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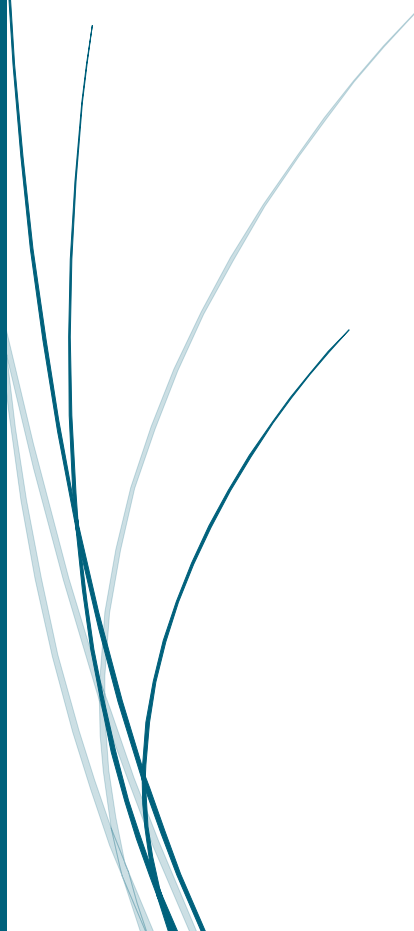


CLÁR LÁRNACH UM ÚINÉIREACTH THAIRBHIÚIL CUIDEACHTAÍ AGUS
CUMANN TIONSCAIL AGUS SOLÁTHAIR

CENTRAL REGISTER OF BENEFICIAL OWNERSHIP OF COMPANIES
AND INDUSTRIAL AND PROVIDENT SOCIETIES

RBO Annual Report

2020



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CENTRAL REGISTER OF BENEFICIAL OWNERSHIP OF COMPANIES AND INDUSTRIAL AND PROVIDENT SOCIETIES (RBO)

Annual Report 2020

Background

The Central Register of Beneficial Ownership of Companies and Industrial and Provident Societies (RBO) is an office of the Department of Enterprise, Trade and Employment. The role of the RBO is to provide a central register of beneficial ownership of companies and industrial and provident societies and to make that register available to competent authorities, designated bodies and the general public.

The Mission Statement of the RBO is

To oversee the highest possible rate and quality of beneficial ownership filing on the part of companies and industrial and provident societies in accordance with relevant statutory provisions and to ensure that appropriate beneficial ownership information is made available to competent authorities, designated bodies and the general public.

The European Union (Anti-Money Laundering: Beneficial Ownership of Corporate Entities) Regulations 2016 (S.I. 560 of 2016) required relevant entities to obtain and hold certain information in respect of their beneficial owners in an internal register. This requirement came into effect on 15th November 2016. A relevant entity means a corporate or other legal entity incorporated in the State and includes companies and industrial and provident societies.

The European Union (Anti-Money Laundering: Beneficial Ownership of Corporate Entities) Regulations 2019 (S.I. 110 of 2019) established the Central Register of Beneficial Ownership of Companies and Industrial and Provident Societies (RBO) and was signed into law in March 2019. This SI transposed the requirement of Article 30 of the EU 4th Directive on Anti-Money Laundering (4ALMD) for companies registered under the Companies Act 2014 and societies registered under the Industrial and Provident Societies Acts 1893-2018 to register information in respect of their beneficial owners with a central register, the RBO.

The Registrar of Companies was appointed as the Registrar of Beneficial Ownership of Companies and Industrial and Provident Societies and the new Register opened to accept submissions in July 2019 with a filing deadline of 22 November 2019.

It is a requirement of 4AMLD that the RBO obtain and hold adequate, accurate and current information on the beneficial ownership of companies and societies. To comply with this requirement, the use of Personal Public Service Numbers (PPSNs) was permitted to validate each beneficial owner's identity.

Filing with the RBO is by electronic means only, through a dedicated portal. There is no fee for filing.

Information may be filed with the RBO by an officer or employee of the entity or by a presenter acting on the entity's behalf.

Under the Regulations, relevant entities who were on the register at 22 June 2019 were obliged to file their beneficial ownership information with the Central Register within five months, ie by 22 November 2019. Companies incorporated after 22 June 2019 are obliged to file within five months of their incorporation date.

The Central Register is continuing to accept filings and by the end of 2020, almost 189,000 (81%) of companies and 616 societies (64%) had filed beneficial ownership information with the register.

RBO submissions were significantly impacted from March – October due to the impact of COVID-19 and saw a drop in the number of submissions.

Information to be filed with the RBO

- Name, date of birth, nationality and residential address of each beneficial owner of the entity
- A statement of the nature and extent of the interest held, or the nature and extent of the control exercised by, each beneficial owner
- The name and number of the entity as it appears on the Register of Companies or the Register of Industrial and Provident Societies
- The PPS number of each beneficial owner to whom such number has been assigned
- Changes in beneficial ownership must be notified to the Registrar within 14 days.

