TMF GROUP

Global reach
Local knowledge

THE COMPLIANCE COMPLEXITY INDEX 2018

Meeting the global challenge of evolving corporate compliance

July 2018

About TMF Group

TMF Group helps its clients operate internationally and 'belong' wherever they are in the world. We do this by making sure they are properly set up to do business in any country and compliant with local and international regulations.

Our work includes helping companies of all sizes with business services such as HR and payroll, accounting and tax, corporate secretarial, global governance and regulatory compliance, administration fiduciary services for capital markets, private equity and real estate investments.

In today's environment, increasing business complexity means that a one size approach doesn't fit all - and the penalties for getting it wrong are getting heavier. Operating in over 80 jurisdictions, we provide our 15,000 clients with on-the-ground compliance and administration services so they can venture further. We keep things running seamlessly, giving them the peace of mind to focus on the bigger picture.

Our people localise the global world to help businesses succeed, which in turn helps communities to prosper. We firmly believe that the only way to be truly 'global' is to put local first, which is what our team of 7,000 in-country experts do for businesses of all sizes, every day.

Get in touch to see what we can do for you.
tmf-group.com/enquiry

THE COMPLIANCE COMPLEXITY INDEX 2018

UAE

Most complex jurisdiction

IRELAND

Easiest jurisdiction

EUROPE, THE MIDDLE EAST AND AFRICA

Greater transparency combined with GDPR in the EU make countries complicated, add to that legal systems based on Sharia law, and complexity takes a new dimension.

AMERICAS

Complexity in the Americas is conveniently divided into North, Central and South America, with each region exhibiting their own characteristics and associated difficulties.

ASIA PACIFIC

More so than other regions, APAC defies a clear definition in terms of complexity.

GLOBAL TRENDS

- Global financial transparency
- Regulatory compliance
- Data privacy
- Cyber-security
- Ethics and anti-bribery

INTRODUCTION

Corporate compliance is evolving – businesses must meet the challenge

It is an interesting time to be producing our index, because the business world has entered a new compliance era. As the global push for financial transparency continues, international firms face an increasingly complex landscape, which includes an influx of new regulations they must understand and comply with. These include (but are not limited to) the Automatic Exchange of Information initiatives such as the Foreign Account Tax Compliance Act (FATCA), Common Reporting Standard (CRS), the Ultimate Beneficial Owner (UBO) register and Persons with significant control register (PSC), Legal Entity identifier (LEI), General Data Protection Regulation (GDPR) and more.

These initiatives are often interpreted differently from country to country, and bring a fresh challenge to business people and legal professionals. This is significant, as international compliance was already one of the most varied business functions.

Not only does every country have a different regulatory regime, but some contain distinct internal regions within a country which may mean they take on the enactment of local laws, resulting in further complexity.

And complexity can cause problems for the unwary business person. The risks of non-compliance are huge – punishments for falling foul of the authorities can include anything from pecuniary fines, civil or criminal ones, and even the denial of the firm's license to continue operating in a specific jurisdiction. Any of these penalties can be accompanied by negative publicity, causing further reputational damage.

THE INDEX

The compliance complexity index exists to help people understand the challenges and be better prepared to meet them.

It ranks countries in order of the complexity of regulatory compliance, and contains in-depth information about global trends, as well as about compliance regimes in many key countries. It aims to provide useful information for two main audiences: generalist business people who need to consider compliance complexity as they make decisions about international expansion; and legal teams who need to react to the latest trends as well as allocate resources appropriately.

This year's index includes input from company secretaries, lawyers and paralegals from more than 80 jurisdictions. It takes the pulse of a sector that is increasingly crucial to cross-border business success.

SECTION 1

KEY FINDINGS

Using the survey findings from 84 jurisdictions, each was ranked in order of corporate complexity, 1 being the most complex through to 84 as the least complex.

TOP 5 MOST COMPLEX JURISDICTIONS

01 UAE
EMEA

02 Qatar
EMEA

03 China
APAC

04 Argentina
Americas

05 Malaysia
APAC

5 EASIEST JURISDICTIONS

01 Ireland
EMEA

02 Denmark
EMEA

03 Curaçao
AMERICAS

04 Honduras
AMERICAS

05 Nicaragua
AMERICAS

METHODOLOGY

TMF Group surveyed compliance experts in 84 countries, with the aim of getting a detailed understanding of the changing corporate compliance environment in their jurisdictions, as well as across continents and globally.

