

Key data and governance considerations for firms

Access

- ▶ MLR 2019 calls for rapid responses to information requests issued through the Bank Account Portal.
- ▶ Requests could include names, dates of birth, addresses, account numbers, account opening and closing dates, and more.
- ▶ Firms will need to consider whether this information is readily available and should set up systems to identify and access the required information. This will help avoid delays in response time.
- ▶ Records will need to be kept for a minimum of five years and firms should ensure systems are in place to guarantee this.

Quality

- ▶ Know Your Data (KYD) is key in enabling firms to have confidence in their financial crime processes and controls, and the data they hold on their customers.
- ▶ MLR 2019 makes clear that information requested must be responded to and firms responses must be complete. Firms will need to have a clear understanding of their data integrity to be certain that their responses are accurate and robust.
- ▶ Whilst financial crime functions are not owners of customer data, these teams must work with data owners to ensure data quality and completeness. Failure to do so could result in weaker controls, non-compliance with regulation and increased operational costs.

Governance

- ▶ Data controls are not limited to data quality, but also metadata documentation (e.g. data dictionaries), data lineage, data validation checks and data management principles. In establishing completeness and accessibility of data as well as strong data governance, greater comfort can be taken in the firm's ability to respond to law enforcement requests.
- ▶ Additional information requests received through the Bank Account Portal will likely need more resources and, potentially, dedicated teams to ensure that responses are actioned in line with the requirements, and are reviewed and approved.

UK Bank Account Portal

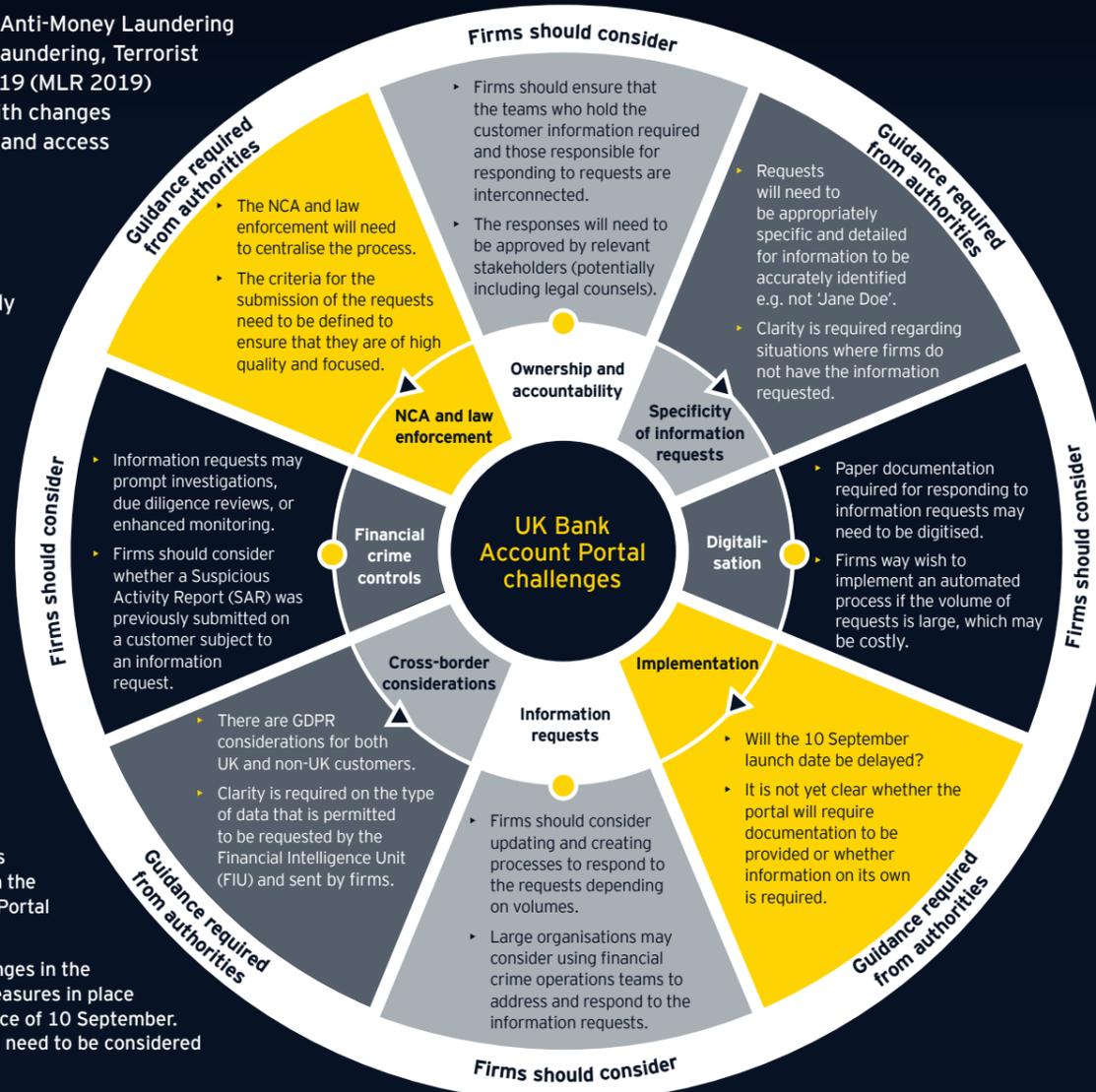
Money Laundering Regulations 2019

The UK's transposition of the EU's Fifth Anti-Money Laundering Directive (5AMLD) through the Money Laundering, Terrorist Financing (Amendment) Regulations 2019 (MLR 2019) came into force on 10 January 2020, with changes expected to help increase transparency and access to information on a national level.

On 10 September 2020, the UK's Bank Account Portal is expected to be introduced, through which credit institutions and providers of safe custody services will be required to respond to requests from the National Crime Agency (NCA), and law enforcement for customer account and safe-deposit information. Given that both the frequency and complexity of information requests could increase, preparation for the Bank Account Portal needs to be considered well ahead of the implementation date.

Challenges:

- ▶ Further information required from the regulator, law enforcement and FIU to enable firms to effectively address and mitigate these challenges. With 10 September approaching, communications are expected to provide further clarity on the process and how the UK's Bank Account Portal will be implemented.
- Firms will need to consider these challenges in the context of their risk appetite and put measures in place to prepare for these challenges in advance of 10 September. Data quality, governance and access will need to be considered in particular.



Contact EY financial crime and data and analytics professionals who can support you in developing systems and controls that comply with the new information request requirement and enhance the quality, accessibility and integrity of your data.



Debbie Ward
EY EMEA Financial Crime Leader
Ernst & Young LLP
dward1@uk.ey.com



Patrick Craig
EY EMEA Financial Crime Technology Leader
Ernst & Young LLP
pcraig@uk.ey.com



Natalie Gjertsen
EY EMEA Financial Crime Managed Services Leader
Ernst & Young LLP
ngjertsen@uk.ey.com



Sophie Bowler
Senior Manager
Financial Crime Consulting – Regulation
Ernst & Young LLP
sbowler@uk.ey.com



Eamon Howard
Senior Manager
Financial Crime Consulting – Data and Analytics
Ernst & Young LLP
ehoward@uk.ey.com



Munmun Kumar
Manager
Financial Crime Consulting – Data and Analytics
Ernst & Young LLP
mkumar1@uk.ey.com



Nicola Holman
Senior Consultant
Financial Crime Consulting – Regulation
Ernst & Young LLP
nholman@uk.ey.com



Amy Hanton
Consultant
Financial Crime Consulting – Regulation
Ernst & Young LLP
ahanton@uk.ey.com

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