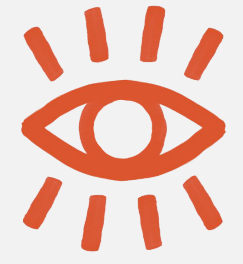


THE  
ENGINE  
ROOM

# **Beneficial ownership transparency, privacy and data protection**

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Who we are:

# THE ENGINE ROOM

Accelerating Social Change

# ? Privacy

**The right to privacy:** individuals should be free from arbitrary or unlawful interference with their privacy, home, correspondence and family.

Includes protection of personal data + its processing

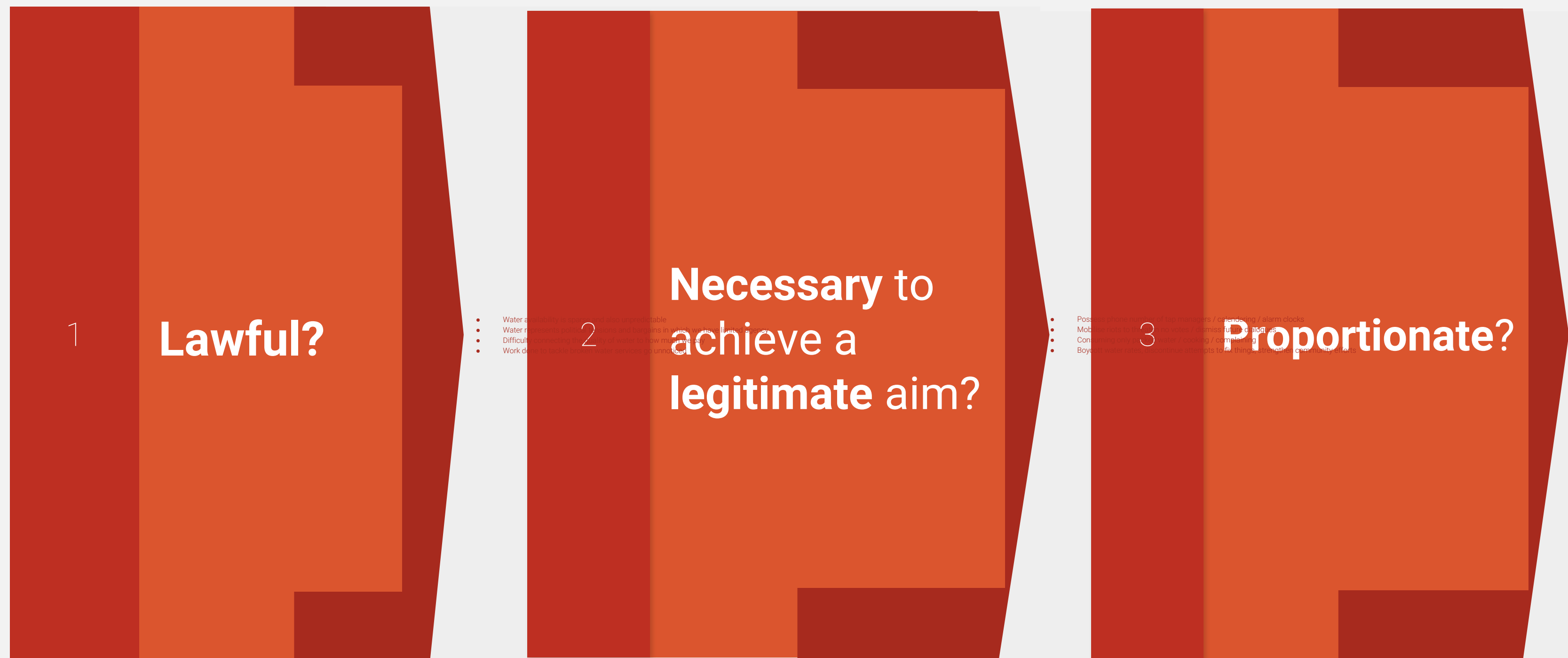
Fundamental right **BUT not an absolute right - can be restricted or limited in certain circumstances**