The survey contained 52 questions, covering areas including the complexity of opening an entity in a specific country; local language requirements; and difficulty of adopting both local and global transparency reporting requirements, amongst others.

TMF Group has previously released complexity reports covering corporate and secretarial compliance, but this latest report is more comprehensive, and includes regulatory compliance information in order to reflect a wider picture of the factors affecting local and global businesses today. As a result, while general trends have been analysed against prior reports, direct historical comparisons of data have not been made.

GLOBAL TRENDS

GLOBAL FINANCIAL TRANSPARENCY

A common theme of new legislation is transparency: meaning both increased visibility of financial data, and increased visibility of economic and decision-making ownership of businesses. Because of this trend, companies need to report more information to their local authorities (and in some cases directly to foreign governments), and on a more frequent basis. The information can then be exchanged with other subscribing governments. The result is a new environment of transparency, automatic flow of data, global visibility, bringing new challenges and a fairer international business environment.

RAPID GROWTH OF REGULATORY COMPLIANCE OBLIGATIONS

The speed and volume of new compliance obligations is breath-taking – and so is the number of acronyms business people and in-house lawyers now need to learn. These include:

- The Base Erosion and Profit Shifting initiative (BEPS)
- The Foreign Account Tax Compliance Act (FATCA)
- Common Reporting Standard (CRS)
- The Anti Money Laundering Directive 5 (AMLD5)
- Ultimate Beneficial Owner (UBO) register
- Legal Entity Identifier (LEI)
- Persons with Significant Control (PSC)
- EU Directive on Mandatory Disclosure for Intermediaries DAC 6
- General Data Protection Regulation (GDPR)
- And many more.

These are only a few examples of the numerous new compliance regulations and obligations. This creates a huge burden on multinational companies to understand, comply and adapt to these changes to successfully work across the globe.

DATA PRIVACY

“Big data” has made the transition from buzzword to reality. The volume of data routinely collected by companies is now huge, leading to privacy concerns. Partially in response to this, the European Union introduced General Data Protection Regulation (GDPR) in May 2018. This has been the biggest regulatory change affecting data handling and privacy to date. It introduced rules applicable to all organisations that hold personal data relating to European Union (EU) or European Economic Area (EEA) citizens or residents – affecting companies far beyond Europe’s borders. GDPR is the first of its kind, and we expect it will likely start a new trend across the rest of the continents.

CYBERSECURITY

With developments in digitisation comes an evolution in cyber-theft. As a result, companies must make sure that they are doing everything they can to keep customer and client data protected. Multinational and global companies send more and more digitised information across borders. The proper exchange of this data and ways to keep it safe from hackers and attacks is fundamental. Companies must have robust business continuity plans in place should they fall prey to an attack.

ETHICS AND COMPLIANCE, INCLUDING ANTI-BRIBERY AND ANTI-MONEY LAUNDERING

Companies today must rethink their business partnerships and identify, address and eliminate unethical behaviour. Businesses are most often guided by their values and should request the same from their teams and networks. Governments are joining the trend of ethical compliance too, introducing more regulations requiring checking the status of the customers and investors.

Know Your Client (KYC) is a global regulatory requirement which forces companies to carry out due diligence on their customers, including verifying their identities and businesses and providing a variety of reviews on both. The best companies are using KYC as a springboard already to do a deeper level of checks, ensuring their ecosystem behaves in an ethical manner. In today’s transparent world, doing otherwise represents a reputational risk.

REGIONAL OVERVIEW

ASIA PACIFIC (APAC)

The APAC region has a very diverse range of languages, cultures, and legal systems. As a result, it has the fewest region-wide compliance trends of any of this report's three geographic groupings.

Broadly though, jurisdictions in the region tend to have more time-consuming compliance requirements than elsewhere.

Globally, more than 100 countries have committed to the Common Reporting Standard (CRS). Of these, many began exchanging information in 2017 – but a very large number of Asian countries are late adopters and will or have begun in 2018.

