



# Electronic Verification

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Meet the Regulator

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# Agenda

- Rationale for amendments to the AML regime
- General verification
- Non-face to face business relationship
- Requirements for certified documentation
- Clarification regarding verification of address





# Rationale for amendments to the AML regime

- Improve accuracy of screening
- Avoid over screening
- Reduce volume of paper records
- Reduce the cost of compliance
- Gateway for digital solutions





# General verification

- Section 23 (6A & 6B) permits the reliance on electronic or digital means for verification, provided the organization:
  - Independently established and operated
  - Uses a range of positive information to link applicant/customer to current and historical data
  - Uses negative information sources such as databases relating to fraud and deceased persons
  - Uses a wide range of alert data sources
  - Transparent processes
  - Not convicted or sanctioned for data breach or providing misleading data
  - Independent of the person to whom the verification relates





# Non-face to face business relationship

- Non-face to face transactions
  - Electronic verification of identity for non-face to face transactions should not be treated as high risk unless the applicant exhibits high risk
- Non-face to face applicants
  - Electronic verification of identity for non-face to face applications/one-off transactions should not trigger additional verification if satisfied with the authenticity of the documents being relied on



# Requirements for certified documentation

New Requirements	Old Requirements
<ul style="list-style-type: none"> <li>Name and address of person certifying document;</li> </ul>	<ul style="list-style-type: none"> <li>Has seen and compared original document;</li> </ul>
<ul style="list-style-type: none"> <li>Date of certification;</li> </ul>	<ul style="list-style-type: none"> <li>Copy is complete and accurate copy of original;</li> </ul>
<ul style="list-style-type: none"> <li>Signature and seal of person certifying document</li> </ul>	<ul style="list-style-type: none"> <li>Photograph bears a true likeness;</li> </ul>
	<ul style="list-style-type: none"> <li>Date of certification;</li> </ul>
	<ul style="list-style-type: none"> <li>Signature and seal;</li> </ul>
	<ul style="list-style-type: none"> <li>Adequate information to contact certifier;</li> </ul>
	<ul style="list-style-type: none"> <li>Independent of the individual;</li> </ul>
	<ul style="list-style-type: none"> <li>Subject to professional rule of conduct;</li> </ul>
	<ul style="list-style-type: none"> <li>High risk countries – measures to verify person certifying is real</li> </ul>



# Clarification regarding verification of address

- General verification
  - Government issued document with full name, photograph, date of birth or residential address
- Verification of individual
  - For the purposes of identification and verification, a Licensee shall collect, full legal name, gender, residential address, and date of birth [use residential address for verification only where no picture ID is provided]
- Clarification
  - If Licensee collects address as the sole mechanism for identification, address verification is necessary;
  - If Licensee collects passport or other picture ID bearing date of birth, address verification is not necessary





# Questions

