

Financial transparency: Sherpa calls for the opening of Beneficial Ownership Registers

Questions & Answers – January 2026

This document aims to define what Beneficial Ownership Registers are and to explain the importance of their accessibility for transparency in economic and public life.

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What is a beneficial owner?

A beneficial owner is a natural person who controls or owns a legal entity (company, association, foundation, trust, etc.) without appearing as a director or shareholder.

In the same way, and less visible than a shareholder, the beneficial owner is the real economic decision-maker behind a structure.

A shareholder is the person who legally owns shares in a company, while the beneficial owner is the natural person who controls or actually benefits from the company, even if the shares are held indirectly or through an intermediary.

Under French and European law, a beneficial owner is any person who:

- directly or indirectly holds more than 25% of the capital or voting rights of a company, or
- exercises control over the company by any other means (shareholder agreement, dominant influence, right to appoint directors, etc.).

If no one meets these criteria, the directors are then designated as beneficial owners by default.

What is a Beneficial Ownership Register?

The Beneficial Ownership Register (BOR) is an official database maintained by the National Institute of Intellectual Property (Institut National de la Propriété Industrielle, or INPI, in French) which lists, for each entity registered in France, the natural persons who actually control it.

The following entities must declare their beneficial owners:

- all commercial companies (limited liability companies, simplified joint stock companies, public limited companies, real estate investment companies, etc.),
- economic interest groups (EIGs),
- certain associations or foundations engaged in economic activity.

The declaration must be made:

- upon registration,
- and updated within 30 days of any change.

For each beneficial owner, the following information must be provided:

- full identity (surname, first name),
- date and place of birth,
- nationality,
- personal address,

- terms of control exercised (percentage of ownership, direct or indirect control via an intermediary, etc.).

Why is this register important?

It is a key tool for economic transparency and the fight against opaque financial arrangements.

The register enables authorities and certain professionals to:

- identify the true owners/decision-makers of a company,
- detect shell companies and complex ownership structures,
- combat:
 - money laundering,
 - tax fraud,
 - corruption,
 - terrorist financing.

This requirement comes from European Anti-Money Laundering Directives (AMLD), in particular the 2018 directive on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing.

Why is this register no longer made public?

On the 22nd of November 2022, the Court of Justice of the European Union decided to close access to Beneficial Ownership Registers.

These registers, made public by the 2018 directive, allowed any citizen to find out who actually controls a company.

The Court ruled that this unrestricted access constituted an excessive infringement of the privacy and personal data protection rights of the individuals concerned. In explaining its decision, it pointed out that these registers contain highly sensitive information, such as individuals' identities, links with companies, amounts held within a structure, etc. According to the Court, access to this data makes it possible to build up a very accurate profile of the person concerned, constituting a significant intrusion into their private life.

The Court therefore examined whether this infringement was justified by the objective pursued, namely the fight against money laundering and terrorist financing.

It highlighted two main points:

- Firstly, the directive allowed Member States, which are required to keep up-to-date registers, to publish ‘additional information’ without specifying what this information might be, which opened the door to overly broad and poorly regulated disclosure of personal data.
- Secondly, it recognised that journalists and organisations involved in combating financial crime have a legitimate interest in consulting this information.

The Court ultimately concluded that access by all citizens to registers of beneficial owners did not provide sufficient benefit to justify such a significant invasion of the privacy of individuals holding at least 25% of the capital in a company.

Who can access this register in France?

According to a decision by the French Ministry of Finance on 29 July 2024 and the INPI form, two access routes are retained:

- An ‘unlimited’ access route, but subject to criteria for NGOs, researchers and journalists: they will be able to access all BOR data by registering on a dedicated portal and providing justification.
- An ‘on-demand’ access route, open to all citizens, allowing access, on a case-by-case basis, to data on the beneficial owners of a given company.

NGOs must explicitly work on financial transparency or otherwise have conducted research on the subject.

Researchers must demonstrate affiliation with a laboratory or organisation and previous work related to financial transparency in order to access the database.

Journalists must provide proof of press card or equivalent.

Why does broad access to the register’s data matter?

Broad access to beneficial ownership registers is important because it enhances transparency, combats financial crime and strengthens democratic accountability.

Many cases of fraud involve letterbox companies – shell companies with no economic activity that conceal their true owners.

A public register would make it possible to:

- know who really controls a company,

- prevent criminals, fraudsters or corrupt officials from hiding behind “front men” – people acting on their behalf to enable them to conceal their identity.

The mere possibility of being identified acts as a powerful deterrent.

Major cases (Panama Papers, LuxLeaks, Pandora Papers, etc.) have been revealed by journalists and independent organisations.

Public access allows them to:

- cross-reference data,
- reveal illegal or abusive arrangements,
- alert the courts and public opinion.

Without direct access, these investigations become much more difficult, if not impossible.

Furthermore, when the hidden economic ties of public officials can be consulted:

- conflicts of interest are easier to detect,
- misappropriation of public funds becomes more risky.

Transparency also protects democracy.

By requesting the repeal of the INPI measure, Sherpa is calling for unconditional access to the registers for all those who act as ‘watchdogs’ of democracy, within the meaning of the European Court of Human Rights: journalists, NGOs, academics, bloggers, etc.