

### **Beneficial Ownership Disclosure Roadmap of the Cooperative Republic of Guyana**

The aim of the EITI Standard 2016 for beneficial ownership is to make transparent and disclose who ultimately controls and receives the proceeds from licenses to extract a country's natural resources. The role of "politically exposed persons" is an area of particular concern. Many practices can obscure who are the true beneficial owners of a company. The use of one or more shell companies and/or proxy/nominee owners and directors are two such practices. It is therefore important to strengthen the legal framework in key areas and to ensure that information on beneficial owners are publicly accessible in registries.

It is worth noting that EITI's interest in beneficial ownership dovetails with that of the Financial Action Task Force on Money Laundering (FATF) and its regional affiliates. Thus, there will be a degree of complementarity on this topic between Guyana's pursuit of EITI compliance and compliance under FATF. Beneficial ownership and politically exposed persons are defined in **Guyana's Anti-Money Laundering and Countering the Financing of Terrorism Act 2009 (AML/CFT)** as amended.

**The Anti-Money Laundering and Countering the Financing of Terrorism (Amendment) (No. 2) Act 2015** amends Section 2 (1) of the Principal Act define beneficial ownership as follows:

*“beneficial ownership” means ownership by a natural person or persons who ultimately exercise individually or jointly voting rights representing at least twenty-five per cent of the total shares, or otherwise have ownership rights of a legal entity; or ownership by a natural person or persons who ultimately owns or controls a customer or the person on whose behalf a transaction is being conducted and includes those persons who exercise ultimate effective control over a legal person or arrangement.”*

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**The AML/CFT Act 2009** defines a politically exposed persons as follows:

*“any individual who is or has been entrusted with prominent public functions on behalf of a state, including a Head of State or of government, senior politician, senior government, judicial or military officials, senior executives of state-owned corporations, important political party officials, including family members or close associates of the politically exposed person whether that person is resident in Guyana or not”.*

Other areas of the law that are complementarily important to ensure greater disclosure are the **Access to Information Act** and the **Integrity Commissions** which are fully functional and in order. These provide citizen groups, police and journalists the means of accessing information that might prove critical on PEPs (asset declarations, published salaries). Further the **Petroleum Regulations No 5 of 1986** make provisions for a body corporate who has a share capital to disclose the name of any person who is the beneficial owners of more than five per centum of the issued share capital.

According to the Extractive Industries Transparency Initiative (EITI) Standard (Requirement 2.5), as of 1 January 2020, all EITI implementing countries are required to disclose their ultimate beneficial owners (including politically exposed persons –PEPs) information for inclusion in the EITI Report. With the admission of the Co-operative Republic of Guyana as an EITI candidate country on October 25, 2017, Guyana is required to publish a beneficial ownership roadmap by July 2018, with the aim of full disclosure of beneficial ownership by January 1, 2020. It is against this backdrop that GYEITI have undertaken to identify six (6) objectives with planned activities that will ensure that the Cooperative Republic of Guyana achieve the objectives to satisfy requirement 2.5 of the EITI Standard 2016.

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**Road Map of Beneficial Ownership of Guyana**

**Approved by GYEITI Multi Stakeholder Group on July 18, 2018**

**The Beneficial Ownership Roadmap will be reviewed monthly by the Working Group  
and subject to change with the approval of GYEITI Multi Stakeholder Group**

<b>Objectives</b>	<b>Planned activities</b>	<b>Outcome</b>	<b>Responsible Party</b>	<b>Timeframe</b>	<b>Budget</b>	<b>Status</b>	<b>Comments</b>
<b>Objective 1</b> Link BO disclosure with National Priorities Agenda on: -Transparency - accountability	1.1 Initial Meeting with Hon Raphael Trotman to discuss national priorities of the extractive sector and beneficial ownership.	Understand national priorities of the country	National Secretariat (NS) & Working Group (WG)	September 30, 2018	Not Applicable	Completed	
	1.2 Organize round table meetings for Parliamentarians (Natural Resources subcommittee) and heads of government organizations to have open discussion on beneficial ownership and its importance to the extractive sector	Make Parliament members and heads of government aware of BO issues in Guyana	National Secretariat & Working Group	Sept 2019 (tentative)	\$200,000	Incomplete	GYEITI is awaiting the Natural Resources subcommittee to confirm/reschedule a date for the meeting.
<b>Objective 2:</b> Identify institutional framework for BO disclosure	2.1 Meeting with officials from Government Agencies/Entities,--- which register BO information and identify their framework for gathering BO information.	Identify which government entities/agencies will register and maintain BO information.  Draft MOU for information sharing	Independent Administrator (IA)	March 2019	Not Applicable	Completed	

