

KEY FINANCIAL SECRECY INDICATORS

Key Financial Secrecy Indicator 2: Trust and Foundation Register

What is measured?

This indicator analyses whether a jurisdiction has a central register which is publicly accessible via the internet at a cost not exceeding US\$ 10, € 10 or £10¹ with information on:

- (i) all trusts (those created according to the local law and referred here as 'domestic law trusts' as well as those created under a 'foreign law' but which have a connection to the jurisdiction because they are administered by a local trustee); and
- (ii) for all private foundations, the identities of all the parties to the foundation.

Alternatively, this indicator considers whether a jurisdiction prevents the creation of trusts or similar arrangements such as *Treuhand*, *Treuhandstiftung*, *fideicomisos* or *waqfs* under its domestic laws, and/or whether it blocks its residents from administering trusts created under a foreign law. Similarly, the indicator reviews if its legislation prohibits the creation of private purpose foundations (for example, if foundations are allowed, not for the benefit of a private person or family, but only for "public interests", such as foundations that focus on education, religion, sports, poverty, etc. in favour of the whole community).

The logic behind this indicator is that a jurisdiction may neutralise the risks embedded in the opacity of trusts and private foundations either (i) by requiring the registration and publication of relevant information relating to all the parties involved in both types of legal arrangements (trusts are not considered legal entities), or (ii) by prohibiting their creation or administration in their territories. The Secrecy Scoring Matrix is given in Table 2.1. below, and full details of the assessment logic can be found in Table 2.3.

There is one important distinction between the assessments of trusts and foundations. For trusts the secrecy score depends on whether all trusts are registered and/or disclosed online, but we ignore the type and amount of information about trusts that is registered and/or published (if any). For foundations, in contrast, we go beyond this analysis by checking if all the parties of a foundation need to be registered, updated and/or disclosed online.

This distinction is made because in many countries trusts are not considered legal persons and thus their registration of trusts is incomplete, if not absent, in most jurisdictions worldwide, whereas the registration of foundations (considered legal persons) is widely the norm. For foundations, it is therefore appropriate to transitionally require a higher standard than for trusts.

This different standard exists for example in the European Union (EU) 2018 amendment to the 4th anti-money laundering directive, known as AMLD 5.² The 5th anti-money laundering directive required Member States to register the beneficial owners of all parties to an EU foundation in public registries. However, in the case of trusts, registration is required only for trusts administered or managed in the EU, or that acquire real estate or establish business relationships in the EU after 2020. In addition, access to trusts' beneficial owners will not be public, but a legitimate interest will have to be proven.³

In relation to the EU, the last transposition date of AMLD 5 was set to 10 January 2020 and a proper transposition of it would reduce EU countries' KFSI 2 secrecy score in relation to foreign law trusts with a local trustee. The 4th anti-money laundering Directive required registration of trusts' beneficial owners only in case the trust generated tax consequences. The 'tax consequences' condition prevented comprehensive registration for all foreign law trusts with a local trustee (eg those that did not generate tax consequences). Under AMLD 5, however, the 'tax consequence' condition was removed, and therefore all foreign law trusts with a local trustee would have to register their beneficial owners. As for domestic law trusts, their registration is not ensured in the EU. This is because while the 'tax consequences' condition was removed, registration of trusts' beneficial owners is still triggered by either having a local trustee or acquiring real estate or establishing a business relationship in the EU after 2020.⁴ Therefore, not all trusts governed by the laws of an EU country (EU domestic law trusts) will necessarily have to register their beneficial owners.

As for private foundations, while AMLD 5 requires registration and public access to all private foundations' beneficial owners (including all relevant parties to a foundation), there is no requirement that public access has to be online. Therefore, not all EU countries which transposed the AMLD 5 will have online disclosure of information.

