

Japan Action Plan to implement G20 High-Level Principles on Beneficial Ownership Transparency

Recognizing the importance of transparency of beneficial ownership of legal persons and arrangements, Japan commits to the following actions to implement the G20 High-Level Principles on Beneficial Ownership Transparency to lead by example in meeting the FATF standards:

1. Annually conducting a national risk assessment by analyzing and assessing various kind of customers, products and services including legal persons and trusts, based on their specific risk, risk mitigating measures, situation of suspicious transaction reports and cleared cases of money laundering, and making publicly available its result to be shared with competent authorities, financial institutions and such.
2. Ensuring that financial institutions as well as designated non-financial businesses and professions are obliged to verify the natural person as a beneficial owner of a legal person or a legal arrangement and to keep such information adequate, accurate and up-to-date.
3. Creating a mechanism, from the viewpoint of preventing the misuse of companies and legal arrangements in activities such as money laundering and terrorist financing and by enhancing the current scheme, through which the beneficial ownership information on companies becomes accessible to relevant authorities.
4. Requiring trustees to verify the identity of natural persons who ultimately own or control over settlors and /or beneficiaries in case settlors and/or beneficiaries are legal persons at the time of transaction.
5. Enhancing the supervision and law enforcement of company service providers operating in Japan to verify the beneficial ownership of their customers.
6. Ensuring that appropriate sanctions are available and enforced, in accordance with the provisions of the relevant laws and regulations, for financial institutions as well as designated non-financial businesses and professions that do not comply with their respective obligations of anti-money laundering and counter terrorist financing in Japan, including those regarding customer due diligence.
7. Strengthening international cooperation, including timely and effective information exchange on beneficial ownership with international counterparts via ICPO or FIUs through the framework of information exchange.
8. Ensuring that the appropriate measures have been taken to prevent the misuse of financial instruments and certain shareholding structures which may obstruct transparency.