



**Third Preparatory Committee (PrepCom) for the Fourth International Conference
on Financing for Development (FfD4), NY, 10-14 February, 2025**

February 11, 2025

**Karin Adams, Transparency International on behalf of the CS FfD Mechanism
Intervention on Domestic Resource Mobilization segment**

Thank you Chair. I hereby speak on behalf of Transparency International and the Civil Society FfD Mechanism.

We see that the Zero Draft of the outcome document recognised the significant importance of transparency of the real, or beneficial, owners of corporate vehicles and global assets, and the professional service providers who establish them as a key policy reform to support sustainable development and integrity in economic governance.

Beneficial Ownership Transparency is a vital concept to address financial secrecy, and prevent illicit financial flows, natural resource crimes, corruption, and international tax abuse. We welcome that the Zero Draft explicitly mentions domestic beneficial ownership registers on paragraph 30f, but lament that it does not mention that they should also cover other corporate vehicles, such as trusts, nor increased transparency of high-value assets such as real estate and luxury goods. BO data should be verified, publicly accessible and interoperable, so that it can easily be used by competent domestic and foreign authorities, civil society and the media in uncovering Illicit Financial Flows.

Additionally, we celebrate that the Zero Draft commits to designing a beneficial ownership Global Asset Register on paragraph 30f, which again should have public access to vital assets such as vessels, land, real estate and other assets that can be misused for all types of Illicit Financial Flows. This holds significant potential to tackling natural resource crimes such as illicit logging, fishing and mining, while also unveiling hidden wealth and supporting progressive tax policies, FfD4 should stress that beneficial ownership and the global asset register should be included and discussed within the negotiations for a UN Tax Convention in an inclusive and transparent manner, incorporating experts' views from governments, academia and civil society organisations.

The Zero Draft recognises the vital status of automatic information exchange in tackling hidden bank accounts, and that it has not benefited all countries, in particular developing countries, due to political constraints and excessive compliance burdens. We ask to make actionable commitments in FfD process to address this within the UN Tax Convention negotiations.

Finally, we are encouraged to see a strong call to action in paragraph 31a to regulate and hold accountable the enablers of illicit financial flows. An emphasis on the establishment of effective

supervisory frameworks, in opposition to current self-regulatory bodies, is key to advance integrity measures that serve an equitable and just financial system.
Thank you.