



An intelligent approach to fighting financial crime

World-Check offers a host of features and benefits to optimize operational efficiencies and enable a risk-based approach to rooting out fraud and corruption

Protect your organization from financial crime and regulatory breaches

Financial crime affects every organization and every society across the globe. Actual corporate and government financial loss; the opportunity cost of embezzled funds that could have been used to fight poverty; and the outright destruction of millions of individual lives are just some of the consequences of pervasive global corruption.

Our 2018 True Cost of Financial Crime survey¹ revealed that nearly half (47%) of the organizations that participated had fallen victim to some form of financial crime in the year preceding the survey. This was partly as a result of inadequate screening.

Best practice tells us that although screening can never hope to completely eradicate financial crime, it is nonetheless recognized as a key tool in identifying potential links to fraud and corruption. Whilst the majority of compliance teams are aware of their legal due diligence obligations, the plethora of available data can be highly challenging, leading to gaps in compliance. Our survey confirmed this view - respondents recorded that an average of just 59% of third-party vendors, suppliers or partners are screened at onboarding and the same percentage are monitored and reviewed on at least an annual basis. This means that only approximately 35% of all relationships are fully screened.

Pinpoint risk in the age of Big Data

Compliance teams are tasked pinpointing potential risk and need to find the signal in the noise – a signal that may be hidden within the daily influx of volumes of information. Stretched compliance teams can no longer simply add more money and more staff into the mix to keep up with growing volumes of data, since this approach is not sustainable. The solution is therefore to work smarter and find new ways to pinpoint relevant information and uncover potential risk with speed and accuracy.

Leading edge technology delivers comprehensive and cost effective tools that can automate and optimize compliance processes, freeing compliance professionals to focus their efforts on areas of greatest perceived risk, in line with the risk-based approach (RBA). The benefits of adopting this strategic approach to screening are numerous and include higher levels of compliance, faster turnaround times, lower costs, and a more positive customer experience.

¹ <https://www.refinitiv.com/en/financial-crime-risk-management>

Streamline processes and improve operational efficiency

World-Check Risk Intelligence data has specifically been structured to empower compliance teams to achieve more with less and incorporates a range of features that streamline processes and improve operational efficiency including the following:-

Features that tag changes and updates

The changing nature of risk presents a daily challenge to compliance teams, who are tasked with analyzing a daily influx of information and finding the signal in the noise.

Field Updates

Field Updates alerts users to key changes in records by tagging updated fields. This feature highlights important updated information and draws it to the user's attention so that important changes are not dismissed along with less relevant information. The result is that remediation efforts can be focused only on the data that has changed, lessening the time spent on review.

Update Categorization

While some information may be critical, not all updates will require attention or rescreening. The Update Categorization feature helps to distinguish valuable information from noise by tagging it according to one of four update categories, where C1 is the most critical to the least critical. The feature clearly distinguishes the type of change last made and highlights its significance, which in turn helps compliance staff to prioritize their remediation activity. It also accelerates the screening process, as systems can be configured to only rescreen based on the category assigned during the update.

Features that optimize matching capabilities

The accurate matching of a potential customer or third-party's name against compliance watchlists is a fundamental part of the screening process, but is often fraught with challenges and can quickly become a time-consuming and expensive undertaking. Streamlining and optimizing the matching process are critical to achieving operational efficiency.

Exclude Low-Quality Aliases

While aliases may offer insight and context to a person's identity, weak aliases can be misleading or irrelevant (e.g. Johnny 'Sideburns' or 'Baby Face' Nelson). Low quality aliases include abbreviated single names, nicknames and descriptive names, or other noms de guerre and can be separated out from those that are useful, allowing the user to focus their search and match efforts. Filtering software is able to recognize weak or unimportant alternative names, thus significantly reducing the volume of false positives generated.

Native Character Names

The ability to screen and match against local, non-Latin character names decreases the chance of missing a hit as a result of translation variances. The Native Character Names feature covers 40+ non-Latin character sets, including Chinese

(simplified and traditional), Russian, Hebrew, Arabic, Japanese, Korean, Greek, Persian, Thai and many more. Screening against native names and aliases reduces false positive rates significantly and removes the need for transliteration.

Secondary Matching

This feature allows auto-resolution rules to be set by using source types (e.g. sanctions, law enforcement, regulatory enforcement, PEP and other bodies) and secondary fields (e.g. individual date of birth) with the ability to either auto-exclude or resolve the applicable matches as false.

Features that help establish true identity

Mistaken identity, either through error or deliberate intent can clearly have disastrous consequences for compliance teams conducting Know Your Customer (KYC) checks.

