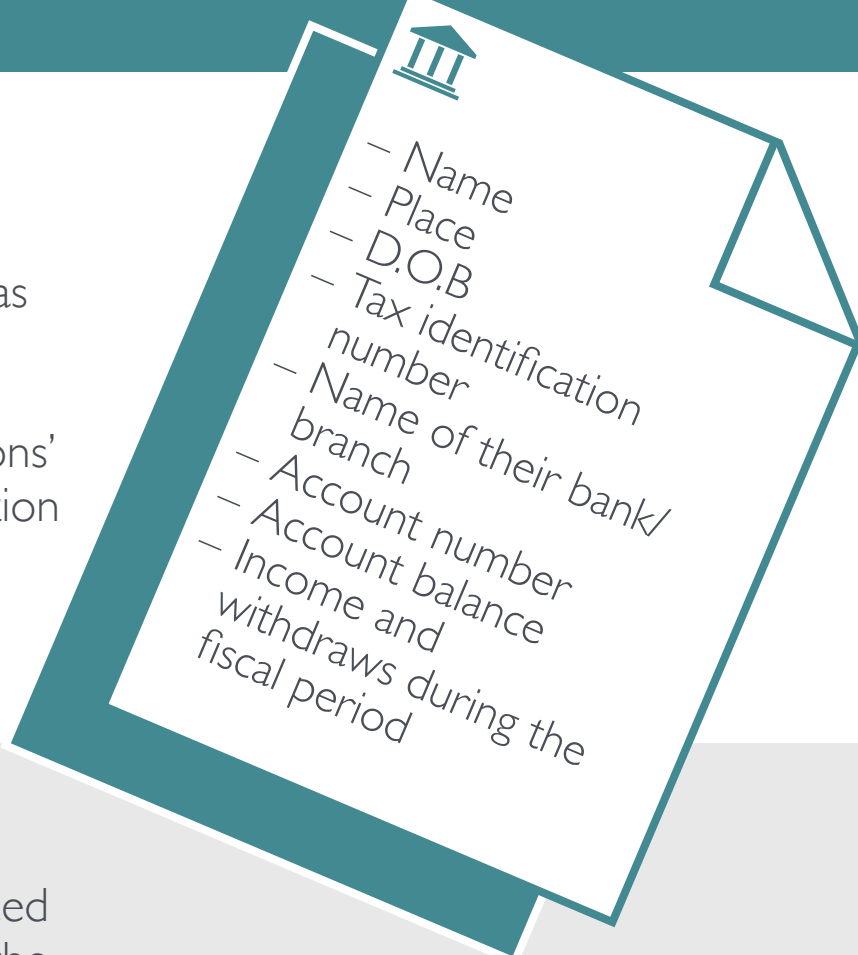


# The Big Debate: Transparency Versus Privacy

## Common Reporting Standard and Beneficial Ownership Registers

Filippo Nosedà



### CRS

The CRS rules are phenomenally complex but can be summarised as follows:

Banks and other 'financial institutions' have to disclose sensitive information about their clients.

### Beneficial Ownership Registers

On 20 May 2015 the EU introduced the idea of public registers listing the beneficial ownership of corporate and other legal entities, as well as trusts and foundations.

### The Issue

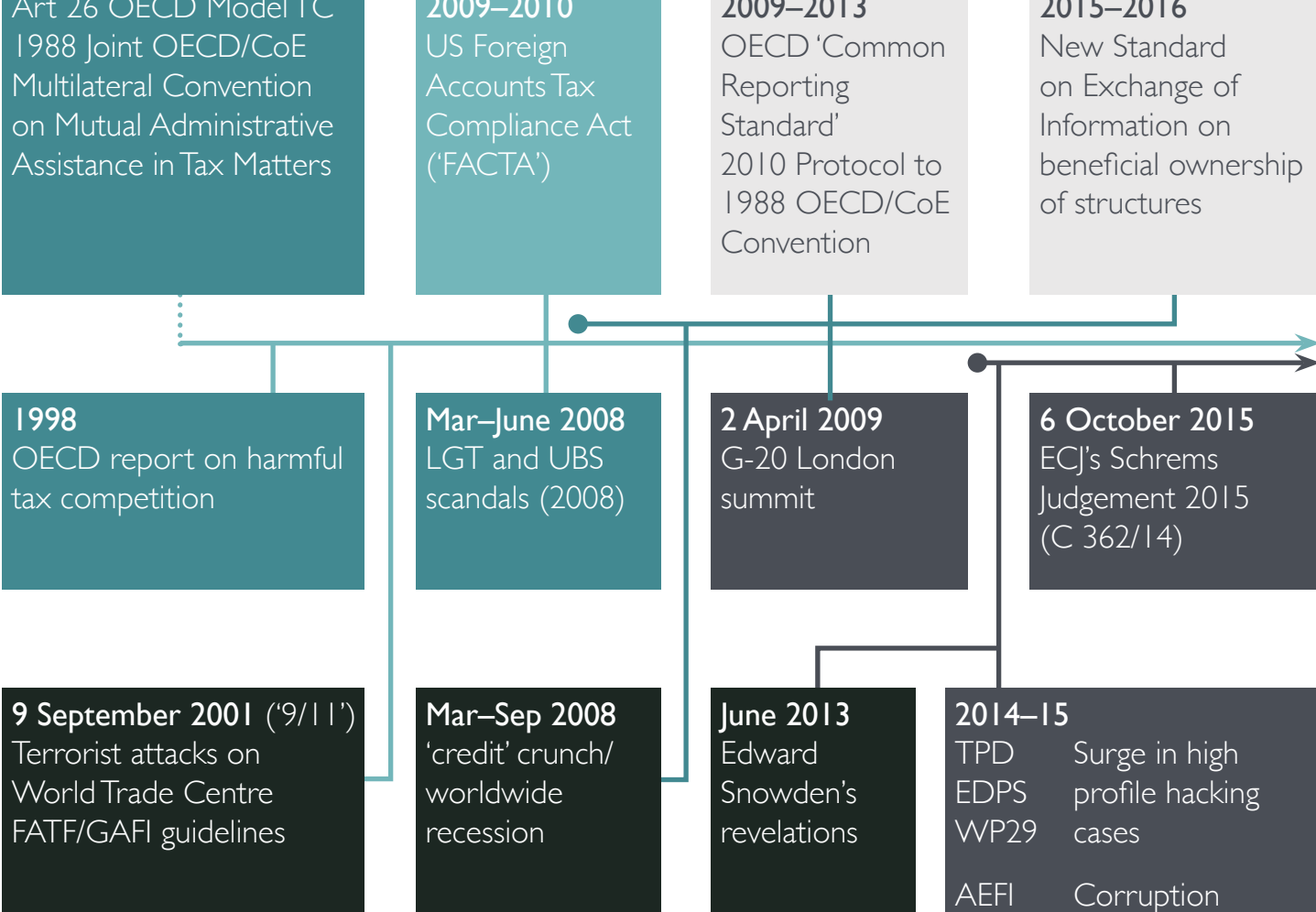
The CRS borrows heavily from a piece of US legislation (FATCA) drafted with complex US law in mind.

