

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision relating to the register of overseas entities (“the register”) kept by the registrar of companies for England and Wales (“the registrar”) in accordance with Part 1 of the Economic Crime (Transparency and Enforcement) Act 2022 (c. 10). The provisions relate to the electronic delivery of documents, the protection of information and the definition of registrable beneficial owners.

Part 2 makes provision under section 1069 of the Companies Act 2006 (c. 46) for certain specified documents which must be delivered to the registrar for the purposes of the register to be delivered by electronic means. Regulation 4 provides an exception.

Part 3 makes provision under section 25 of the Economic Crime (Transparency and Enforcement) Act 2022 requiring the registrar to make information relating to a relevant individual (an individual who is or used to be a registrable beneficial owner or managing officer of an overseas entity) unavailable for public inspection and to refrain from disclosing that information except in specified circumstances.

Regulations 5 and 6 set out when protected information must be made unavailable for public inspection and not disclosed by the registrar. Regulation 7 makes provision for the grounds on which an application to protect information can be made, the application process including details as to what the application must contain and determination of the application by the registrar. Regulation 8 makes further provision about the application and its determination, including the ability of the registrar to refer any question relating to the assessment of the nature or extent of any relevant risk to any other person who the registrar considers may be able to assist. Regulation 9 sets out how an application can be withdrawn before it is determined.

Regulation 10 makes provision for appeals to the High Court or Court of Session when an application to protect information is unsuccessful. Regulation 10 provides that no appeal can be made without the permission of the court.

Regulation 11 makes provision as to the steps the registrar must take following a determination that the application has been unsuccessful. Regulations 12 and 13 make provision for the duration of a determination that the information must be protected including provision for revocation by the registrar.

Part 4 specifies that overseas trust service providers which are based where trust services are regulated are subject to its own disclosure requirements for the purposes of Schedule 2 to the Economic Crime (Transparency and Enforcement) Act 2022 (which defines “registrable beneficial owner”: a legal entity must be subject to its own disclosure requirements to be a registrable beneficial owner).

A full regulatory impact assessment of the effect that the overseas entities register will have on the costs of business and the voluntary sector is available from the Department for Business, Energy and Industrial Strategy, 1 Victoria Street, London SW1H 0ET and is published with the Explanatory Memorandum to this instrument on www.legislation.gov.uk.