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<b>Objective 3:</b> Identify “Beneficial ownership” and Politically Exposed Persons terminology,	3.1 Draft Beneficial Ownership and Politically Exposed Persons terminology vis-à-vis international standards	MSG to agree to draft	National Secretariat/Working Group/Independent Administrator	July, 2018	Not Applicable (NA)	Completed	
	3.2 Circulate draft to MSG for feedback and recommendation	Consensus from MSG on terminology definition for Beneficial Ownership and Politically Exposed Persons	National Secretariat/Working Group	July 2018	Not Applicable (NA)	Completed	
	3.3 Independent Administrator in drafting the definition of BO and PEP will consider definitions proposed by the MSG for MSG adoption	Consider and agree to the recommendations by the IA with regards to the definition of BO, the details to be disclosed about the identity of the BO, and approach for BO data assurance.	Independent Administrator	24 April 2019	NA	Completed	
	3.4 Propose the details to be disclosed about the identity of the beneficial owners. This should include whether the beneficial owners are politically exposed persons (PEPs), drawing on existing definitions of PEPs and assets declarations if available.		Independent Administrator	24 April 2019		Completed	
	3.5 Propose an approach for assuring		Independent Administrator	24 April 2019		Completed	

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	the BO data assurance for adoption by MSG						
Define BO threshold, level of detail through broader consultation with stakeholders	3.6 Stakeholders engagement with Companies within the Extractive Sector, government agencies and other key Stakeholders	Stakeholders will arrive at consensus and fundamental document will be finalized (MOU)	Consultant/Working Group	July 2019	\$500,000	Incomplete	
	3.7 Meeting Minister of the Ministry of Legal Affairs	GYEITI will be informed about any amendments to existing legislation	Working Group/National Secretariat	July 2019		Incomplete	
	3.8 Stakeholders engagement with civil society organizations	Civil Society will be informed about Beneficial Ownership and Politically Exposed Persons	Consultant	August 2019	\$500,000	Incomplete	
	3.9 Issue joint press release to express Government and MSG position on BO disclosure issues into public	The public and interested stakeholders will be aware of government and GYEITI position on BO disclosure	Government/GYEITI Multi Stakeholder Group (MSG)	July 2019	\$72,000	Incomplete	

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<p><b>Objective 4:</b> Collect the BO information and assure the accuracy of data</p>	<p>4.1 Document existing beneficial ownership disclosure practices and policies across the extractive sectors and synchronize the registration system of government agencies which register and maintain BO information and improve information sharing within these government agencies in an open data format (xlsx or cvs) 10</p>	<p>Information collecting and sharing system will be synchronized</p>	<p>Independent Administrator</p>			<p>Completed</p>	
	<p>4.2 Develop guidelines to reporting companies on how to identify their BO and complete the reporting template</p>		<p>Independent Administrator</p>	<p>24 April 2019</p>	<p>Not Applicable</p>	<p>Completed</p>	
	<p>4.3 Distribute the BO template to companies included in the scope of the EITI Report, collect data and follow up on any missing or incomplete submission</p>		<p>Independent Administrator</p>	<p>24 April 2019</p>	<p>Not Applicable</p>	<p>Completed</p>	
	<p>4.4 Present the findings in the EITI Report</p>		<p>Independent Administrator</p>	<p>24 April 2019</p>	<p>Not Applicable</p>	<p>Completed</p>	
	<p>4.5 Provide comments on comprehensiveness and reliability of BO information and give recommendations</p>		<p>Independent Administrator</p>	<p>24 April 2019</p>	<p>Not Applicable</p>	<p>Completed</p>	

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<b>Objective 5:</b> Complete disclosure of Political Exposed Person	5.1 Draft BO amendments and create reporting template.	PEPs will be reported completely.	Independent Administrator	24 April 2019	Not Applicable	Completed	
	5.2 GYEITI MSG agree on data assuring methodology		Multi Stakeholder Group (MSG)	July 2019		Incomplete	
	5.3 Pilot information gathering process of beneficial owners Pilot assuring process of information gathered	To test the information gathering process	Independent Administrator	TBA		Incomplete	
	5.4 Collect and disclose BO information through GYEITI 2020 Report		Independent Administrator	March 2020		Incomplete	This information will be incorporated in Guyana's 2 <sup>nd</sup> EITI Report due in March 2020
<b>Objective 6:</b> Ensure BO information is publicly accessible	6.1 Link to other e-Reporting system and disclose the BO information into public	Public Engagement	National Secretariat	March 2020		Incomplete	

Abbreviations

National Secretariat – NS

Legal and Regulatory Review Working Group – LRRWG

Independent Administrator – IA

Multi Stakeholder Group – MSG

Guyana Extractive Industries Transparency Initiative -GYEITI

Not Applicable - NA