AMERICAS

North, Central and South America each have broad complexity trends.

In recent years, North American countries have implemented a digital compliance infrastructure that supports and encourages a high degree of transparency. However, this transparency adds complexity, as it means multinational companies must gather, collate and report a significant amount of information. As a result, The United States of America (#55) and Canada (#63) achieve mid-table rankings, suggesting that any reduction in complexity afforded by digitalisation is offset by an increased regulatory burden.

The presence of the US specific Foreign Account Tax Compliance Act (FATCA), and the fact the US does not participate in the Common Reporting Standard (CRS) initiative further complicates matters for companies working across the region. Entities, for example, can have different classifications for FATCA and CRS – and this difference in outcomes requires extra attention from the business to review each entity and file relevant reports with the proper governmental body.

Historically, the corporate regulatory frameworks of many Central American and Caribbean countries suffered from a poor reputation. Happily, for the most part this no longer reflects reality – most countries have built a strong set of principles and legal frameworks. Some of this bad reputation lingers, and companies sometimes find themselves needing to provide a higher burden of proof of good corporate practice, compared to counterparts operating in other jurisdictions.

From a compliance perspective, many South American countries have received relatively little digital infrastructure investment compared to their neighbours from the North, and their processes tend to remain more bureaucratic. In addition, many countries in the region are in the path of putting global regulatory initiatives onto their local statute book, which partly explains why three jurisdictions (Argentina #4, Brazil #7, and Uruguay #10) feature in the world's top 10 most complex.

EUROPE, THE MIDDLE EAST AND AFRICA (EMEA)

EMEA has a diverse mix of legal systems – and these have an effect on its countries' compliance complexity. It is probably no coincidence that the two most complex countries in the 2018 index have a legal system based on Sharia law – the least well-understood legal system for many business people from non-Islamic countries.

Arguably, countries whose legal systems are based on common law tend to be the simplest when viewed through a compliance lens, as the "corporate secretarial" function partly evolved in countries with a such a legal system.

One of the biggest factors within EMEA is the European Union – home to the world's premier regulator. In recent years, European Directives have harmonised aspects of compliance for EU members, increasing transparency at the same time. Meanwhile the EU's new General Data Protection Regulation (GDPR) is one of the globe's most significant recent compliance developments.

SECTION 2

GLOBAL RANKINGS

BASED ON OUR ANALYSIS OF GLOBAL COMPLIANCE COMPLEXITY CRITERIA:

JURISDICTIONS	REGION	GLOBAL RANKING
UAE	**EMEA**	**1**
QATAR	**EMEA**	**2**
CHINA	**APAC**	**3**
ARGENTINA	**AMERICAS**	**4**
MALAYSIA	**APAC**	**5**
LEBANON	**EMEA**	**6**
BRAZIL	**AMERICAS**	**7**
VIETNAM	**APAC**	**8**
POLAND	**EMEA**	**9**
URUGUAY	**AMERICAS**	**10**
PHILIPPINES	APAC	11
MALTA	EMEA	12
MACEDONIA	EMEA	13
PERU	AMERICAS	14
INDIA	APAC	15
EGYPT	EMEA	16
THENETHERLANDS	EMEA	17
GREECE	EMEA	18
ROMANIA	EMEA	19
MYANMAR	APAC	20
VENEZUELA	AMERICAS	21
CYPRUS	EMEA	22
SOUTH AFRICA	EMEA	23
RUSSIA	EMEA	24
COLOMBIA	AMERICAS	25
BARBADOS	AMERICAS	26
MAURITIUS	EMEA	27
NORWAY	EMEA	28
HONG KONG	APAC	29
ESTONIA	EMEA	30

