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## **Vance Center and Transparency International Panama Encourage Reform on Registration of Ultimate Beneficial Ownership**

New York, October 28, 2020 – Restricted access to the new ultimate beneficial ownership registry in Panama could hinder effective prevention of money laundering and corruption, the Cyrus R. Vance Center for International Justice and Transparency International Panama have found in a report. *Unveiling Corporate Structures: An International View on Registries of Ultimate Beneficial Owners*, available in [English](#) and [Spanish](#), reviews the legislation and regulations for registries of ultimate beneficial owners of companies in Panama, Colombia, Costa Rica, Spain, the United Kingdom, the Cayman Islands and the State of Delaware in the United States. It provides key recommendations for implementing Panama's new legislation to ensure effectiveness and public confidence.

The Panamanian Foundation for the Development of Citizen Freedom, Panamanian Chapter of Transparency International, commissioned the report to improve the public debate and ensure a legally-sound basis for Panama's new Registries of Ultimate Beneficial Owners. TI Panama's mission is to contribute to deepening the democratic system through permanent citizen participation. It focuses on strengthening government accountability and transparency and reducing corruption at local, regional and national levels.

Panama regularly has come under criticism internationally as uncooperative in the fight against money laundering. The Financial Action Task Force (FATF) has placed it, and it remains today, on the list of countries requiring special attention by the international community for not adequately combating money laundering. Panamanian Law 129, analyzed in the report, is a recent effort to establish the regulatory framework for a comprehensive registry of ultimate beneficial ownership, enabling regulators to access the data of resident agents and aid in

preventing money laundering and financing terrorism and the proliferation of weapons of mass destruction.

The report compares how various countries have defined ultimate beneficial ownership, established a mandatory registry, identifying basic information and responsible persons, and imposed obligations, monitoring and sanctions on lawyers and other service providers.

The report supports Panama's pursuit of transparency in three types of cases that have posed systemic challenges in the past: money laundering in and from Panama; drug trafficking, especially illicit financial flows; and the hijacking of political interests through illegal or questionable donations to parties and candidates. Panama's new legislation will require implementation in line with global trends towards transparency, especially regarding ultimate beneficial owners, as the report seeks to promote.

The report follows other Vance Center anticorruption efforts in the region, including the report [\*Corruption in times of COVID-19: a regional perspective on public procurement\*](#).

Read the full report here: [English](#), [Spanish](#)

#### **About the Vance Center**

*The Cyrus R. Vance Center for International Justice of the New York City Bar Association advances global justice by engaging lawyers across borders to support civil society and an ethically active legal profession. The Vance Center is a unique collaboration of international lawyers catalyzing public interest innovation that brings together leading law firms and other partners worldwide to pioneer international justice initiatives and provide pro bono legal representation to social justice NGOs. [www.vancecenter.org](http://www.vancecenter.org)*

#### **About the Association**

*The mission of the New York City Bar Association, which was founded in 1870 and has 25,000 members, is to equip and mobilize a diverse legal profession to practice with excellence, promote reform of the law, and uphold the rule of law and access to justice in support of a fair society and the public interest in our community, our nation, and throughout the world. [www.nycbar.org](http://www.nycbar.org)*