

ITALY ACTION PLAN TO IMPLEMENT THE G20 HIGH-LEVEL PRINCIPLES ON BENEFICIAL OWNERSHIP TRANSPARENCY

Transparency of comprehensive and detailed information on legal persons and similar arrangements, including the beneficial ownership information, is fundamental to protect integrity and transparency of the global financial system and Italy supports this goal in G20 and in other international bodies, as FATF and EU contexts.

Improving the transparency of financial system means also preventing the misuse of these entities for illicit purposes such as corruption, tax evasion and money-laundering.

The Italian Government is working on the legislative provisions needed to implement the IV EU Directive on Anti-Money Laundering published in June 2015, so ensuring that the information on beneficial ownership is also held in a central registry, as stated by Art. 30 of the EU Directive.

To such end, Italy is fully committed to implementing reforms related to the G20 High-Level Principles on Beneficial Ownership (BO) Transparency as follows:

1. Legal ownership and Beneficial Ownership are clearly defined in our primary laws. These definitions will be further specified following the transposition of the EU IV AML Directive. In current legislation the definitions of BO refer to the natural person(s) who ultimately own(s) or control(s) the entity or legal arrangement.
2. Within the context of the NRA finalised in 2014, Italy has already assessed the Money-Laundering (ML) and Terrorist Financing (TF) risks associated with the legal persons and arrangements established in the Country. The NRA conclusions are the result of a joint project, coordinated by Italy's Ministry of Economy and Finance, with the participation of all the AML/CFT competent authorities. The NRA focuses on non-listed joint-stock companies, limited liability companies, and unlimited liability companies by shares, as well as recognised associations and foundations. The NRA conclusions were shared with the private sector, and the executive summary is published on the Treasury's website. The NRA will be periodically updated and reviewed.
3. Italy will require legal entities to maintain and update Beneficial Ownership information. This information should be also adequate, accurate, up-to date and communicated to a central registry by legal entities. The latter should also provide Beneficial Ownership information to obliged entities, whenever Customer Due Diligence (CDD) is due to be performed, as per national law.
4. Through such central registry, Italy will ensure that competent authorities (including supervisors, LEAs, and Italian FIU) have timely access to Beneficial Ownership information without limitation.
5. Italy will ensure that trustees of express trusts maintain adequate, accurate and current Beneficial Ownership information, including on settlors, protector (if any) trustees, and beneficiaries. The above subjects should also disclose their status and provide BO

information to obliged entities for CDD purposes. These measures should also apply to other similar domestic legal arrangements.

6. Based on the IV EU AML Directive, Italy will create a register of trusts, with ensuing tax consequences in Italy, in order to ensure that competent authorities can timely access to adequate, accurate and current BO information of registered trusts.
7. Italy's primary legislation requires that Financial Institutions (FIs) and DNFBPs (including TCSPs) identify and verify the Beneficial Ownership of their customers. With the implementation of the IV EU AML Directive, the obliged entities will have access, in accordance with their respective CDD obligations, to BO information contained in the central registry.
8. Italy will ensure, in accordance with national laws, a substantial and effective degree of domestic cooperation to improve data exchange, including BO information. International cooperation will certainly benefit from the new EU provisions, which Italy will apply in order to expand its competent authorities' ability to cooperate internationally.
9. Italy strongly supports the G20 efforts against tax evasion and will ensure that BO information should be timely accessible to national tax authorities.
10. Italy will adopt further concrete measures aiming to prevent the misuse of its legal entities and arrangements, and to foster their degree of transparency, in order to effectively combat corruption and related financial crimes.