Table 2.1. Secrecy Scoring Matrix KFSI 2

COMPONENT 1: Trusts (50 points of Secrecy Score)				
Regulation [Secrecy Score: 100 points = full secrecy; 0 points = full transparency]		Domestic Law Trusts		
		Available (Trusts can be created according to local laws)	Not Available (Trusts cannot be created according to local laws)	
Foreign Law Trusts with a local trustee	<u>Active Promotion</u> (Jurisdiction is a party to the Hague Convention on Trust recognition)	<u>No Disclosure</u> (in all circumstances, or unknown)	50	50 (Lack of domestic law trusts is “neutralized” by Active Promotion)
	<u>No Active Promotion</u> (Jurisdiction is not a party to the Hague Convention on Trust recognition)	<u>No Registration</u> (in all circumstances, or unknown)	50	25 (At least domestic law trusts do not create a secrecy problem)
		<u>Registration either/or</u> Registration (but no disclosure) of either foreign or domestic law trusts (in all circumstances)	37.5 (At least domestic or foreign law trusts are registered)	0 (No secrecy problem: no domestic law trusts and foreign law trusts are registered)
		<u>Registration of both</u> Registration (but no disclosure) of both foreign and domestic law trusts (in all circumstances)	25 (Although both are registered, no disclosure)	-
		<u>Disclosure of domestic but no registration of foreign (or vice versa)</u> Registration plus disclosure of domestic law trusts, but no registration of foreign law trusts	25 (Although domestic are disclosed, no registration of foreign – or vice versa)	-

		<p><u>Disclosure of domestic & registration of foreign (or vice versa)</u></p> <p>Registration plus disclosure of domestic law trusts & registration (only) of foreign law trusts</p>	0	-
	<p><u>Active Promotion is Irrelevant</u></p>	<p><u>Disclosure of both, if applicable*</u></p> <p>Registration plus disclosure of both domestic and foreign law trusts (if applicable); or neither domestic nor foreign law trusts are allowed to be created and administered respectively</p>	0	(Even if active promotion exists, it is "neutralized" by full disclosure of both domestic and foreign law trusts, if applicable)

*Note: The Financial Secrecy Index includes an optional answer on trust registration (Id. 206) called "trustee", to describe a situation where registration of any trust (either domestic law or foreign law trust) depends on the trust having a local trustee. However, for secrecy score purposes, the optional answer "trustee" is considered to refer to registration of only "foreign law trusts (with a local trustee)" instead of "both all domestic law trusts and foreign law trusts with a local trustee" because a country choosing this registration approach would not be covering those domestic law trusts which do not have a local trustee.

COMPONENT 2: Private Purpose Foundations (50 points of Secrecy Score)	
<p><u>No Online Disclosure</u></p> <p>No updated online disclosure of key parties of all private foundations, irrespective of registration, or unknown</p>	50
<p><u>Partial Online Disclosure</u></p> <p>Updated registration of key parties of all private foundations plus partial online disclosure</p>	25
<p><u>Complete Online Disclosure</u></p> <p>Updated registration of key parties of all private foundations plus complete online disclosure, or no private purpose foundations law</p>	0

Disclosure should comprise appropriate information for assessing its tax and ownership implications, including updated and complete information on the identities of all parties.

Parties to a foundation, for the purposes of the foundation section are all founder(s), foundation council member(s), beneficiaries and protectors. For information on all parties to be considered **updated**, the relevant data should be required to be updated at least annually. For information on all parties to be considered **complete**, it needs to comprise specific minimal elements. It should include at least:

- a) the full names of all parties of the entity; and
- b) for each party:
 - i. in case of individuals, full address, or passport ID-number, birthdate (for registration) or year and month of birth (for online disclosure), or a Taxpayer Identification Number (TIN); or
 - ii. in case of legal entities, company registration number plus address of principle place of business or registered address.

For founders, information must include beneficial ownership (e.g. if the founder is an entity or nominee, the natural person who is the beneficial owner of that entity or on whose behalf the nominee is acting⁵). However, if we were unable to determine whether a jurisdiction requires founder's information to include beneficial ownership, we exceptionally gave jurisdictions the benefit of the doubt, and the founder was assumed to be the beneficial owner, unless any evidence suggested that a legal entity may be registered as a founder. This exception to the "unknown is secrecy" principle is made for two reasons. First, this requirement has been embedded explicitly for the first time in the Common Reporting Standard (CRS) for automatic exchange of bank account information (see [KFSI 18](#)⁶), but is not explicitly stated in FATF standards. Second, this level of detail was not specified in most of the available current sources (e.g. Global Forum peer reviews).