Chinese Commercial Codes

Chinese Commercial Codes are in standard use in the Chinese, Hong Kong and Taiwanese financial systems. They are used for transmitting and storing Chinese characters, and are critical for financial institutions that transact with entities in China, Hong Kong, Taiwan or other Chinese-speaking countries. This feature of World-Check helps resolve any potential identity issues that may arise as a result of the use of Chinese Commercial Codes and can be used in various regulatory and verification processes to ensure that the right entities are flagged. Chinese Commercial Codes also includes SWIFT e-CCC codes.

Passport-Check

Designed to help verify the authenticity of passports, travel documents and certain types of identity cards, World-Check's Passport-Check feature uses an internal algorithm to verify the two lines of code in a passport's machine readable zone (MRZ) based on the personal details entered on the feature interface. This feature offers invaluable help to compliance teams conducting KYC procedures by offering an added layer of certainty that true identity has been established.

Features that customize and classify

Being able to customize any product delivers immediate, tangible benefits tailored to individual needs and the compliance world is no different.

Customized Data-File

Because each application is likely to require a unique set of World-Check fields for screening and remediation efforts, the Customized Data-File feature allows users to select which fields to include in their data-file. Users can also add new fields (such as multiple dates of birth, citizenships and identification numbers) to their downloads. Fields are easily configurable and can be altered and saved.

Customized Sources

All World-Check data sources (sanctions, law enforcement, regulatory enforcement, PEP and other bodies) are active by default, but can be turned off depending on organizational requirements.

Dynamic Download

Dynamic Download allows users to significantly reduce the number of records in their routine daily download by specifying content that needs to be present in each record. For example, a user may select - or exclude - criteria such as country, sanction or watchlist, PEP sub-classification, or category.

Sub-Classification

World-Check classifies PEPs by level of government influence (for example, local, sub-national or national) and by relationship (for example, PEP, close associate, immediate relative) and this enables clients to focus their remediation efforts and make risk-based decisions before engaging in business with public officials and State Owned Entities (SOEs). The Sub-Classification feature allows users to develop a more strategic response to handling PEPs by only screening against the type of PEP that fits their risk profile. PEP Sub-Classification enables an automated response and helps compliance teams determine the level of activity monitoring required and the degree of enhanced due diligence to apply.

Features that automate and reduce errors

Automation, especially of routine or repetitive tasks, can save significant amounts of time, but more importantly removes the human-error factor.

Watchlist Screening

World-Check allows users to screen multiple lists in one solution and offers a choice of methods to upload in-house and third-party lists. The process is automated to save time and reduce the risk of manual mistakes. Full workflow and audit trail capabilities are available.

Batch Screening

The Batch Screening feature offers customized batch settings to fit individual screening policies, and ensures data integrity during the batch upload process as the system checks the records for any inconsistencies. Data updates functionality ensures that data is always up-to-date and case management capabilities mean that individual cases can be managed intelligently.

Interactive visuals

Relationship networks can be complex and even deliberately obscured. Visual tools can be an invaluable aid, offering a different perspective that helps to simplify intricate networks.

Display Graph and Connection Risk Analyser

Display Graph is an interactive map that illustrates associations and relationships between records and reveals the second-degree relationships where real risk may be concealed. The map helps reveal the potential risk in associations to enable a more thorough investigation of first- and second-degree relationships, many of which may not be immediately apparent.

Work smarter

Ensuring access to reliable, up-to-date data and investing in the right technology to streamline and automate due diligence procedures are the clear pre-requisites for a functional and effective compliance department that closes screening gaps.

In the digital age, where financial criminals are increasingly sophisticated and corruption is prolific, remaining compliant and protecting your reputation have never been more important. World-Check's broad range of features and capabilities puts the focus on working smarter and achieving more, so that compliance professionals can pinpoint potential risk with accuracy and eliminate opportunities for financial crime to flourish.

AUTHOR BIO

Ernst Pienaar is the Head of Content Specialists at Refinitiv's World-Check responsible for all risk data inclusion policies, legal matters and knowledge management within World-Check. Ernst also acts as the lead Content Professional for the World-Check product for client and regulator engagements as it relates to international sanctions, law and regulatory enforcement matters, politically exposed persons compliance and financial and related crime screening. He is the former Global Head of Research for Financial Crime and Reputational Risk activities at Refinitiv's World-Check. In this capacity he was responsible for the management of the then 5 global World-Check Research centers (Santiago, Washington DC, Cape Town, Singapore and Penang) tasked with the creation and update of the World-Check and related risk databases for over 245 countries and territories in over 65 local languages. He assumed responsibility for managing the World-Check global research team in 2009. Mr Pienaar joined World-Check in 2009 from the Sanlam Life Group where, over a ten year period, he was the Head of Forensic Investigations and Group Money Laundering Reporting Officer. Previously he was a Senior State Advocate with South Africa's Office for Serious Economic Offences, and began his career as a State Prosecutor in Johannesburg. He holds a Master's Degree in Constitutional Law, and LL.B and B.Lur law degrees.

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