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## **THE IMPACT OF CROSS-BORDER INDIRECT OWNERSHIP ON TRANSPARENCY AND MANAGERIAL EFFICIENCY OF ENTERPRISES IN THE DIGITAL ECONOMY**

In the context of globalization and the digital transformation of the economy, corporate structures are becoming increasingly complex, as evidenced by the growing number of cross-border linkages and multi-layered ownership models. Indirect ownership of corporate rights has emerged as a typical instrument of business organization, enabling the optimization of tax burdens, the diversification of risks, and the enhancement of managerial flexibility. At the same time, such structures give rise to a number of challenges related to ensuring corporate transparency. In particular, they complicate the identification of ultimate beneficial owners, as well as the verification of actual control over legal entities, which directly affects the quality of managerial decision-making, the accountability of management, and the overall efficiency of enterprise operations.

Paul Gilmour notes that complex structures of indirect ownership hinder the disclosure of information on ultimate beneficial owners, thereby negatively affecting the overall level of corporate transparency. In particular, the effectiveness of disclosure systems depends not only on formal legislative requirements but also on the existence of mechanisms for verification and continuous monitoring of ownership data [1]. Reports by the Organisation for Economic Co-operation and Development emphasize that investor confidence is directly contingent upon the quality of disclosure regarding ownership and control structures within companies [2]. A lack of transparency in beneficial ownership creates risks for financial markets, including the potential for abuse, manipulation, and the use of corporate structures for illicit purposes [2].

This issue becomes especially salient in the context of cross-border investment. Empirical studies demonstrate that the introduction of beneficial ownership registers in EU countries leads to a reduction in investment flows from jurisdictions with low levels of transparency, indicating the influence of regulatory mechanisms on market participants' behavior [3]. Furthermore, academic research confirms that the nature of ownership structures is directly correlated with the level of corporate transparency. In particular, the involvement of institutional investors contributes to increased transparency through enhanced oversight and monitoring of management activities [4]. At the same time, in cases of complex networks of indirect ownership, the emergence of so-called "network power" is possible, allowing controlling parties to influence company resources without an adequate level of information disclosure [4].

Thus, cross-border indirect ownership of corporate rights exerts an ambivalent impact on the functioning of modern enterprises. On the one hand, it promotes greater organizational flexibility and adaptability of business structures within a globalized economy; on the other hand, it significantly complicates the обеспечение of an adequate level of transparency in ownership structures, which constitutes a fundamental prerequisite for effective corporate governance in the era of digital transformation.

Indirect owners frequently employ multi-layered corporate chains, trusts, and offshore companies to conceal the true owners, thereby creating significant challenges for ensuring the transparency of corporate structures. As noted by Gordon B. Dahl, Andreas Ravndal Kostøl, and Magne Mogstad, even well-structured digital registers of Ultimate Beneficial Owners do not always make it possible to fully ascertain actual control within complex international corporate networks [5]. In addition, differences in regulatory standards across jurisdictions complicate the collection of reliable data on ultimate owners. In the European Union, the Anti-Money Laundering Directives (AMLD5 and AMLD6) establish the obligation to create and maintain national UBO registers; however, their effectiveness and level of implementation vary considerably among individual Member States.

The lack of transparency in structures of indirect ownership, as noted by Shleifer A. and Vishny R., leads to so-called "agency conflicts," where controlling parties make decisions in their own interests rather than in the interests of the company or its shareholders. This negatively affects managerial efficiency, increases the risks of internal abuses, and reduces investor confidence [6]. Digital technologies can contribute to enhancing transparency and improving the efficiency of data collection and exchange regarding ultimate beneficial owners, particularly through the implementation of digital registers and data-sharing standards. Certain

initiatives by global organizations are aimed at leveraging information technologies to strengthen transparency in corporate control; however, the effectiveness of such instruments depends on the development of digital infrastructure, interoperability between jurisdictions, and the adoption of international standards for modeling beneficial ownership data [7].

International practice demonstrates diverse approaches to addressing the challenges of indirect ownership. The Organisation for Economic Co-operation and Development recommends the establishment of unified standards for UBO disclosure and the use of digital registers accessible to public authorities and financial institutions. In the EU, in addition to the AMLD directives, mechanisms for automated exchange of information between jurisdictions have been introduced, helping to reduce the risks of concealed control. Brown, J.R., Martinsson, G., and Petersen, B.C. note that increased transparency in ownership structures is positively correlated with management efficiency, as companies with clearly identified beneficial owners exhibit better financial discipline, higher productivity, and a lower likelihood of corporate conflicts [8]. At the level of global initiatives, OpenOwnership and the Beneficial Ownership Data Standard demonstrate that standardized digital registers make it possible to effectively combine the flexibility of corporate structures with transparency of ownership data, thereby strengthening investor confidence and enhancing corporate discipline.

Thus, the integration of digital platforms for monitoring corporate control and international disclosure standards makes it possible to achieve an optimal balance: the flexibility of corporate structures ensures a prompt response to changes in the global business environment, while transparency guarantees the effectiveness of managerial decisions and the accountability of management. International experience indicates that the balance between flexibility and transparency is a critical element of modern corporate governance—strategic flexibility yields benefits only under conditions of effective regulatory oversight and digital control, which foster greater transparency and trust among shareholders and financial markets.

Therefore, cross-border indirect ownership of corporate rights establishes new requirements for corporate governance in the digital economy. Its specificity lies not only in the structural complexity and flexibility of business models but also in the heightened importance of reliable information for managerial decision-making. An analysis of international experience shows that the effectiveness of such structures directly depends on the integration of regulatory standards and modern digital technologies, which enable timely information exchange and oversight of ultimate beneficial owners. The key task of contemporary corporate governance is to combine the strategic adaptability of business with mechanisms that ensure transparency and minimize the risks of concealed control. Achieving this balance unlocks the potential to enhance the competitiveness of enterprises in global markets, strengthen investor confidence, and ensure the long-term resilience of corporate structures.

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