



Stephen Doughty MP
Minister of State for Europe, North
America and UK Overseas Territories
King Charles Street
London
SW1A 2AH

16.04.25

Dear Minister Doughty,

We write on behalf of the APPG on Sustainable Finance to express our growing concerns over the role of shell companies and financial secrecy—particularly through the British Virgin Islands (BVI)—in facilitating unsustainable practices and environmental destruction.

Research from UK-based non-profit media organisation The Gecko Project, among other investigations, reveals a disturbing pattern: major plantation firms in Indonesia appear to have used companies registered in secrecy jurisdictions to obscure their ownership of some of the world's largest deforesters, secure billions in sustainability-linked loans, and continue the large-scale degradation of vital rainforests.

Satellite imagery and corporate records show that BVI-registered entities have been involved in clearing vast tracts of rainforest -over 135,000 hectares since 2008- through their links to deforestation in Indonesia and other regions. In addition, similar structures have played a role in concealing illicit financial flows linked to environmental crimes, including tax evasion and money laundering, including [links](#) to environmental crimes in the Amazon Rainforest. These opaque corporate vehicles not only undermine global climate efforts but also provide safe havens for practices that contravene the principles of sustainability and responsible finance.

We note with concern that current proposals from the BVI regarding registers of beneficial ownership fall short of international best practices. The recent submission—despite acknowledging the need for some level of transparency—proposes restrictions that would effectively bar journalists, civil society organisations, and anti-money laundering bodies from accessing crucial ownership information unless already party to legal proceedings. This approach is starkly at odds with the EU's 6th Anti-Money Laundering Directive, which sets a clear standard by facilitating anonymous yet comprehensive access to beneficial ownership data. Such access is essential for enabling independent investigations and holding those responsible for environmental destruction accountable.



Given these pressing issues, we call on the UK Government to lead by example and use its influence to take steps towards securing a full overhaul of corporate and financial transparency in the BVI.

To begin with, we are calling for the implementation of registers of legitimate interest in line with EU standards. This should only be a stepping stone, however, with the ultimate destination being the implementation of a publicly accessible register of company beneficial ownership. If the BVI and other overseas territories fail to meet their own commitments and obligations to enhance corporate and financial transparency, then the UK government should take necessary measures to compel them, including, if necessary, via an Order in Council. These actions would not only limit the ability of unscrupulous entities to hide behind secrecy but also support global efforts to preserve vital ecosystems, including tropical rainforests and biodiversity hotspots.

We hope that you can champion this critical reform. We urge you to press for meaningful change that addresses both the environmental and financial dimensions of this challenge, ensuring that transparency and accountability become the cornerstone of our sustainable finance agenda.

We look forward to your leadership on this matter.

Yours sincerely,

Anna Gelderd, MP
Baroness Evans
Steve Race MP
Sarah Olney MP
Lord Oates
Alex Sobel MP
Barry Gardiner MP