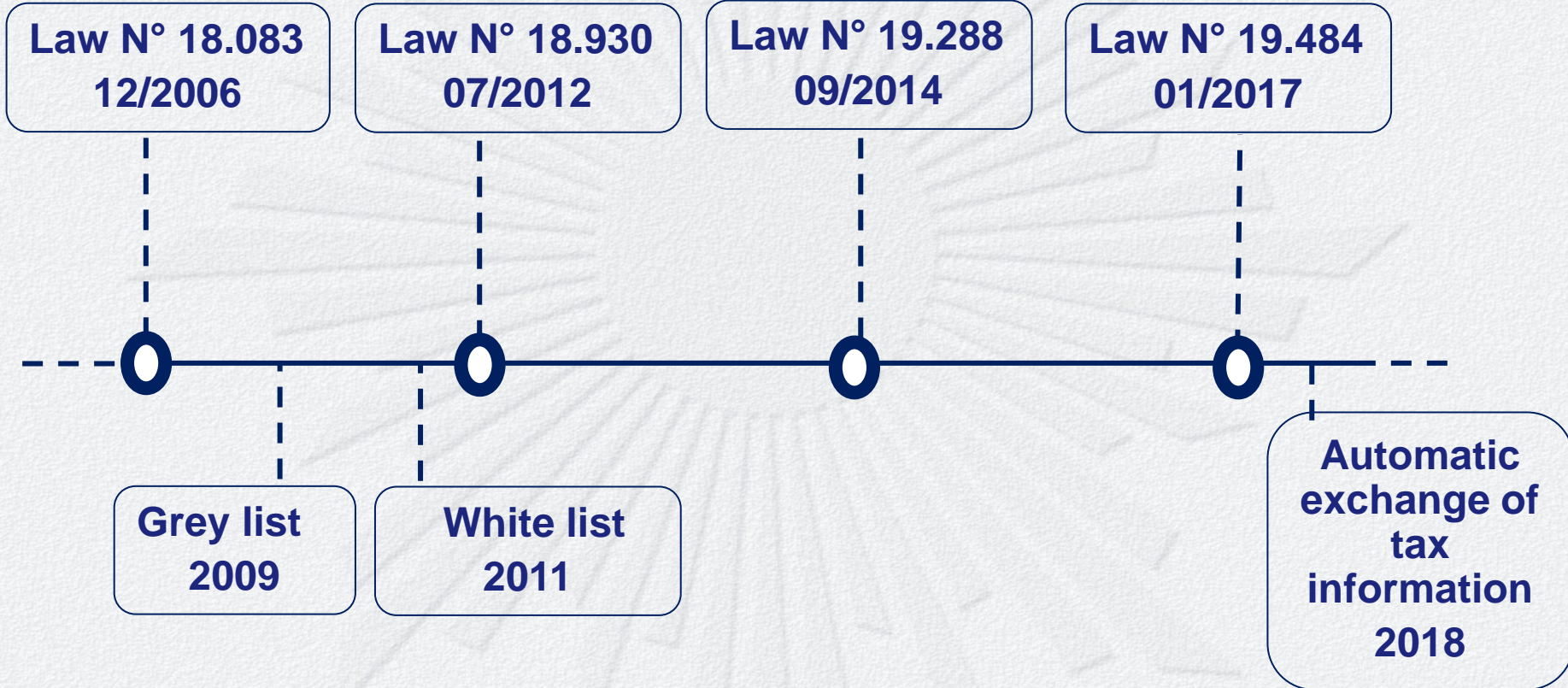
The experience in Uruguay

**Conference of the States Parties to the United Nations
Convention against Corruption**

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The way to transparency





- National Internal Audit (NIA) – compliance supervision and enforcement capabilities
- Central Bank of Uruguay (FIU) – responsible for custody and management of registered information

Sections 27 y 28 Law N° 19.484



- Natural person
- Directly or indirectly holds at least 15% of capital or equivalent or 15% of voting rights
- Holds direct or indirect control over the company

Section 22 Law N°19.484 y Section 1 Dec. 166/017



RESIDENTS

- Bearer shares companies
- Agrarian Companies and associations
- Trusts (BO of the three participants)
- Investment Funds (BO of the Management Company)
- Limited companies
- Collective companies
- Cooperatives
- Foundations
- Civil companies and associations

Sections 22 y 23 Law N°19.484 and Sections 3, 4 and 10 Dec. 166/017



NON RESIDENTS

If comply with one or more of these conditions:

- Acts in national territory through a permanent establishment
- Establishes direction functions in national territory for company activities in the country or abroad
- Holds assets over a threshold of 2:500.000 UI (USD 300,000 aprox.)
- Includes trusts and investment funds whose administrators or trustees are residents

Sections 22 and 23 Law N°19.484 and Sections 3, 4 and 10 Dec.166/017



Obligations

- Identify
- Inform BCU (45 working days)
- Keep the information
- Take actions to update the information

Art. 22 y 23 Law N°19,484 and Arts. 3, 4 y 10 Dec., 166/017



Access to information



- Registry information is classified as secret
- Secret can be lifted by:
 - Dirección General Impositiva (Tax Office)
 - Secretaría Nacional para la Lucha contra el LA/FT (National coordinator of National Prevention System)
 - Law enforcement authorities
 - Junta de Transparencia y Ética Pública (Anti corruption office)
 - Explicit authorization of persons included in the Registry or the legal representative of the company



Compliance controls



- Companies cannot register acts in public registries without a certification of compliance with obligations
- Companies cannot pay dividends to equity holders or BOs not informed to the Registry
- Enforcement capabilities based on supervision and sanctionary powers

Sections 33, 34 and 37 Law N°19.484



- NIA has direct access to the Registry – strategic analysis to detect inconsistencies – inspection plan based on detected risks
- FIU strategic and operational analysis detect unusual reports or inconsistencies that are reported to NIA – cross checks with other databases (Tax Office)
- CBU - Supervision of DD in financial system - detected inconsistencies are reported to NIA



Sanctions



- NIA has sanctionary powers
- Law establishes fines for non compliance in identification, reporting to the Registry or keeping de information
- NIA can inform the Tax Office (DGI) to suspend certification of DGI and can disclose the list of non compliant companies

Sections 32, 33, and 34 Law N°19.484



Main challenges



- Nominees
- Risk evaluation of the misuse of companies updated
- Importance of Beneficial Owner identification during due diligence process
- Greater access to information



Thank you