For beneficial owners who do not have a PPSN, a form BEN2 was introduced in August 2019 which requires the details and identity of the beneficial owner to be verified by a Notary Public (where certifying outside of Ireland) or a witness, as defined by the Statutory Declarations Act 1938, if signed in Ireland.

Access to the Register of Beneficial Ownership

Regulation 24 of Statutory Instrument 110/2019 provides for unrestricted (Tier One) access to the Central Register to be made available to certain members of

- an Garda Síochána
- the Financial Intelligence Unit (FIU) Ireland
- the Revenue Commissioners
- the Criminal Assets Bureau (CAB)
- the Central Bank of Ireland.
- the Department of Justice & Equality.
- the Property Services Regulatory Authority (PSRA).
- the Legal Services Regulatory Authority (LSRA).
- the Law Society of Ireland.
- the General Council of the Bar of Ireland.
- a designated accountancy body (within the meaning of Part 4 of the Criminal Justice (Money Laundering & Terrorist Financing) Act 2010
- an inspector appointed by the Director of Corporate Enforcement under section 764(1) of the Companies Act 2014.

Regulation 25 of Statutory Instrument 110/2019 provides for restricted (Tier Two) access to the Central Register to be made available to:

- A designated person who forms a business relationship with a relevant entity or is taking customer due diligence measures in relation to a relevant entity
- A member of the public.

There is a fee of €2.50 per search for Tier Two access to the Register.

The information regarding a relevant entity to be provided under restricted access is limited to:

- The name, month and year of birth and the nationality and country of residence of each beneficial owner, and
- A statement of the nature and extent of the interest held, or the nature and extent of control exercised by each beneficial owner.
- The day of birth and address are NOT provided under Tier Two access.

Information regarding a beneficial owner who is a minor (ie under 18 years of age) is not available in a Tier Two search. Access to such information is at the discretion of the Registrar.

RBO Activity and Statistics for 2020

TOTAL FILINGS WITH THE RBO	Companies	Societies
Live entities required to file with the RBO as of 31 December 2020	232,101	963
Entities which had registered beneficial owners at 31 December 2020	188,832	616
% of total which had filed as of 31 December 2020	81%	64%

SUBMISSIONS

Total received to 31st December 2020

	All Submissions	BEN2s	% of BEN2s to all submissions
Total Submissions Received	53,606	4,089	7%
Total Submissions Registered	42,221	3,480	8%
Total Submissions Rejected	11,385	609	5%
Register Rate	79%	85%	
Rejection Rate	21%	15%	

Breakdown of Monthly Statistics – All Submissions

	Submissions Received	Registered	Rejected	% Registered	% Rejected
January	11817	8607	3210	73%	27%
February	7297	5736	1561	79%	21%
March	4362	3546	816	81%	19%
April	2284	1916	368	84%	16%
May	2678	2247	431	84%	16%
June	2235	1887	348	84%	16%
July	3081	2588	493	84%	16%
August	2443	2019	424	83%	17%
September	2871	2420	451	84%	16%
October	3849	3068	781	80%	20%
November	7159	5325	1834	74%	26%
December	3,530	2,862	668	81%	19%
Totals	53,606	42,221	11,385	79%	21%



Breakdown of Monthly Statistics – BEN2s

	BEN2's Received	Registered	Rejected	% Registered	% Rejected	BEN2s as a % of all Submissions Registered
January	992	869	123	88%	12%	10%
February	665	583	82	88%	12%	10%
March	366	321	45	88%	12%	9%
April	139	113	26	81%	19%	6%
May	123	111	12	90%	10%	5%
June	184	160	24	87%	13%	8%
July	255	215	40	84%	16%	8%
August	208	174	34	84%	16%	9%
September	254	214	40	84%	16%	9%
October	286	234	52	82%	18%	8%
November	348	257	91	74%	26%	5%
December	269	229	40	85%	15%	8%
Totals	4,089	3,480	609	85%	15%	8%

Notification Letters to the Data Subject in cases of Rejected Submissions

Where a Beneficial Ownership submission fails RBO validation checks, the submission is rejected. Where a second failed attempt is made to register the same person as a beneficial owner for the same entity, in order to comply with GDPR, the RBO issues a letter to the “data subject” concerned, notifying them that attempts have been made to register their personal details with the RBO as a beneficial owner of a relevant entity.

In 2020, the RBO issued 7,031 Rejection/GDPR letters to data subjects whose personal details were used in failed RBO submissions.

Summary of Beneficial Ownership and Control Types Registered

The Regulations define a beneficial owner as a natural person who ultimately owns or controls a legal entity through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in that entity or through control via other means.

