


# POSITION PAPER



## **WSBI-ESBG response to the FATF public consultation on the revision of Recommendation 25 (R.25) and its Interpretive Note (INR.25)**

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WSBI



ESBG



## Questions

**1. Are FATF proposals adequate to mitigate the risk of misuse of legal arrangements and to ensure access to BO information?**

We do not have any comment on this.

**2. Are proposals clear and are there any issues which need further clarification or that should be addressed in guidance?**

We would appreciate further clarification on the definition of “basic ownership” as stated in paragraphs 3 and 4 of the Interpretive Note of the draft proposal. Is this referring to the “legal ownership” of the legal arrangement?

*3. In order to ensure that adequate, accurate and up-to-date information on the basic and beneficial ownership of the trusts or other similar legal arrangements [...].*

*4. [...] (a) the basic and beneficial ownership of the legal arrangement; [...].*

**3. What is the expected impact of the proposals on legitimate activity? In particular, what are the challenges for implementation?**

As a main challenge, we identified the difference in the regulatory frameworks and transparency regimes in different countries.



### **About WSBI (World Savings and Retail Banking Institute)**

Founded in 1924, WSBI brings together savings and retail banks from 64 countries, representing savings and retail banks worldwide. WSBI focuses on international regulatory issues that affect the savings and retail banking industry and provides a platform for knowledge exchange between member banks. Its aim is to achieve sustainable, inclusive, and balanced growth and job creation. Supporting a diversified range of financial services to meet customer needs, WSBI favours an inclusive form of globalization that is just and fair. It supports international efforts to advance financial access and financial usage for everyone. WSBI recognizes that there are always lessons to be learned from savings and retail banks from different environments and economic circumstances. It, therefore, fosters the exchange of experience and best practices among its members and supports their advancement as sound, well-governed, and inclusive financial institutions.



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### **About ESBG (European Savings and Retail Banking Group)**

ESBG is an association that represents the locally focused European banking sector, helping savings and retail banks in 16 European countries strengthen their unique approach that focuses on providing service to local communities and boosting SMEs. An advocate for a proportionate approach to banking rules, ESBG unites at EU level some 885 banks, which together employ 656,000 people driven to innovate at 48,900 outlets. ESBG members have total assets of €5.3 trillion, provide €1 trillion billion in corporate loans, including SMEs, and serve 163 million Europeans seeking retail banking services.



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