### The Result

A law which effectively imports US structures and forces it into European law, imposing a US based system and language on European practitioners and compliance officers.

## HOW DID WE GET HERE?

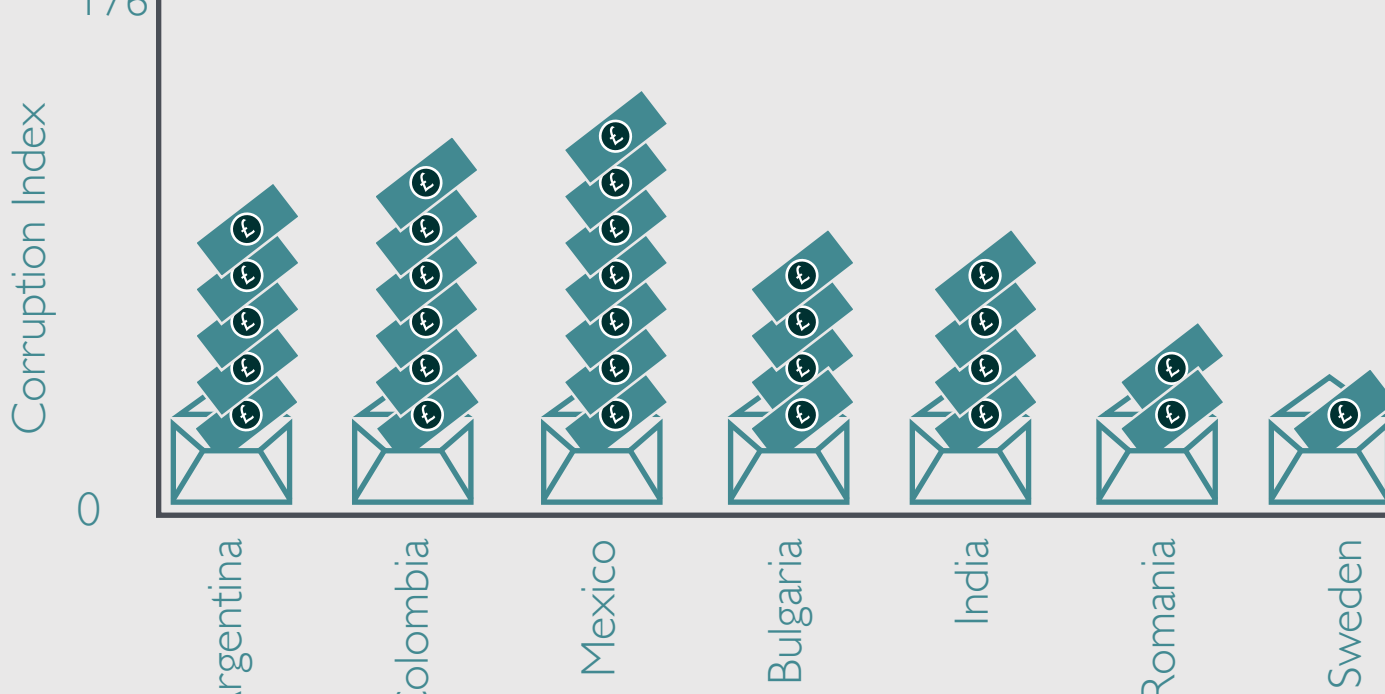
The CRS and BO registers can only be properly understood against their historical backdrop



### The Risk – Your Data & Privacy

- 49 countries have already started to exchange information
- 53 additional countries will start exchanging information from 2018

A comparison of the list of CRS adopters with the corruption perception index shows the extent of the danger faced by private individuals.



WHENEVER YOU OPEN A BANK ACCOUNT... YOU HAND OVER VITAL PERSONAL INFORMATION... THIS DATA COULD FALL INTO THE WRONG HANDS

EU WEBSITE ON DATA PROTECTION

**High Profile Hacks & Data Breaches**

- Banks** – SWIFT (\$81m stolen) & Tesco
- Telecommunication companies** – Yahoo (1bn users affected) & TalkTalk
- Insurance** – US healthcare giant Anthem Inc. (80m patients affected)
- Government agencies** – Philippine electoral office, Turkish passport office, US Personnel Management Office (over 100m citizens in total affected).
- Tax authorities** – UK, Canada, US