Where all possible means to identify the beneficial owners have been exhausted, and there are no grounds for suspicion, and no natural persons are identified who meet the criteria, the Regulations provide that the Senior Managing Official(s) of the entity (e.g. the Director(s) or CEO) shall be entered in the relevant registers as it's beneficial owners.

The following is a breakdown of the 348,297 individual beneficial ownership/control types recorded by the 188,832 entities who registered beneficial owners with the RBO:

	Shareholding	Voting Rights	Ownership Interest	Control via other means	Senior Managing Official
Ownership/control type	212,804	7,762	18,778	14,307	94,646
% of Submissions	61%	2%	5%	4%	27%

There was an average of 1.84 beneficial ownership types registered per entity.

Emails

The RBO began 2020 with 5,556 emails to be responded to as a result of the 2019 Reminder Campaign and queries arising at the time of the 22 November 2019 filing deadline.

In 2020, the RBO received and replied to a total of **12,805 emails**.

Non-Compliance Reminder Campaign

The RBO scheduled a staggered Non-Compliance Reminder campaign for March 2020 for all entities who had not filed by the deadline of 22nd November 2019. However, due to the outbreak of COVID-19, the campaign was postponed and recommenced on 12th October 2020 and will continue into 2021.

Unlike the original notifications, this campaign was:

- entity specific; ie each non-compliant entity was directly contacted, using the email addresses registered with the CRO for the company and its Presenter,
- only non-compliant companies with company numbers between 0 and 499999 were issued with Reminder Notices during 2020, the remainder will be contacted in Q1, 2021,
- Non-compliant Industrial and Friendly Societies will be issued with Reminder Notices in Q1 2021.

The Non-Compliance Reminder emails were separated into blocks based on the number of the company, 100000- 199999 etc.

Block/Company Numbers	Emails issued	Number of companies
Block 1 - 0-99999	5,673	1,710
Block 2 - 100000-199999	2,992	2,243
Block 3 - 200000-299999	3,342	2,543
Block 4 - 300000-399999	5,752	4,417
Block 5 - 400000-499999	8,346	5,965

Roll-out of unrestricted RBO access to competent authorities

In Q1 2020, the RBO developed a secure process to allow competent authorities to have unrestricted (Tier One) access to RBO data and invited all relevant competent authorities to provide lists of authorised officers at the appropriate grade/rank who should be given Tier One access to the RBO.

To-date, authorised officers of the following competent authorities have been provided with Tier One access to RBO data:

1. The Garda Síochána
2. Financial Intelligence Unit, Ireland
3. Department of Justice and Equality
4. Property Services Regulatory Authority (PSRA)
5. Law Society of Ireland
6. General Council of the Bar in Ireland
7. Institute of Chartered Accountants in Ireland (CAI)
8. Association of Chartered Certified Accountants (ACCA)
9. Chartered Institute of Management Accountants (CIMA)
10. Association of International Accountants (AIA)

Reporting of Discrepancies and Non-Compliance

Regulation 26(1) of Statutory Instrument 110/2019 states that if any ‘relevant person’ (ie Garda Síochána, Revenue Commissioners, CAB or competent authority) forms the opinion that there is a discrepancy between the information relating to an entity in the RBO and the beneficial ownership information available to the ‘relevant person’, *to the extent that it does not interfere unnecessarily with the performance of its functions*, the ‘relevant person’ shall deliver a notice to the Registrar specifying the particulars of the discrepancy.

Similarly, Regulation 20(3) states that if a ‘designated person’ carrying out customer due diligence on an entity, or otherwise, forms the opinion that there is a discrepancy between the information in the RBO and the information the entity must hold in its internal beneficial ownership register, then the designated person shall deliver a notice to the Registrar specifying the particulars of the discrepancy.

As provided for in Regulations 20 and 26, the Registrar has determined that Discrepancy Notices shall be delivered by relevant persons on a Form DN1 and by designated persons on a Form DN2 and that these Notices shall be delivered to the Registrar by e-mail to a dedicated e-mailbox - discrepancies@rbo.gov.ie

The Registrar has also determined that a case of “non-filing” will not be treated as a “Discrepancy” and, instead, will be dealt with under the RBO’s enforcement procedures. A separate Form NCN (Non-Compliance Notice) is available from the RBO website for reporting cases of non-filing, also to discrepancies@rbo.gov.ie

Non-Compliance Notices

The form for reporting non-compliance (the NCN) can be submitted by anyone who, upon inspection of the RBO Register, finds that the entity has filed no Beneficial Ownership details.

In 2020 the following Non-Compliance Notices were received:

Form	Received	Resolved	Outstanding at 31/12/2020
NCN	7	3	4

Discrepancy Notices

In 2020 the RBO launched two forms for reporting Discrepancies:

- Discrepancy Notice 1 (DN1) for Tier One category - competent authorities.
- Discrepancy Notice 2 (DN2) for Tier Two category - designated persons.