For other parties to a foundation (e.g. protectors, foundation council and beneficiaries), registration of complete and updated legal ownership is sufficient to consider full registration, including the identification of a "class of beneficiaries" (instead of a pre-determined beneficiary). This provision is transitional and in future will be tightened to require complete and updated beneficial ownership of all parties to a foundation, and ruling out a "class of beneficiaries". The same will apply to trusts after a transitional period.

Alternatively, a zero secrecy score will be awarded in cases where a jurisdiction does not provide legislation for the creation of private

foundations, and does not provide legislation for the creation of trusts while ruling out the administration of foreign law trusts by domestic trustees.

We also differentiate between situations in which countries merely by omission fail to regulate and register foreign law trusts administered by domestic lawyers, tax advisers and notaries, and other situations in which jurisdictions actively attract foreign law trusts, either by adherence to the Hague Convention on the Law Applicable to Trusts and on their Recognition⁷ or by legislating equivalent domestic rules which regulate aspects of foreign law trusts for use in a domestic economic and legal context.

This indicator draws upon a variety of sources, mainly using information contained in the Global Forum peer reviews,⁸ but also private sector internet sources, FATF and IMF reports, the TJN-Survey 2019⁹ and original legal analysis. In cases where there is indication that online registries on trusts/foundation registries are available, related websites have also been consulted.

All underlying data can be accessed freely in the  Financial Secrecy Index database . To see the sources we are using for particular jurisdictions please consult the assessment logic in Table 2.5. at the end of this document and search for the corresponding info IDs (**IDs 204, 206, 214, 234, 236, 237, 238, 239, 240, 244, 355, 384, 393, 395 and 396**) in the database report of the respective jurisdiction.

Why is this important?

Trusts alter property rights. That is their purpose. A trust is formed whenever a person (the settlor) gives legal ownership of an asset (the property) to another person (the trustee) on condition that they apply the income and gains arising from that property for the benefit of another person or persons (the beneficiaries).

Trusts have many legitimate purposes, but they can easily be abused for the purpose of concealing illicit activity, for example, by concealing the identity of a settlor or beneficiary. Particular risks arise when the trust is a 'sham', i.e. the settlor is also a beneficiary and controls the activities of the trustee. This is a commonplace mechanism for evading tax since trusts can be used to conceal the actual controlling ownership of assets.

The most basic secrecy jurisdiction 'product' comprises a secrecy jurisdiction company that operates a bank account. That company is run by nominee directors on behalf of nominee shareholders who act for an offshore trust that owns the company's shares. Structures like these are created primarily to avoid disclosing the real identity of the settlor and

beneficiaries who hide behind the trust: these people will be 'elsewhere'¹⁰ in another jurisdiction as far as the secrecy jurisdiction 'secrecy providers' (the lawyers, accountants and bankers actually running this structure) are concerned. If – as is often the case – these structures are split over several jurisdictions, then any enquiries by law enforcement authorities and others about the structure can be endlessly delayed by the difficulties involved in trying to identify who hides behind the trust.

Private foundations serve a similar purpose to trusts. By definition they do not have any owners, being designed to allow wealth owners to continue to control and use their wealth hidden behind the façade of the foundations. Discretionary foundations – equivalent to discretionary trusts – are a speciality of Liechtenstein, though they are also available in other secrecy jurisdictions.

Private foundations have a founder, a foundation council and beneficiaries. Foundations are created around a foundation statute, often complemented by secret by-laws. In all secrecy jurisdiction contexts, private foundations need to be registered, though only very limited information, for example about a registered office or some foundation council members, is required to be held in government registries. These registries are normally subject to strict secrecy rules.

The existence of a central register recording the true beneficial ownership of trusts and foundations would break down the deliberate opacity surrounding this type of structure. The prospects of proper law enforcement would be greatly enhanced as a result.

For more information and analysis of the uses and abuses of trusts please read [TJN's papers on Trusts here](#).¹¹ For more background on the way discretionary trusts and foundations can be used to hide offshore wealth, read [this analysis](#).¹²

All underlying data can be accessed freely in the  [Financial Secrecy Index database](#) (IDs 204, 206, 214, 234, 236, 237, 238, 239, 240, 244, 355, 384, 393, 395 and 396).