# ? Data protection

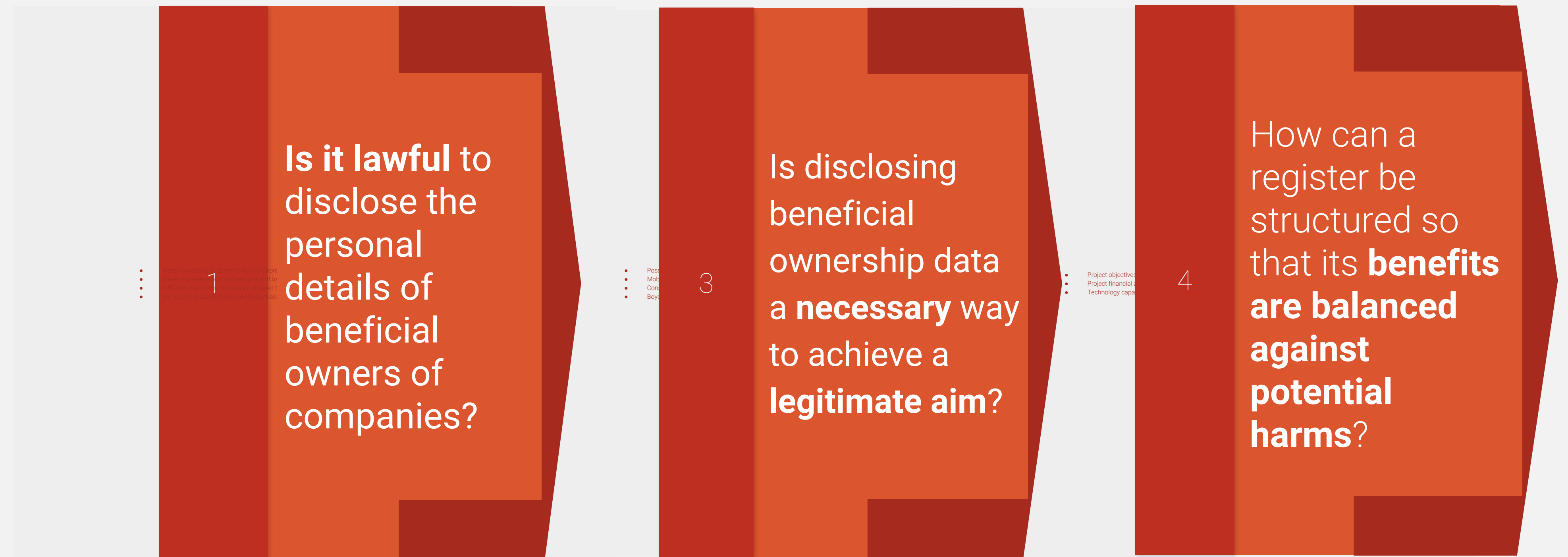
## Common principles:

- Collection of data should be *limited*
- Data must be collected for a *specific purpose*
- Onward use of the data requires *consent* or *legal authority*
- Data should be *accurate* and kept up to date if necessary
- Individuals can *obtain data about them* held by others
- Individuals *can require correction or erasure* of personal data

# 🔗 Assessing privacy arguments



# 🔗 Applying this to beneficial ownership:





# Is it lawful?

**Often, yes** - Various models worldwide show that it is compatible with data protection and other relevant obligations.

Legal basis needed can come from:

**Legal obligation** - applies if a country has passed beneficial ownership disclosure legislation - provided that data disclosed limited to what is relevant + necessary, and that individuals can request correction

**Consent** - from beneficial owners themselves



## Examples

1. Beneficial ownership legislation ✓ *and* data protection legislation ✓ ?  
**Can publish under 'lawful authority' exception**
2. Data protection legislation ✓ but no beneficial ownership legislation ✗ ?  
**Can disclose data with consent**
3. No beneficial ownership legislation ✗ or data protection legislation ✗ ?  
**Companies can disclose if this doesn't violate general law (eg risk of breach of confidence)**



# Is publishing BO data publicly an interference with privacy rights?

Legally speaking, yes.

