

LEGAL UPDATE

UBO register will enter into force from January 2020

Date: 5 April 2019

Following the advice of the Council of State, Minister Hoekstra of Finance presented the UBO register bill to the House of Representatives on 4 April 2019.

The UBO register will enter into force in the Netherlands in January 2020. From 2020, companies and legal entities will be required to register their ultimate beneficial owners (UBOs). The purpose of the register is to combat financial and economic crime, such as money laundering and terrorist financing, through transparency about the identity of a company's ultimate beneficial owner.

Who is subject to the UBO registration requirement?

- private limited liability companies (BVs) and (unlisted) public limited liability companies (NVs);
- other legal entities: foundations, associations, mutual insurance associations and cooperatives;
- partnerships: private partnerships, general partnerships (VoFs) and limited partnerships (CVs);
- Shipping companies;
- European public limited companies (SEs);
- European cooperative societies (SCEs);
- European economic interest groupings (EEIGs).

Who is not subject to the UBO registration requirement?

- listed companies;
- sole proprietorships;
- legal entities under public law;
- associations without full legal competence that do not operate a business and owners' associations;
- a number of types of historical legal entities;
- religious associations.

The information that must be included in the register can be found in a previous [Legal Update](#) about the UBO register.

Protection of privacy

Through the UBO register, some of the UBO's personal data, such as the UBO's name and economic interest, will become public. However, users will only be able to use the name of the company or legal entity as a search query in the public part of the UBO register. Using the name of the UBO as a search query will therefore not be possible. In addition, an additional threshold has been built in: a fee will be charged for the retrieval of data from the register.

The UBO register complies with data protection requirements and the General Data Protection Regulation (GDPR). In exceptional circumstances, a UBO may request to have their public data shielded. For example, if there is a disproportionate risk of kidnapping or violence.

Authorities such as the Public Prosecution Service, the police, the Tax and Customs Administration and the Financial Intelligence Unit, however, will always be able to view this information.

This is a Legal Update from Pauline van Hecke-Margry.

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