ABSTRACT

This study examines the suboptimal implementation of the Know Your Beneficial Owner (KYBO) principle and Ultimate Beneficial Owner (UBO) reporting requirements for corporations in Indonesia as mechanisms to promote the implementation of Good Corporate Governance (GCG). The issues addressed include the regulatory framework governing the KYBO principle and UBO reporting for corporations in Indonesia, as well as their relationship with the fundamental principles of GCG. Furthermore, this study analyzes the challenges encountered in implementing the KYBO principle and UBO reporting in Indonesia.

This research employs a normative juridical method with a descriptive-analytical approach through a comprehensive review of statutory regulations, legal doctrines, and relevant academic literature.

The findings indicate that the regulatory framework governing the Know Your Beneficial Owner (KYBO) principle and Ultimate Beneficial Owner (UBO) reporting, as established under Presidential Regulation Number 13 of 2018, has not yet been implemented effectively due to legal loopholes, low levels of corporate compliance, and overlapping supervisory authorities. These issues are further exacerbated by multilayered ownership structures and nominee arrangements, which hinder the disclosure of the actual beneficial owners. Accordingly, the Government should strengthen the beneficial ownership regulatory framework by elevating its legal basis to the statutory level in order to enhance legal certainty and ensure the imposition of effective and proportionate sanctions. In addition, the establishment of an integrated inter-agency data platform and the implementation of structured public outreach and awareness programs are essential to advancing the realization of Good Corporate Governance (GCG) in Indonesia.

Keywords: *Ultimate Beneficial Owner, Know Your Beneficial Owner, Good Corporate Governance*