JURISDICTION	REGION	GLOBAL RANKING
CROATIA	EMEA	31
CHILE	AMERICAS	32
THAILAND	APAC	33
PAKISTAN	APAC	34
FRANCE	EMEA	35
ECUADOR	AMERICAS	36
COSTA RICA	AMERICAS	37
CZECH REPUBLIC	EMEA	38
GUATEMALA	AMERICAS	39
SLOVENIA	EMEA	40
TAIWAN	APAC	41
GERMANY	EMEA	42
JERSEY	EMEA	43
BULGARIA	EMEA	44
SWITZERLAND	EMEA	45
ITALY	EMEA	46
BERMUDA	AMERICAS	47
UNITED KINGDOM	EMEA	48
AUSTRIA	EMEA	49
JAPAN	APAC	50
SWEDEN	EMEA	51
GUERNSEY	EMEA	52
PORTUGAL	EMEA	53
DOMINICAN REPUBLIC	AMERICAS	54
UNITED STATES	AMERICAS	55
SOUTH KOREA	APAC	56
SLOVAKIA	EMEA	57

JURISDICTION	REGION	GLOBAL RANKING
CAYMAN ISLANDS	AMERICAS	58
TURKEY	EMEA	59
NEW ZEALAND	APAC	60
SINGAPORE	APAC	61
AUSTRALIA	APAC	62
CANADA	AMERICAS	63
TRINIDAD AND TOBAGO	AMERICAS	64
PANAMA	AMERICAS	65
KAZAKHSTAN	EMEA	66
BELGIUM	EMEA	67
BRITISH VIRGIN ISLANDS	AMERICAS	68
EL SALVADOR	AMERICAS	69
MEXICO	AMERICAS	70
ISRAEL	EMEA	71
SPAIN	EMEA	72
BOLIVIA	AMERICAS	73
ICELAND	EMEA	74
PARAGUAY	AMERICAS	75
HUNGARY	EMEA	76
MOROCCO	EMEA	77
LUXEMBOURG	EMEA	78
UKRAINE	EMEA	79
NICARAGUA	AMERICAS	80
HONDURAS	AMERICAS	81
CURAÇAO	AMERICA	82
DENMARK	EMEA	83
IRELAND	EMEA	84

SECTION 3

FOCUS ON ASIA PACIFIC

MOST COMPLEX JURISDICTIONS IN APAC

REGIONAL RANKING / 15	GLOBAL RANKING / 84	
01	03	China
02	05	Malaysia
03	08	Vietnam
04	11	Philippines
05	15	India

CHINA: #1 – THE MOST COMPLEX JURISDICTION FOR CORPORATE COMPLIANCE IN ASIA PACIFIC

China is consistently ranked as one of the most complex countries for any foreign firm to conduct business, and our survey confirms this. China is the most complex jurisdiction in the APAC region, and third most complex worldwide.

However, China's business environment is evolving fast. The Chinese government has begun streamlining its administrative processes and many policies have been enacted in order to reduce the time it takes to establish a business. For example, it used to be that five different certificates were required to incorporate a company, but, more recently, this has been condensed to one unified social credit code, dropping the incorporation period from four months down to two.

The restructuring of multiple state departments also contributes to increased efficiency. Additionally, efforts have been made to increase government transparency and expand the application of e-government and online administration. The measures include, but are not limited to, encouraging integrity and joint punishment for dishonesty and insincerity in commercial business, which also helps in stamping out tax evasion.

MALAYSIA: #2 IN APAC, #5 WORLDWIDE

Malaysia is the second most complicated jurisdiction in the APAC region, but the picture is slowly changing, following the introduction of the Companies Act 2016.

This Act brought with it a range of new regulations covering incorporation; creditors' rights; reporting requirements; corporate governance; and rescue mechanisms. It was designed to replace the Companies Act of 1967, and to help modernise and simplify business requirements.

The Companies Act has affected a wide range of areas, from abolishing the maximum age of directorship, to no longer requiring companies to state their shared capital. As with all regulatory changes, it will require adjustment, but should eventually lead to improved practices. However, the government has yet to declare the rate of a new Sales and Services Tax (SST), which will replace the current Goods and Services Tax (GST), leaving companies in the dark over its potential tax, and therefore costs implications.

VIETNAM: #3 IN APAC, #8 WORLDWIDE

Vietnam has historically been considered an intricate jurisdiction to do business.

Like its neighbours Malaysia and China, whose governments have implemented new legislation aimed at modernising administrative requirements, Vietnam has also released and implemented certain legal documents focusing on different fields to adopt with global changes. Among them, there has been an increased focus on the minimising of administrative procedures in investment procedures to extract more foreign investors to Vietnam. They have also applied stricter administrative requirements to foreigners working in Vietnam to react to the status of violating labour-related regulations.

