France’s Action Plan to enhance transparency and prevent the misuse of companies and other vehicles, including trusts

France deems it important to fight tax evasion and tax fraud, as much as money laundering and terrorism financing. In accordance with the revised FATF (Financial Action Task Force) Standards number 24 and 25, France is committed to ensure transparency of the beneficial ownership of companies, other vehicles and trusts, which involves identifying who effectively controls and takes profit of a company or a legal arrangement. To this aim, France takes the following commitments:

- **Issue France’s new National Risk Assessment on Money Laundering and Terrorism Financing** in accordance with FATF recommendation 1 by the end of 2014, including assessing the proper risks associated with different types of legal persons and other vehicles established in France.

- **Assess France’s central public registry for companies called Registre du Commerce et des Sociétés (RCS)**, in terms of efficiency to provide adequate, accurate, and current information, and propose and implement means to improve the situation if needed, including any other means to ensure access to beneficial ownership for the administrative authorities.

- **Continue to ensure comprehensive and effective legislation regarding trusts and other similar legal arrangements.** France’s legislation and regulation regarding the identification and taxation of the beneficial owners of trusts is provided by article 14 of the loi n°2011-900 du 29 juillet 2011 de finances rectificative pour 2011, completed by the Décret n°2012-1050 du 14 septembre 2012 relatif aux obligations declaratives des administrateurs de trusts.

- **Assess mechanisms** to ensure that competent authorities have access to information regarding other corporate vehicles and financial instruments and propose to improve them if appropriate.

- **Review the consistency of the application** of the current anti-money laundering and counter terrorist financing obligations imposed to both financial institutions and designated non-financial businesses and professions, including trust and company service providers, to identify and verify the beneficial ownership of their customers. Assess the need to extend or improve the obligations.
- **Strengthen the legal framework and sanctions regarding** the fight against corruption, tax evasion and tax fraud, for instance in the case of misuse of foreign entities and legal arrangements. To such end, two bills are being debated in the French Parliament under an expedited procedure (*projet de loi relatif à la lutte contre la fraude fiscale et la grande délinquance économique et financière* and *projet de loi organique relatif au procureur de la République financier*).

- **Promote international cooperation** on effective exchange of basic and beneficial ownership information on companies, trusts and other legal entities. To this end, promote comprehensive obligations to be in place in all jurisdictions in order to ensure that information is available for all sorts of entities and arrangements.