

**Beneficial Ownership Bill 2017 –  
Third Reading approved**

**The President:** Mr Henderson.

**Mr Henderson:** Gura mie eu, Eaghtyrane.

Eaghtyrane, I must thank the Hon. Council both for their support at clauses stage for this complicated but very important matter, and again I must thank the Hon. Council for their support in the suspension of Standing Orders – which I am grateful for – to allow the progression of this Bill to meet our deadlines and international obligation.

Eaghtyrane, I would also like to thank Mr Coleman and the other Hon. Members for the interest in working towards an acceptable solution to the issues which were raised in respect of the requirement to appoint a nominated officer. I am confident that in finding a solution to these issues the Bill has been improved and I am pleased that the additional flexibility which has now been created has been welcomed by the affected parts of the industry.

Eaghtyrane, I have highlighted at previous sittings the importance of progressing this Bill given the developments which are happening at this very moment in time in Westminster. We should be in no doubt about the pressure that exists for Crown Dependencies to introduce public registers of beneficial ownership. It is very likely that next week the House of Lords will be asked to vote on an amendment to the Criminal Finances Bill placing a duty on the UK Secretary of State by 31st December 2018 to provide all reasonable assistance to the Governments of the Crown Dependencies to enable them to establish a publicly accessible register of beneficial ownership and I trust that makes the point that I have been establishing all along, Eaghtyrane, especially to Mr Turner in particular.

The UK Government continues to support our current position largely on the basis of the commitment that we have given through the Exchange of Notes, thus providing further evidence, if needed, of the importance of this Bill.

Eaghtyrane, the Bill has been drafted to recognise that beneficial ownership is a live and ongoing international issue which will almost inevitably evolve further in the coming years. Indeed, the Exchange of Notes itself is something of a living document with an inbuilt review mechanism after six months of operation, and then annually thereafter.

It is also becoming clearer how other jurisdictions which are bound by an Exchange of Notes will implement the commitments into their domestic arrangements. To help futureproof the Bill and afford maximum flexibility as quickly as possible, the Bill contains a number of order-making powers. Provisions can be amended by Treasury and there are powers under which Treasury or the Department of Economic Development can make regulations to support the detail in the Bill, with Tynwald approval where necessary.

Eaghtyrane, I beg to move that the Beneficial Ownership Bill 2017 be now read a third time.

**The President:** Mr Corkish.

**Mr Corkish:** I beg to second, Mr President.

**The President:** Mr Anderson.

**Mr Anderson:** Thank you, Mr President.

Obviously I am very supportive of the Bill. In moving the clauses stage the Hon. Member mentioned the collective investment schemes that had not been consulted on when originally within the consultation period and which now are being incorporated within the Bill. Can he give me some reassurance that other jurisdictions will have the same legislation included within their Bills?

**The President:** Mr Henderson.

**Mr Henderson:** Gura mie eu, Eaghtyrane.

I would need to refer to my officer in the Gallery again to answer the specifics of that. My understanding is that they will be working up their own initiatives towards something similar, but if we could hand over to Mr Quayle just to see if he has got any update.

**The President:** Mr Quayle.

**Mr Quayle:** Thank you, Mr President.

All other jurisdictions that sign the Exchange of Notes are bound by their terms and, as Mr Henderson said, collective investment schemes as a total are not exempt from the Exchange of Notes. So we would expect other jurisdictions to follow our lead in terms of their inclusion.

There is some indication that there is a carve-out in one or two territories for all of the collective investment schemes and that is something that Treasury is keeping a watching brief on, because the exemption powers in this Bill would allow us to expand or contract any exemption around those collective investment schemes.

So at this point in time it is still a watching brief, but we would hope to be in a much better position when the order comes to Tynwald once this Bill has got Royal Assent to see what other jurisdictions are doing in this regard. But we have control over the scope of that exemption.

**Mr Anderson:** Thank you.

**The President:** I wonder if Council would permit me to ask Mr Quayle: just for the record, could you advise the status of the United Kingdom legislation in respect of a public register of beneficial ownership and the degree to which it goes beyond, or is not the same as, the legislation before Council?

**Mr Quayle:** Yes, I think the important point, Mr President, when we talk about the United Kingdom is that they are one of the few jurisdictions across the world that has a publicly accessible register. They call it a Register of Persons with Significant Control, so it is slightly different in terms of definition and scope, but the ambition is that from the United Kingdom point of view they are gold standard on this type of register – the publicly accessible element to it will be replicated across all jurisdictions. We are not there yet and they are not pushing us to be there yet, but the United Kingdom certainly goes further than the Bill that is before Council today in that important respect.

**The President:** Thank you.

Mr Henderson.

**Mr Henderson:** Gura mie eu, Eaghtyrane.

I would just like to respond to the Third Reading motion. Again, I would like to thank all Hon. Members for their support and patience in the progression of this. I would like to thank my seconder, Mr Corkish. (**A Member:** Hear, hear.) And I would certainly like to thank Mr Coleman for championing the cause from the other side, as it were – (**A Member:** Ooh!) and for the work that has gone on in the background in getting to this point where we have a pragmatic and an agreeable way forward on that. I thank him for his efforts on that.

It would be extremely remiss of me, Eaghtyrane, and it might be unusual, but I feel I should certainly put thanks on record for the *big* help and support I have had in progressing this Bill, both publicly and behind the scenes, from Mr Stuart Quayle in particular from the Policy Section of Treasury, who I am indebted to. Also to the Attorney General's Department, who I am indebted to, who again behind the scenes have done an extraordinary amount of work to this Bill – Christopher

Parker, David Bermingham and Helen Helfrich. And also to the External Relations Division because again there was a load of work done behind the scenes to get to this actual point today, and providing the Hon. Council with the information they wanted, and that goes to Della Fletcher, Sara Jones and Sam McCauley, if I might, Eaghtyrane.

So with that, I beg to move.

**The President:** Hon. Members, I put the motion that the Beneficial Ownership Bill be read for the third time. Those in favour, say aye; against, no. The ayes have it. The ayes have it.

Thank you, Hon. Members.