BUT 'interference' doesn't mean 'illegal' -  
*(privacy is not an absolute right)*

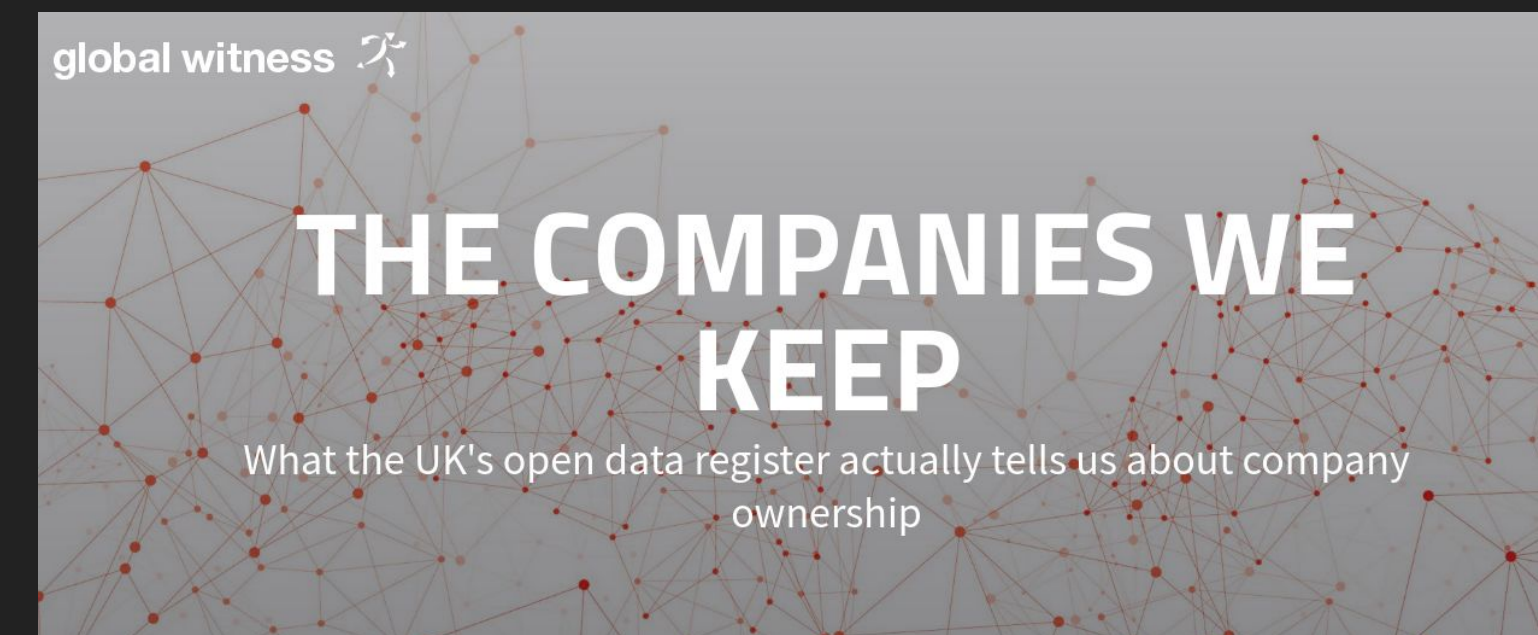
...it means that **it needs to be justified.**

# ♀ Is it necessary to combat illegal financial activity?

Not enough evidence to judge (yet). BUT public registers:

- allow greater public oversight and scrutiny
- deter criminals by increasing the risk of lying
- give companies and authorities more efficient, reliable access to data they need.

Verification of data is a problem - but this is also true of closed registers.





# Understanding the risks

We haven't found concrete evidence of harms (yet).

Potential threats:

- Identity theft
- Security (eg kidnapping in Central America)
- Association with high-risk groups (eg LGBT+ issues)
- Combining with data from other sources

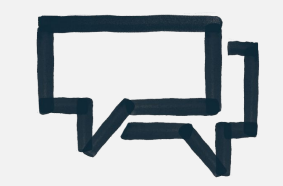
# 🚧 How can these potential harms be mitigated?

Depends on **what** is published, and **how** it is published.

- + Do not collect and disclose data beyond the minimum necessary to achieve the aims described above
- + Assess the risk of harm in specific contexts and adjust exemptions accordingly.
- + Publish only a subset of the data that is disclosed to law enforcement authorities (see above).

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# Questions?

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