EASIEST JURISDICTIONS IN ASIA PACIFIC

AUSTRALIA: #15 IN APAC #62 WORLDWIDE

Australia is one of the simpler places in terms of compliance complexity, and in this year's index is the lowest ranked country in APAC.

In contrast to its regional neighbours such as China and Vietnam, the regulatory requirements for incorporating a company in Australia are relatively straightforward. However, ongoing requirements in terms of corporate compliance are strictly enforced in Australia by the Australian Securities and Investment Commission ("ASIC") whose task it is to regulate the country's company and financial services laws. Any failure to adhere to the compliance obligations as regulated by ASIC, could lead to severe penalties for both companies and officers. To protect against such consequences, it is essential that entities in Australia adopt robust governance systems and frameworks throughout their organization.

SINGAPORE: #14 IN APAC #61 WORLDWIDE

Singapore ranks only one place higher than Australia in the complexity rankings, partially due to recent legislative changes. Foreign corporate entities can now re-domicile to Singapore and will be required to operate like any other Singapore incorporated companies subject to certain requirements and solvency criteria and approval from the authority. The abolishment of the requirement for common seals in the execution of certain documents such as deeds and share certificates has reduced compliance costs; new sections under Singapore's Companies Act were introduced to allow directors to revise defective financial statements instead of obtaining a court order which could be time consuming and costly.

In the future, further changes will take place, including amendments to align the timelines for holding annual general meetings (AGMs) and filing of annual returns (ARs) with companies' financial year end and exempting all private companies from holding AGMs subject to specified safeguards thus simplifying the process, reducing compliance cost and improving ease of doing business in Singapore.

SECTION 4

FOCUS ON THE AMERICAS

MOST COMPLEX JURISDICTIONS IN THE AMERICAS

	Argentina	Brazil	Uruguay	Peru	Venezuela
REGIONAL RANKING / 26	01	02	03	04	05
GLOBAL RANKING / 84	04	07	10	14	21

ARGENTINA: #4 – THE MOST COMPLEX JURISDICTION FOR CORPORATE COMPLIANCE IN THE AMERICAS

Last year, the Government of Argentina adopted a number of new measures aimed at saving costs, modernising and simplifying the country's corporate governance. Changes included the creation of a new corporate structure - Sociedades por Acciones Simplificadas 'Companies by Simplified Shares'; which includes provision of a digital platform that allows some paperwork to be filed remotely.

This is one of many programmes which will likely reduce complexity in the long-term. But in the short-term, the effect has been an increased complication for businesses while they adjust and adapt to the changes. This is compounded by an information gap – critics claim not enough information has been provided about the new systems for companies to fully and properly adopt and implement.

BRAZIL: #2 IN AMERICAS #7 WORLDWIDE

Brazil has ranked highly on the complexity index this year, and its many procedural changes can add complications for business owners.

While there haven't been any large-scale changes in recent months, there have been some changes in the procedures of registering companies at the Board of Trade, the Federal Revenue Services and City Hall that have, to some degree, increased the amount of red tape.

The combination of the country's tumultuous political situation and impending elections make the future of Brazil's economic complexity rather uncertain.

URUGUAY: #3 IN AMERICAS #10 WORLDWIDE

Uruguay has implemented several global regulatory initiatives, causing a short-term spike in complexity as businesses adjust.

Companies face a new requirement to provide UBO information as well as information such as the name of the representative of a company's shareholders.

Uruguay has committed to automatic exchange of information under CRS and has enacted local CRS laws. Reportable financial institutions must register and notify their local tax regulatory authority.

Likewise, Uruguay has put new anti-money laundering legislation onto its statute book.

EASIEST JURISDICTIONS IN AMERICAS

CURAÇAO: #26 IN AMERICAS #82 WORLDWIDE

From a compliance standpoint, Curaçao is the least complex business location in the Americas. In part this is because the government has begun to remove red tape around processes such as tax filing and applying for permits. For example, taxes can now be filed online, whereas in the past representatives needed to visit the tax administration office in order to deliver tax returns. Similar simplifications have occurred for social security deductions on wages. Overall, the cumulative effect of these simplifications has made the tax filing system more user-friendly.

