OPEN OWNERSHIP

The Global Beneficial Ownership Register

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OpenOwnership Pilot Program: Summary of Methodology

Overview

The OpenOwnership Pilot Program supports national governments to establish open beneficial ownership registers that meets policy goals - from improving the business environment to tackling corruption and money laundering. It distinguishes itself from similar programs in that support is provided in-kind, and across the the range of policy and technnical issues that are involved in publishing effective, high-quality data.

This document outlines how the Pilot Program operates, the benefits of being involved, our priorities for selecting country partners, and the implementation journey through which we support governments to progress from commitment to effective implementation.

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What the OpenOwnership Pilot Program Does

An increasing number of governments are committing to public beneficial ownership registers of companies, but need technical assistance to make it happen. The OpenOwnership Pilot Program provides this support. It is a partnership between OpenOwnership and participating governments, where parties work together iteratively to develop an effective open data beneficial ownership regime. These implementations help shape emerging international best practice.

Built into the program is a standard format for publishing beneficial ownership information - the Beneficial Ownership Data Standard (BODS). This means beneficial ownership data from different countries can be easily linked, offering significant value to users of the data - for example law enforcement, civil society and private sector officers undertaking due diligence. Data from pilot countries' registers is shared to the global OpenOwnership Register, which links the data and allows it to be readily accessed. The OpenOwnership Register currently includes ownership information for 5.5 million companies from over 20 countries.

Through the Pilot Program, OpenOwnership is partnering strategically with at least five governments to implement open registers by the end of 2020. As of January 2019, the Pilot Program is partnering with Ukraine to implement an open data beneficial ownership register of Ukrainian companies, and with Kyrgyz Republic to implement an open data register of extractives company ownership.

OpenOwnership is collating lessons from these contexts to create a suite of 'how-to' documents and tools for governments around the globe implementing open beneficial ownership registers. The first iteration of this will be released later in 2019, and will include template forms and processes for data collection, tools to guide decision making on policy and technical matters, as well as open source code.

The OpenOwnership Pilot Program:

- Supports governments to **implement public, open data beneficial ownership registers** of companies.

- **Provides technical assistance** to support policy and technology reforms required for the register to meet policy goals.
- Promotes network effects in the use of the Beneficial Ownership Data Standard, **a standardised template** for publishing beneficial ownership information that is being developed by global experts in open data standards, including those involved in the Open Contracting Data Standard.

Benefits of Participating in the OpenOwnership Pilot Program

There are many benefits to joining the OpenOwnership Pilot Program, including:
- Receiving **in-kind technical assistance** from internationally recognised experts in beneficial ownership transparency policy and technology.
- Helping **shape the development of international good practice** for using beneficial ownership transparency to promote integrity, improve business environments and stem corruption.
- Joining a growing vanguard of countries that are **creating a new global norm of beneficial ownership transparency**.

Selection of partners

When selecting partnerships, we are looking for those which enable us to:
- Encounter a **variety of challenges** when it comes to implementation and process, allowing us to develop and test solutions to these that can be shared within the 'how-to' guidance.
- **Test and refine** the Beneficial Ownership Data Standard as the international standard format for publishing high quality, linkable beneficial ownership information.
- **Create meaningful links** between beneficial ownership data across jurisdictions through the OpenOwnership Register.

- Leverage and build on the work of others to **advance beneficial ownership transparency** and move towards a new global norm of open beneficial ownership registers of companies.

The OpenOwnership Pilot Program focuses on countries with one or more of the following attributes, and where there is political commitment to implement beneficial ownership transparency by end 2020:

- **World Bank Lower-Middle Income Countries** where there is demand for beneficial ownership transparency and a need for technical assistance in order to implement.
- **EU Member States** implementing the 5th Anti-Money Laundering Directive requirement for public beneficial ownership register of companies.
- **Transitioning countries** where there is significant demand for, and political will to, deliver beneficial ownership reforms.
- **Extractive Industries Transparency Initiative** (EITI) countries implementing beneficial ownership roadmaps, where learnings can also apply to other EITI countries.

The Pilot Program Journey

The Pilot Program guides partners through six stages. Although every partnership is different, and some stages may overlap or occur in parallel, this process maximises the opportunities to meet policy goals, and to feed in learnings to OpenOwnership's 'how-to' guidance. Learning meetings are held throughout the pilot to identify learnings and enable us to improve and iterate.

Stage	*Objective*
1: Agreements	Establish a common understanding and formal agreement with the partner about the pilot implementation and its goals. This is where we discuss specific policy goals and needs, and agree the aims of the partnership.
2: Scoping	Every country is different, and it is important that we understand the existing technical, policy/regulatory, and business process frameworks that impact on beneficial ownership transparency, and who will use the data and how. Once we know the landscape in which we are operating, we can, based on our own experience and on international good practice,

	recommend changes needed to establish an effective register that meets policy goals.
3: Policy	We support the pilot partner to carry out the policy recommendations identified in the scoping phase. This might include reviewing proposed amendments to legislation and regulation, and where necessary bringing in other local or international partners to provide expertise or to monitor progress.
4: Data Collection	We support the pilot partner to design a data model compatible with the Beneficial Ownership Data Standard. We then help them to implement the recommendations from the scoping phase to put in place the processes and systems for collecting and storing the information. The Pilot Program can advise on specification for software development but cannot carry out this development.
5: Publication & Synchronisation	Through iterative and collaborative development, we put in place tools to import and validate the partner's data against the Beneficial Ownership Data Standard, and then add the partner's data to the global OpenOwnership Register. This is important - high quality, linkable data, that can be analysed and reused by anyone, empowers people to use the data for social and economic benefits.
6: Review	We assess the pilot's results against its goals, consolidate and communicate the lessons via an evaluation, and integrate learnings into OpenOwnership's 'how-to' guidance. Where required, we will agree next steps with the pilot partner and how we might support them further.

Outcomes of the OpenOwnership Pilot Program

The Open Ownership Pilot Program is contributing to a new global norm around ownership data. The Pilot Program will allow us to develop and test solutions to a range of common implementation challenges. For example, how to put in place a robust legal framework that enables useful and granular data to be published; how to decide whether to extend an existing company register database to include beneficial ownership information or create a new database; and how to get data from paper forms into the register efficiently and accurately.

We will turn these learnings into a set of 'how-to' guidance and tools for use by governments around the world who are implementing beneficial ownership regimes, providing concrete help through template forms, policy recommendations, process checklists and open source code.

Further Information

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