

**Order No. 3 [2024] of the People's Bank of China and the State
Administration for Market Regulation**

**(Measures for the Administration of Beneficial Ownership
Information)**

The *Measures for the Administration of Beneficial Ownership Information*, adopted at the executive meeting of the People's Bank of China, reviewed and signed by the State Administration for Market Regulation, and approved by the State Council, is hereby issued and will come into force on November 1, 2024.

Pan Gongsheng, Governor of the People's Bank of China

Luo Wen, Head of the State Administration for Market Regulation

April 29, 2024

Measures for the Administration of Beneficial Ownership Information

Article 1 This *Measures* is made in accordance with the laws and administrative regulations on anti-money laundering and enterprise registration to increase market transparency, safeguard market and financial order, and prevent and combat money laundering and terrorist financing activities.

Article 2 The following entities (collectively, “**Reporting Entities**”) shall report beneficial ownership information through the relevant registration system in accordance with this *Measures*:

- (1) Companies;
- (2) Partnerships;
- (3) Branches of foreign companies; and
- (4) Other entities specified by the People’s Bank of China (“**PBOC**”) or the State Administration for Market Regulation.

Reporting of beneficial ownership information is not required for self-employed businesses.

Article 3 Any Reporting Entity whose registered capital or capital contribution is less than RMB10,000,000 (or foreign currency equivalent) and whose shareholders or partners are all natural persons, are exempt from reporting beneficial ownership information upon warranting that no natural person, other than its shareholders or partners, exercises de facto control of or receive income from it, and that no person exercises control of or receive income from it other than by virtue of the person’s equity or partnership interests in it.

Article 4 The State Administration for Market Regulation shall coordinate and supervise the creation of the relevant registration system, advise the local registration authorities to lawfully carry out the beneficial ownership information reporting program, and send the beneficial ownership information it has aggregated to the PBOC in a timely manner. The local administrations for market regulation at or above the county level are to oversee that the Reporting Entities report their beneficial ownership

information in a timely manner.

The PBOC establishes an information management system to receive, preserve, and process beneficial ownership information in a timely manner. The PBOC and its branches are to oversee that the Reporting Entities report their beneficial ownership information in an accurate manner.

Article 5 The PBOC and its branches will provide guidance on the reporting of beneficial ownership information with the cooperation of the administrations for market regulation.

Article 6 A natural person is a beneficial owner of a Reporting Entity if the natural person:

- (1) ultimately owns, directly or indirectly, 25 percent or more of the equity interest, shares, or partnership interest of the Reporting Entity;
- (2) without meeting the criteria of item (1), is nevertheless ultimately entitled to 25 percent or more of the income or voting power of the Reporting Entity; or
- (3) without meeting the criteria of item (1), can nevertheless exercise de facto control of the Reporting Entity either individually or with others.

“De facto control” in item (3) of the preceding paragraph includes, but is not limited to, control exercised through an agreement or a closely related individual, such as through the power to appoint or remove the legal representative or a director, supervisor, senior executive, or managing partner; to make or execute major business or management decisions; to direct financial incomes and expenditures; or to use or direct the use of material assets or a key sum of funding for an extended period in practice.

Any Reporting Entity without a natural person matching any of the three criteria of the preceding paragraph shall report those that are responsible for its day-to-day operations and management as its beneficial owners.

Article 7 A wholly state-owned company or a state-controlled company shall regard its legal representative as the beneficial owner to be reported.

Article 8 The beneficial owners of a branch of a foreign company are the beneficial owners recognized by the foreign company in accordance with Article 6 of this *Measures* as well as the senior executives of the branch.

The exemptions enjoyed by a foreign company in its home country in relation to the reporting of beneficial owners do not apply in China.

Article 9 A Reporting Entity shall report its beneficial ownership information through the relevant registration system at the time of registering its establishment.

Any Reporting Entity that is unable to register its establishment through the relevant registration system may do so at the relevant government office and, within 30 days following its registration of establishment, report its beneficial ownership information through the relevant registration system.

Article 10 Any Reporting Entity that has a change of beneficial ownership information or no longer satisfies the warranty-based exemption rule under Article 3 of this *Measures* shall, within 30 days following such change or non-satisfaction, report its beneficial ownership information through the relevant registration system.

Article 11 A Reporting Entity shall report the following information when filing a report for a beneficial owner:

- (1) Name;
- (2) Sex;
- (3) Nationality;
- (4) Date of birth;
- (5) Principal place of residence or work address;
- (6) Contact details;
- (7) The type, number, and expiration date of the identification or identity certificate; and
- (8) The type of beneficial ownership and the dates of its creation and termination (if applicable).

Reporting of the following information is also required: the relative proportion of the beneficial owner's equity interest, shares, or partnership interest in the Reporting Entity in the case of Article 6(1) of this *Measures*; the relative proportion of the beneficial owner's income

entitlement and voting power in the case of Article 6(2), and the manner of de facto control in the case of Article 6(3).

Article 12 A relevant state agency may lawfully obtain beneficial ownership information from the PBOC for the purpose of fulfilling its mandates.

Financial institutions and specified non-financial institutions may access beneficial ownership information through the PBOC for the purpose of performing anti-money laundering and counter-terrorist financing obligations.

The relevant state agency and financial institutions and specified non-financial institutions shall maintain the confidentiality of the beneficial ownership information they have lawfully obtained.

Article 13 Any relevant state agency or financial institution or specified non-financial institution that discovers an error, inconsistency, or incompleteness in the beneficial ownership information of a Reporting Entity maintained by the beneficial ownership information management system shall promptly notify the PBOC. The PBOC may, in view of the circumstances, lawfully take actions to verify the information, to which the Reporting Entity shall provide cooperation.

The PBOC may require any Reporting Entity that has a significant impact on market or financial transparency to additionally provide materials needed to determine its beneficial owners such as those relating to the equity interest, partnership interest, income entitlement, voting power, and control relationship.

Article 14 Any Reporting Entity that fails to report beneficial ownership information as required is subject to actions prescribed by the administrative regulations on enterprise registration.

If the PBOC or any of its branches finds the beneficial ownership information reported by a Reporting Entity to be inaccurate, it shall order the Reporting Entity to make corrections by a specified date and, if the Reporting Entity refuses to do so, impose a fine not more than RMB50,000.

Article 15 For the purpose of this *Measures*, a “beneficial owner” of a Reporting Entity refers to any natural person that ultimately owns or has de facto control of the Reporting Entity or enjoys the ultimate income from the Reporting Entity.

Article 16 Any Reporting Entity that has been registered before the effectiveness of this *Measures* shall report its beneficial ownership information in accordance with this *Measures* before November 1, 2025.

Article 17 This *Measures* takes effect as of November 1, 2024.