The RBO is engaged in ongoing discussions with designated persons in relation to the further enhancement of the DN2 form and the discrepancy reporting process for designated persons to take account of Covid-19 restrictions and other practical considerations.

In 2020 the following Discrepancy Notices were received:

Form	Received	Resolved	Outstanding at 31/12/2020
DN1	2	2	0
DN2	0	0	0

Enforcement and Prosecutions

No enforcements or prosecutions were initiated in 2020

RBO Enquiries

In 2020 the number of searches were as follows:

- Tier One/ Unrestricted searches: 203
- Tier Two / Restricted searches: 13,009
- Total number of searches: 13,212

RBO Receipts

In 2020, 6,907 transactions involving the purchase of Beneficial Ownership reports were completed to a value of €32,522.50.

Some transactions involved the purchase of more than one report in the same transaction.

Each report costs €2.50.

Engagement with EU/Council of Europe

In April 2020, the RBO completed a comprehensive Questionnaire from the EU Commission regarding the implementation and effective application of the 4th Anti-Money Laundering Directive (4AMLD) in Ireland.

In November 2020, the RBO was the subject of a virtual on-site visit by representatives of the EU/Council of Europe where a detailed on-line assessment of Ireland's compliance with implementation of Article 30 of 4AMLD and the transparency of the RBO was carried out. The findings of this assessment are awaited.

RBO Website

The RBO website was launched in April 2019, providing an array of information such as Frequently Asked Questions, guides on how to file with the RBO Portal and comprehensive Data Protection, Customer Service and Privacy Policy documents.

In 2020, the RBO website had the following hits:

	Number of Users	Number of New/Unique Users	Number of Sessions	Number of Page Views	Number of Sessions per person	Number of Pages per session
January	9,402	5,953	17,357	28,283	1.85	1.63
February	6,895	4,431	12,016	18,887	1.74	1.57
March [∅]	5,328	3,688	8,744	13,168	1.64	1.51
April	3,988	2,972	6,517	10,226	1.63	1.57
May	4,037	3,036	6,296	9,590	1.56	1.52
June	4,828	3,814	7,383	11,375	1.53	1.54
July	5,028	3,977	8,006	12,250	1.59	1.53
August	4,442	3,499	7,223	10,927	1.63	1.51
September	5,445	4,382	8,896	13,359	1.63	1.50
October *	6,186	5,096	10,074	15,505	1.63	1.54
November	7,506	6,080	12,422	20,343	1.65	1.64
December	1939	1849	3806	6525	1.96	1.71
Total	65,024	48,777	108,7400	170,438	2.03	1.57

[∅] Covid-19 measures introduced

* RBO Reminder Campaign begins

Geographical distribution of Website Users

The top 6 countries using the RBO website in 2020 were as follows:

Country	Number of Users	2020 Percentage	2019 Percentage
Ireland	30,362	56.17%	74.97%
United Kingdom	5,493	10.16%	8.68%
United States	3,634	6.72%	4.10%
India	1,468	2.72%	0.49%
France	976	1.81%	1.19%
Netherlands	966	1.79%	1.10%

Summary of Key RBO Dates

22 nd March 2019	signing of SI 110 of 2019.
29 th April 2019	the RBO website launched.
22 nd June 2019	all relevant entities registered on or before this date required to file.
29 th July 2019	the RBO Portal launches.
24 th October 2019	the BEN2 upload facility launches.
22 nd November 2019	RBO filing deadline.
25 th November 2019	submissions accepted as being on time if filed by midnight.
20 th January 2020	Launch of Tier One unrestricted access to RBO Register
16 th March 2020	COVID-19 restrictions implemented.
31 st March 2020	Letters begin to issue to competent authorities inviting them to nominate authorised officers to have unrestricted access to RBO data.
25 th June 2020	Signing of SI 233 of 2020 – European Union (Modifications of Statutory Instrument No 110 of 2019) (Registration of Beneficial Ownership of Certain Financial Vehicles) Regulations 2020. Register to be held by Central Bank.
26 th June 2020	Discrepancy and non-compliance reporting procedures published on website.
30 th July 2020	Registrar writes to 2,000+ designated persons via D/Justice, informing them how to access the RBO and how to report discrepancies and non-compliance.
21 st August 2020	First NCN Form received – report of non-filing from a ‘designated person’.
12 th October 2020	RBO initiates Non-Compliant Reminder Campaign – emails to issue to 45,000 non-compliant companies over 6 month period.
29 th October 2020	First DN1 Form received – report of discrepancy from ‘competent authority’.
18 th November 2020	EU Council virtual on-site visit to review of implementation of 4AML.D.