This trend of simplification may continue in the future. The government is currently consulting both public and private sector entities in order to further identify red tape that needs to be removed to continue to make the island more attractive for international businesses.

HONDURAS: #25 IN AMERICAS #81 WORLDWIDE

From a corporate secretarial standpoint, Honduras ranks as one of the least complex jurisdictions globally due to a combination of lax requirements and weak monitoring bodies.

However, the country has been making a concerted effort to stamp out illicit activities, reinforcing existing administrative procedures and seems to be introducing new policies that, in the future, should increase the security and complexity of the country's financial processes.

SECTION 5

FOCUS ON EUROPE, THE MIDDLE EAST AND AFRICA (EMEA)

MOST COMPLEX JURISDICTIONS IN EMEA

REGIONAL RANKING / 43	01	02	03	04	05
GLOBAL RANKING / 84	01 UAE	02 Qatar	06 Lebanon	09 Poland	12 Malta

UNITED ARAB EMIRATES: #1 – THE MOST COMPLEX JURISDICTION FOR CORPORATE COMPLIANCE IN EMEA

The introduction of VAT in the United Arab Emirates (UAE) has impacted not only accounting practices but also company compliance requirements, resulting in this jurisdiction being ranked as the most complex globally in 2018. Many of the UAE's constituent Emirates have increased their filing requirements and are enforcing deadlines and penalties for late submissions.

Our experts report that the government is increasing checks to verify company substance and are taking extra measures to make sure companies are operating and are being run in a compliant manner.

One jurisdiction within the UAE that stands out is Abu Dhabi Global Market, which has launched consultation on how it can further increase its attractiveness as a business destination. It has focused on making the company establishment and filing requirements straightforward and does not require as many attestations and notarisations as other jurisdictions do.

A final consideration on why the UAE has ranked as most complex in our Index is that it is in the process of starting to bring in the Common Reporting Standard (CRS) and implementing more rigorous Know Your Client (KYC) regulations – forcing businesses to adjust.

QATAR: #2 IN EMEA
#2 WORLDWIDE

The sanctions imposed on Qatar in June 2017 by the neighbouring countries had a significant impact on the local economy, with many businesses having had to change the way in which they were structured. The jurisdiction has seen an increase in penalties being issued from some of the authoritative bodies in Qatar, while in the past, similar circumstances would have been afforded a period of grace.

Grace periods are now becoming scarce and fines are issued on any late filing or submission delay.

There are many government initiatives being discussed to stimulate the economy and make it easier to do business but we have yet to see any impact.

LEBANON: #3 IN EMEA
#6 WORLDWIDE

Lebanon is the third most complex country in EMEA and the sixth most complex country worldwide for corporate compliance.

One of the reasons that compliance in Lebanon is particularly strict is counter-insurgency regulations. These rules are designed to prevent or reveal the funding of terrorist groups by increasing transparency, but this in turn impacts compliance complexity. In particular, legislation known as Basic Circular No. 139 introduces a range of administrative procedures with which firms must comply.

In addition, Lebanon has signed the Common Reporting Standard (CRS) agreement which confirms the country's commitment to implementing the automatic exchange of financial account information beginning this year.

EASIEST JURISDICTIONS IN EUROPE, MIDDLE EAST AND AFRICA

IRELAND: #43 IN EMEA #84 WORLDWIDE

Of all the countries surveyed, Ireland was the simplest from a compliance standpoint. But that does not mean it is complexity-free.

All Irish registered companies are required to maintain an internal UBO Register in accordance with EU anti-money laundering legislation. The Irish authorities are currently in the process of transposing further EU legislation into Irish law, which will require all registered companies to file their UBO Register in a Central Register. Once this becomes live, companies will have three months to file.

The Irish Companies Registration Office is now commencing enforcement proceedings against companies and directors who fail to file annual returns within 180 days of a missed deadline (previously, the time limit was 260 days). These new developments could increase Ireland's complexity in the near future.

DENMARK: #42 IN EMEA #83 WORLDWIDE

Denmark is just above Ireland in the compliance complexity rating, meaning it is one of the simplest places to operate in. However, there are some changes which could potentially change the situation.