Results Overview

Figure 2.1. Trusts and Foundations Disclosure -Secrecy Score Overview

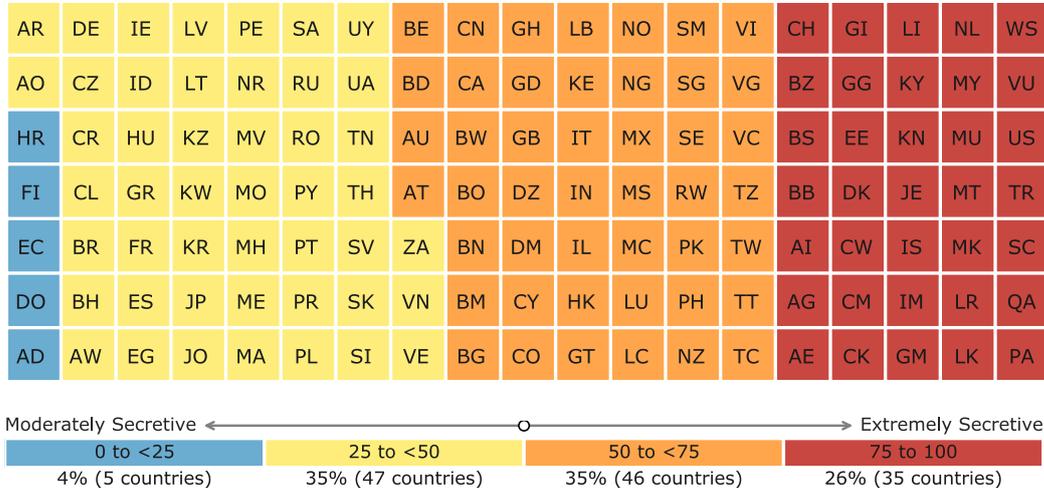


Figure 2.2. Trust Registration and Disclosure Overview

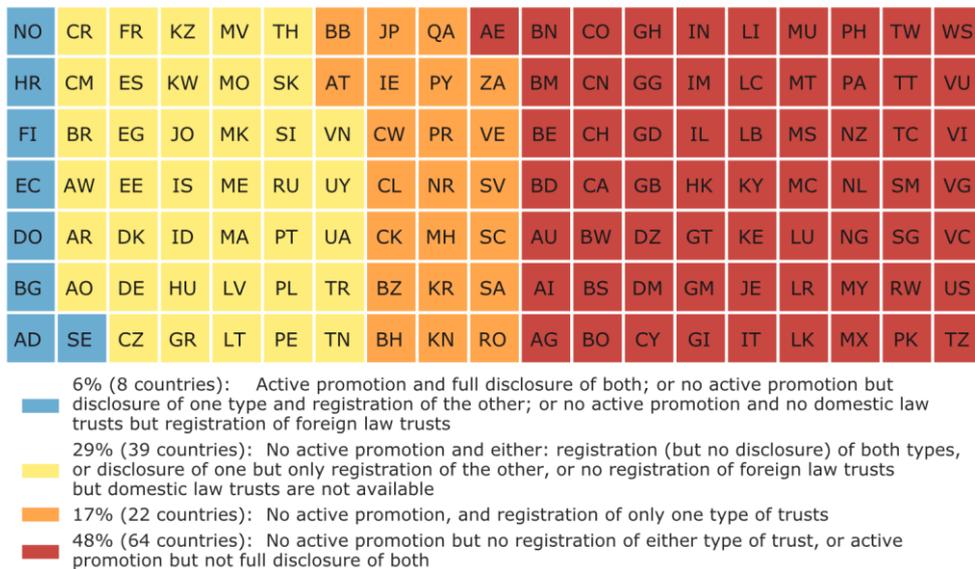
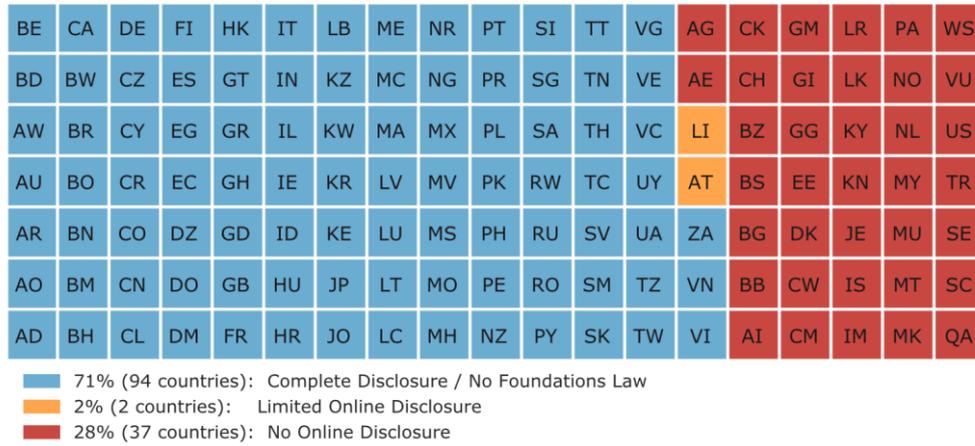


