Identifying Beneficial Owners for AML and ABC Compliance

Identifying the real beneficial owners of an entity is essential for ensuring anti-money laundering (AML) and anti-bribery and corruption (ABC) compliance, but it isn't easy. Business ownership information is fragmented, stored in different forms and locations, and often difficult to find. Each jurisdiction has its own method for defining and recording ownership and complex corporate structures, often deliberately making it difficult to identify the real owners. This illustration outlines the key steps in identifying beneficial owners and demonstrates how technology can help to cut through the morass with speed, safety and a uniform approach.

DEVELOPED BY





MANUAL PROCESS CHALLENGE



- Missed Data Sources
- · Analyst Error
- Inconsistency
- Lack of Audit Trail
- Wasted Resources
- Out of Date information
- · Taking too Long
- · Lost Opportunities

- Consolidated and reconciled data from multiple sources
- Consistent methodology applied by all using the same system

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WITH CONTRIBUTIONS FROM





Screening Services (e.g. World-Check) · Media Reports and Social Media Electronic Identity Verification Systems

A and B own C, but A also is 50% owned by C and B is owned by D and F each of which are partly owned by A. They all have a few common individual owners.

In Panama and Switzerland we don't have transparency into wnership so that makes it tough

It's a pretty incestuous structure but we've pulled the data from many sources into one system

Every jurisdiction has its own method for recording ownership information and making it available for review. Information is inconsistent and kept in layers of different source locations and types of records. Ownership structures are often deliberately confusing and the data capture process can be challenging.

3 ANALYSIS / DECISION

Each prospect must be evaluated based on the ultimate beneficial ownership information discovered during the data gathering process, as well as other due diligence information such as media reports, political exposures, etc. Some may be immediately approved or rejected, while others will be escalated for further review. Maintaining records with all relevant data enables audit and periodic refreshing of reviews.

BENEFITS OF A CENTRAL MANAGEMENT SYSTEM

- · One source of information on each company, owner and related parties
- Reports with views of decisions, scheduled refresh reviews, outstanding requests
- · Ongoing monitoring of changes at every level and of any type requiring new review