UBO registration is becoming a mandatory part of the incorporation process, and failure to comply with the registration and the Danish Business Authority could risk the dissolution of the company if the registration is not completed within a given time limit.

Automated "triggers" for some business activities are set up when handling the registration of entities with the Danish Tax Authorities, and if these are activated, additional documentation can be required. Setting up a bank account is getting increasingly difficult, due to enhanced requirements. In the future, the effect of all these changes may have an impact on Denmark's complexity ranking.

SECTION 6

CONCLUSION

Complexity is a crucial factor that business people and legal teams must take into account. To respond best to it, businesses should consider the following three things:

UNDERSTANDING THE COMPLEXITY

Global compliance is challenging because it is diverse and complex. Countries have different legal systems, traditions, regulatory frameworks, interpretations of international regulations, and more. Combined with other factors such as time zones and language, proper compliance can be a challenging task.

The first way to meet that challenge is to understand and map the complexity. This can be done by audits, "compliance health checks" or any other means – but any business person needs to first understand the issues they are dealing with and bring this as part of any business strategy.

ENSURE A CONSISTENT AND SCALABLE GLOBAL FRAMEWORK

Companies operating in multiple jurisdictions can unify their compliance by using their most heavily regulated jurisdictions as the benchmark, and then emulating that standard of compliance everywhere else they operate. This might raise the bar for some countries but on a global scale this not only serves to simplify the process, but also protects global businesses against any future tightening of compliance regimes in countries where regulation is currently considered lax from an international perspective.

One simple example are American firms adopting GDPR for their domestic customers even though it is a EU legislation.

PARTNERING FOR SUCCESSFUL COMPLIANCE

In the face of ever-increasing transparency obligations, multinational companies must liaise effectively with regulators, partner with professional service providers and align with stakeholders in order to effectively address increasing global complexity.

TMF GROUP CORPORATE SECRETARIAL SERVICES

WE OFFER A GLOBAL SOLUTION FOR LOCAL COMPLIANCE.

TMF Group is helping companies to become, and remain, compliant with both local and global requirements in more than 80 jurisdictions.

We manage the compliance cycle of international entities and structures across the globe. Our experienced team of company secretaries, lawyers and paralegals are based around the world, and possess an unrivalled local knowledge, proving invaluable when it comes to helping your companies adhere to local regulations.

The following comprise a range of our main corporate secretarial services:

- **International entity management.** Assurance that clients remain compliant across multiple jurisdictions through a single point of coordination and a dedicated service delivery manager
- **International entity health check.** A comprehensive corporate compliance status report providing a three-way process that matches and reviews an entity's information from local public records, local statutory records and internal corporate databases
- **Directorship and officer services.** Managerial services of highly experienced professionals in areas such as local corporate governance and specified expertise, that support the boards of our clients' entities
- **Business transactional activities.** Assistance with the minor and not so minor services that are time consuming and do not add efficiency such as local changes in registrations, name changes, removal and appointment of director, etc
- **International document retrieval services.** Fast and reliable delivery of corporate documents from public registries in over 80 countries
- **Registered and process agent.** Assistance for international clients who have entered into legal agreements governed by a law foreign to their home country and require the necessary registered address to accept locally-served legal documents
- **Office related services.** TMF Group may also help you find appropriate physical premises for your office requirements via our office brokerage service, which is available globally
- **Company formation services.** We offer a full spectrum of company formation services and are experts in incorporating companies in over 80 countries, including all major onshore, mid-shore and offshore jurisdictions
- **International corporate structuring.** We establish and manage the entire life cycle of corporate structures as per the client's corporate advisors requirements globally
- **Substance compliance health check.** We help you assess your local economic substance situation
- **Governance and regulatory compliance.** We help companies become and remain compliant with global transparency regulations, in compliance with the OECD guidelines as well as other international global regulators
- **Ultimate beneficial owner registration services.** TMF Group can assist in reviewing your corporate structure, assessing the data and performing accurate UBO registration as per local requirements and/or take the appropriate action following a change of the entity's (ultimate) ownership.

“We can take care of the details so you can focus on what’s really important: **growing your business.**

Find out more about TMF Group:

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tmf-group.com/CCI2018

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