Figure 2.3. Foundations Registration and Disclosure



KFSI 2: TRUST AND FOUNDATIONS REGISTER

Table 2.2. Trusts and Foundations Register – Secrecy Scores

Secrecy score	ISO2: Country Name	Secrecy score	ISO2: Country Name
25	AW: Aruba	88	KN: St. Kitts and Nevis
25	AO: Angola	38	KR: South Korea
100	AI: Anguilla	25	KW: Kuwait
0	AD: Andorra	50	LB: Lebanon
100	AE: United Arab Emirates	100	LR: Liberia
25	AR: Argentina	50	LC: St. Lucia
100	AG: Antigua and Barbuda	75	LI: Liechtenstein
50	AU: Australia	100	LK: Sri Lanka
62	AT: Austria	25	LT: Lithuania
50	BE: Belgium	50	LU: Luxembourg
50	BD: Bangladesh	25	LV: Latvia
50	BG: Bulgaria	25	MO: Macao
38	BH: Bahrain	25	MA: Morocco
100	BS: Bahamas	50	MC: Monaco
88	BZ: Belize	25	MV: Maldives
50	BM: Bermuda	50	MX: Mexico
50	BO: Bolivia	38	MH: Marshall Islands
25	BR: Brazil	75	MK: Macedonia
88	BB: Barbados	100	MT: Malta
50	BN: Brunei	25	ME: Montenegro
50	BW: Botswana	50	MS: Montserrat
50	CA: Canada	100	MU: Mauritius
100	CH: Switzerland	100	MY: Malaysia
38	CL: Chile	100	NG: Nigeria
50	CN: China	50	NL: Netherlands
75	CM: Cameroon	50	NO: Norway
88	CK: Cook Islands	38	NR: Nauru
50	CO: Colombia	50	NZ: New Zealand
25	CR: Costa Rica	50	PK: Pakistan
88	CW: Netherlands Antilles	100	PA: Panama
100	KY: Cayman Islands	25	PE: Peru
50	CY: Cyprus	50	PH: Philippines
25	CZ: Czechia	25	PL: Poland
25	DE: Germany	38	PR: Puerto Rico
50	DM: Dominica	25	PT: Portugal
75	DK: Denmark	38	PY: Paraguay
0	DO: Dominican Republic	88	QA: Qatar
50	DZ: Algeria	38	RO: Romania
0	EC: Ecuador	25	RU: Russia
25	EG: Egypt	50	RW: Rwanda
25	ES: Spain	38	SA: Saudi Arabia
75	EE: Estonia	50	SG: Singapore
0	FI: Finland	38	SV: El Salvador
25	FR: France	50	SM: San Marino
50	GB: United Kingdom	25	SK: Slovakia
100	GG: Guernsey	25	SI: Slovenia
50	GH: Ghana	50	SE: Sweden
100	GI: Gibraltar	88	SC: Seychelles
100	GM: Gambia	50	TC: Turks and Caicos Islands
25	GR: Greece	50	TH: Thailand
50	GD: Grenada	25	TT: Trinidad and Tobago
50	GT: Guatemala	50	TN: Tunisia
50	HK: Hong Kong	75	TR: Turkey
0	HR: Croatia	50	TW: Taiwan
25	HU: Hungary	50	TZ: Tanzania
25	ID: Indonesia	25	UA: Ukraine
100	IM: Isle of Man	25	UY: Uruguay
50	IN: India	100	US: United States
38	IE: Ireland	50	VC: St. Vincent & Grenadines
75	IS: Iceland	38	VE: Venezuela
50	IL: Israel	50	VG: British Virgin Islands
50	IT: Italy	50	VI: US Virgin Islands
100	JE: Jersey	25	VN: Vietnam
25	JO: Jordan	100	VU: Vanuatu
38	JP: Japan	100	WS: Samoa
25	KZ: Kazakhstan	38	ZA: South Africa
50	KE: Kenya		

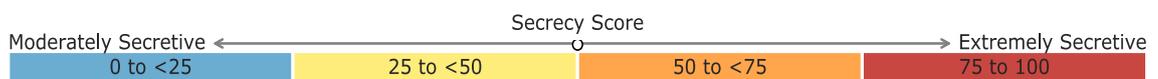


Table 2.3. Assessment Logic

Info_ID	Text_Info_ID	Answers (Codes applicable for all questions: -2: Unknown; -3: Not Applicable)	Valuation Secrecy Score
204	Are Trusts Available?	0: Foreign law trusts cannot be administered and no domestic trust law; 1: Foreign law trusts can be administered, but no domestic trust law; 2: Domestic trust law and administration of foreign law trusts.	Integrated assessment of domestic and foreign law trusts as per assessment matrix in KFSI 2, table 1 (see FSI-methodology or KFSI 2 paper). If both domestic and foreign law trusts are always registered and details published online, zero secrecy score. If domestic trust law exists, and/or foreign law trusts are legally endorsed, and no registration or disclosure is required, 50 secrecy score.
355	Is the jurisdiction a party to the Convention of 1 July 1985 on the Law Applicable to Trusts and on their Recognition?	YN	
206	Trusts: Is any formal registration required at all?	0: NEITHER: Neither domestic law trusts nor foreign law trusts domestically managed have to register; 1: BOTH: Domestic law trusts have to register and foreign law trusts domestically managed have to register; 2: TRUSTEE: Only domestically managed trusts have to register (both foreign and domestic law trust); 3: FOREIGN, BUT NO DOMESTIC: Domestic law trusts cannot be created and foreign law trusts domestically managed have to register; 4: NEITHER, BUT NO DOMESTIC: Domestic law trusts cannot be created, but no registration of domestically managed foreign law trusts; 5: ONLY DOMESTIC: Domestic law trusts have to register, but no registration of domestically managed foreign law trusts; 6: ONLY FOREIGN: Domestic law trusts do not have to register, but foreign law trusts domestically managed have to.	
214	Trusts: Is registration data publicly available ('on public record')?	0: No, neither for foreign law trusts nor domestic law trusts (if applicable); 1: Only for domestic law trusts, but not for foreign law trusts (if applicable); 2: Yes, for both	

KFSI 2: TRUST AND FOUNDATIONS REGISTER

Info_ID	Text_Info_ID	Answers (Codes applicable for all questions: -2: Unknown; -3: Not Applicable)	Valuation Secrecy Score
		domestic and foreign law trusts (if applicable).	
234	Are Private Foundations available?	YN	Integrated assessment of private foundations as per assessment matrix in KFSI 2, table 2.1. (see above). If private foundations do not exist, or need to disclose online all their key parties, zero secrecy score. If private foundations exist but do not make available online any information on their key parties, 50 secrecy score.
236	Foundations: Is any formal registration required at all?	YN	
237	Are the settlors/founders named?	0: No, nobody has to be named; 1: Yes, but a legal entity or nominee could be named; 2: Yes, but it is not clear if this refers to a natural person (beneficial owner); 3: Yes, a natural person (beneficial owner) has to be registered.	
393	What information has to be registered for those who need to be named (above)?	0: Only the names are always registered; 1: Only names and countries of residence are always registered; 2: All names plus countries of residence plus either addresses or TINs or birthdates, passport or personal IDs, or incorporation numbers are always registered.	
238	Are the members of the foundation council named?	See categories for ID 237 above.	
394	What information has to be registered for those who need to be named (above)?	See categories for ID 393 above.	
239	Is the enforcer/protector named?	See categories for ID 237 above.	
395	What information has to be registered for those who need to be named (above)?	See categories for ID 393 above.	
240	Are the beneficiaries named?	0: No, nobody has to be named; 1: Yes, but a legal entity or nominee could be named, or a class of beneficiaries is identified; 2: Yes, but it is not clear if this refers to a natural	

Info_ID	Text_Info_ID	Answers (Codes applicable for all questions: -2: Unknown; -3: Not Applicable)	Valuation Secrecy Score
		person (beneficial owner), or a class of beneficiaries is identified; 3: Yes, every natural person mentioned as a trust beneficiary, and everyone who receives a payment from the foundation has to be registered, and classes of beneficiaries or undetermined/discretionary beneficiaries are not allowed.	
396	What information has to be registered for those who need to be named (above)?	See categories for ID 393 above.	
384	Is it mandatory to update the identity of those related parties (e.g. founders, council members, etc.) that have to be registered?	YN	
244	Is registration data available online ('on public record') for up to 10 €/US\$?	0: No online disclosure for all private foundations; 1: Partial online disclosure for all private foundations; 2: Yes, full online disclosure of all private foundations	

Reference List:

'Convention of 1 July 1985 on the Law Applicable to Trusts and on Their Recognition', 1985
 <<https://www.hcch.net/en/instruments/conventions/full-text/?cid=59>> [accessed 22 January 2020]

Financial Action Task Force, *International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation. The FATF Recommendations* (Paris, June 2019) <<https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendations%202012.pdf>> [accessed 27 January 2020]

Knobel, Andres, *Trusts: Weapons of Mass Injustice?*, 2017
 <www.taxjustice.net/wp-content/uploads/2017/02/Trusts-Weapons-of-Mass-Injustice-Final-12-FEB-2017.pdf> [accessed 21 January 2020]

Knobel, Andres, and Meinzer, Markus, 'Drilling down to the Real Owners – Part 2. Don't Forget the Trust: Amendments Needed in FATF's Recommendations and in EU's AML Directive' (2016)

<http://www.taxjustice.net/wp-content/uploads/2016/06/TJN2016_BO-EUAMLD-FATF-Part2-Trusts.pdf> [accessed 22 January 2020]

OECD, 'Standard for Automatic Exchange of Financial Account Information in Tax Matters | READ Online', 2014 <https://read.oecd-ilibrary.org/taxation/standard-for-automatic-exchange-of-financial-account-information-for-tax-matters_9789264216525-en#page1> [accessed 22 January 2020]

Tax Justice Network, 'In Trusts We Trust' <<http://taxjustice.blogspot.com/2009/07/in-trusts-we-trust.html>> [accessed 22 January 2020]

———, *The UK-Swiss Tax Agreement: Doomed to Fail. Why the Deal Will Raise Little, and May Be Revenue-Negative for the UK*, 21 October 2011 <www.taxjustice.net/cms/upload/pdf/TJN_1110_UK-Swiss_master.pdf> [accessed 22 January 2020]

'The EU's Latest Agreement on Amending the Anti-Money Laundering Directive: At the Vanguard of Trust Transparency, but Still Further to Go' <<https://www.taxjustice.net/2018/04/09/the-eus-latest-agreement-on-amending-the-anti-money-laundering-directive-still-further-to-go/>, <https://www.taxjustice.net/2018/04/09/the-eus-latest-agreement-on-amending-the-anti-money-laundering-directive-still-further-to-go/>> [accessed 21 January 2020]

¹ We consider this a reasonable criterion given a) the prevalence of the internet in 2017, b) as international financial flows are now completely relying on the use of modern technology, it would be an omission not to use that technology to make information available worldwide especially as c) the people affected by these cross border financial flows are likely to be in many jurisdictions, and hence *need* information to be on the internet to get hold of it.

² <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32018L0843>; 20.1.2020.

³ 'The EU's Latest Agreement on Amending the Anti-Money Laundering Directive: At the Vanguard of Trust Transparency, but Still Further to Go' <<https://www.taxjustice.net/2018/04/09/the-eus-latest-agreement-on-amending-the-anti-money-laundering-directive-still-further-to-go/>, <https://www.taxjustice.net/2018/04/09/the-eus-latest-agreement-on-amending-the-anti-money-laundering-directive-still-further-to-go/>> [accessed 21 January 2020].

⁴ Article 1(16), Directive (EU) 2018/843 of the European Parliament (AMLD 5).

⁵ The FATF defines beneficial owners as the “natural person(s) who ultimately owns or controls a customer and/or the natural person on whose behalf a transaction is being conducted. It also includes those persons who exercise ultimate effective control over a legal person or arrangement.” See page 113 in Financial Action Task Force 2012: The FATF Recommendations. International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation (Updated in June 2019), Paris, in: Financial Action Task Force, *International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation. The FATF Recommendations* (Paris, June 2019) <<https://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF%20Recommendation%202012.pdf>> [accessed 27 January 2020].

⁶ <http://www.financialsecrecyindex.com/PDF/18-Automatic-Info-Exchange.pdf>; 22.1.2020. The corresponding passage in the Commentaries to the CRS is on page 199, in para 134: “With a view to establishing the source of funds in the account(s) held by the trust, where the settlor(s) of a trust is an Entity, Reporting Financial Institutions must also identify the Controlling Person(s) of the settlor(s) and report them as Controlling Person(s) of the trust.” The subsequent paragraph 136 specifies that for foundations similar provisions apply (p. 199). See OECD 2014: Standard for Automatic Exchange of Financial Account Information in Tax Matters. Including Commentaries., in: OECD, ‘Standard for Automatic Exchange of Financial Account Information in Tax Matters | READ Online’, 2014 <https://read.oecd-ilibrary.org/taxation/standard-for-automatic-exchange-of-financial-account-information-for-tax-matters_9789264216525-en#page1> [accessed 22 January 2020].

⁷ ‘Convention of 1 July 1985 on the Law Applicable to Trusts and on Their Recognition’, 1985 <<https://www.hcch.net/en/instruments/conventions/full-text/?cid=59>> [accessed 22 January 2020].

⁸ The Global Forum peer reviews refer to the peer review reports and supplementary reports published by the Global Forum on Transparency and Exchange of Information for Tax Purposes. They can be viewed at: ‘Exchange of Information Portal’ <<http://www.eoi-tax.org/#default>> [accessed 21 January 2020].

⁹ https://www.financialsecrecyindex.com/PDF/FSI2020_Questionnaire-MOF-NAO.xlsx; 22.1.2020.

¹⁰ By ‘elsewhere’ we mean ‘An unknown place in which it is assumed, but not proven, that a transaction undertaken by an entity registered in a secrecy jurisdiction is regulated’. See our glossary here: <https://www.taxjustice.net/topics/more/glossary/>; 22.1.2020.

¹¹ Knobel, Andres 2017: Trusts: Weapons of Mass Injustice?, in: Andres Knobel, *Trusts: Weapons of Mass Injustice?*, 2017 <www.taxjustice.net/wp-content/uploads/2017/02/Trusts-Weapons-of-Mass-Injustice-Final-12-FEB-2017.pdf> [accessed 21 January 2020]. See also Knobel, Andres and Meinzer, Markus, ‘Drilling down to the Real Owners – Part 2. Don’t Forget the Trust: Amendments Needed in FATF’s Recommendations and in EU’s AML Directive’ (2016) <http://www.taxjustice.net/wp-content/uploads/2016/06/TJN2016_BO-

EUAMLD-FATF-Part2-Trusts.pdf> [accessed 22 January 2020].. And see also Tax Justice Network, 'In Trusts We Trust' <<http://taxjustice.blogspot.com/2009/07/in-trusts-we-trust.html>> [accessed 22 January 2020].

¹² Tax Justice Network, *The UK-Swiss Tax Agreement: Doomed to Fail. Why the Deal Will Raise Little, and May Be Revenue-Negative for the UK*, 21 October 2011 <www.taxjustice.net/cms/upload/pdf/TJN_1110_UK-Swiss_master.pdf> [accessed 22 January 2020].