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WCO Presentation – November 2017

Data Analytics at the Border - Using Global Company Data to Minimise Fraud, Detect Risks Associated with Sanctions and Ensure Global Trade Security

Qing Liu

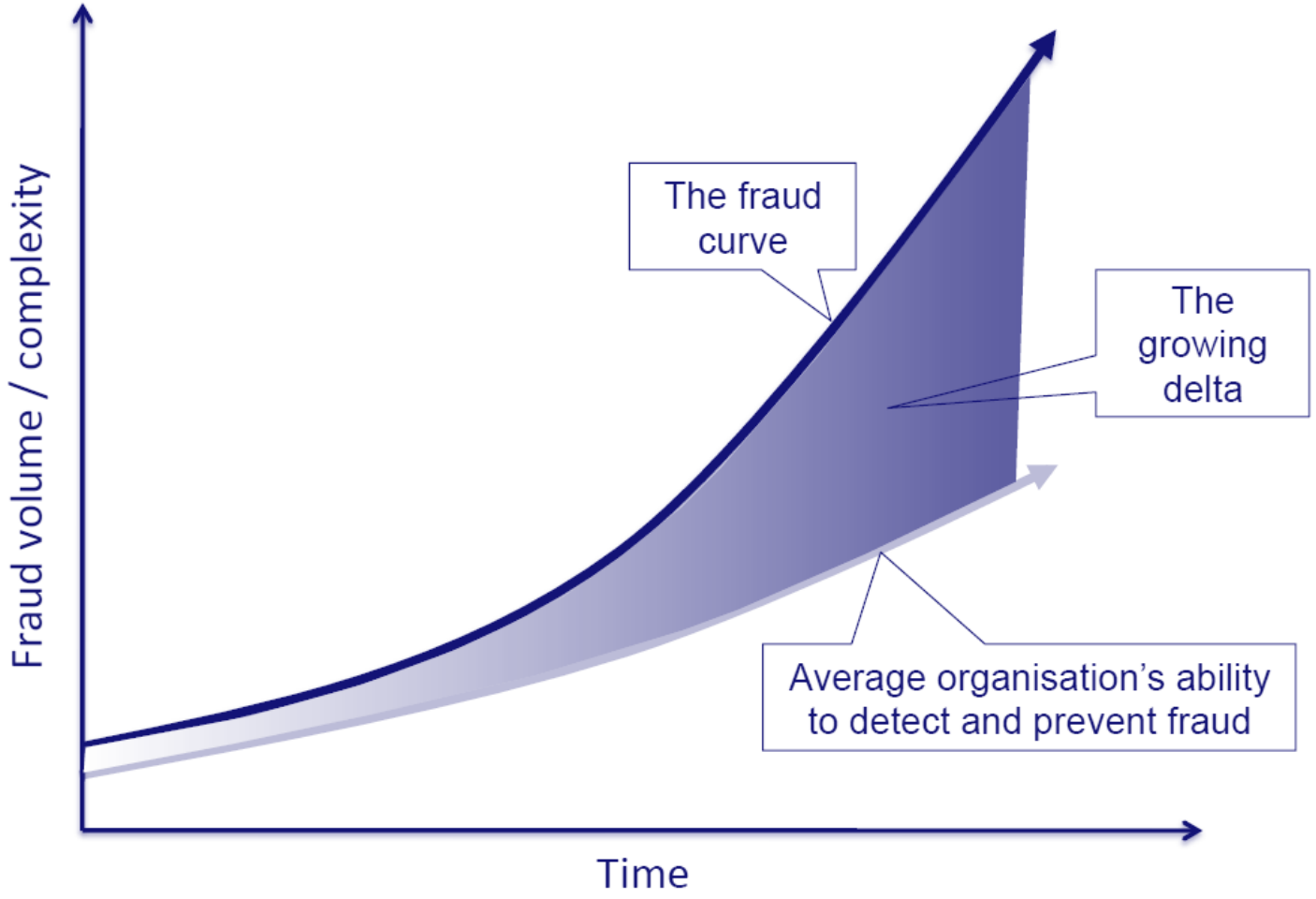
Head of Government Solutions, Asia Pacific

Bureau van Dijk, a Moody's Analytics company

Challenges faced by customs administrations

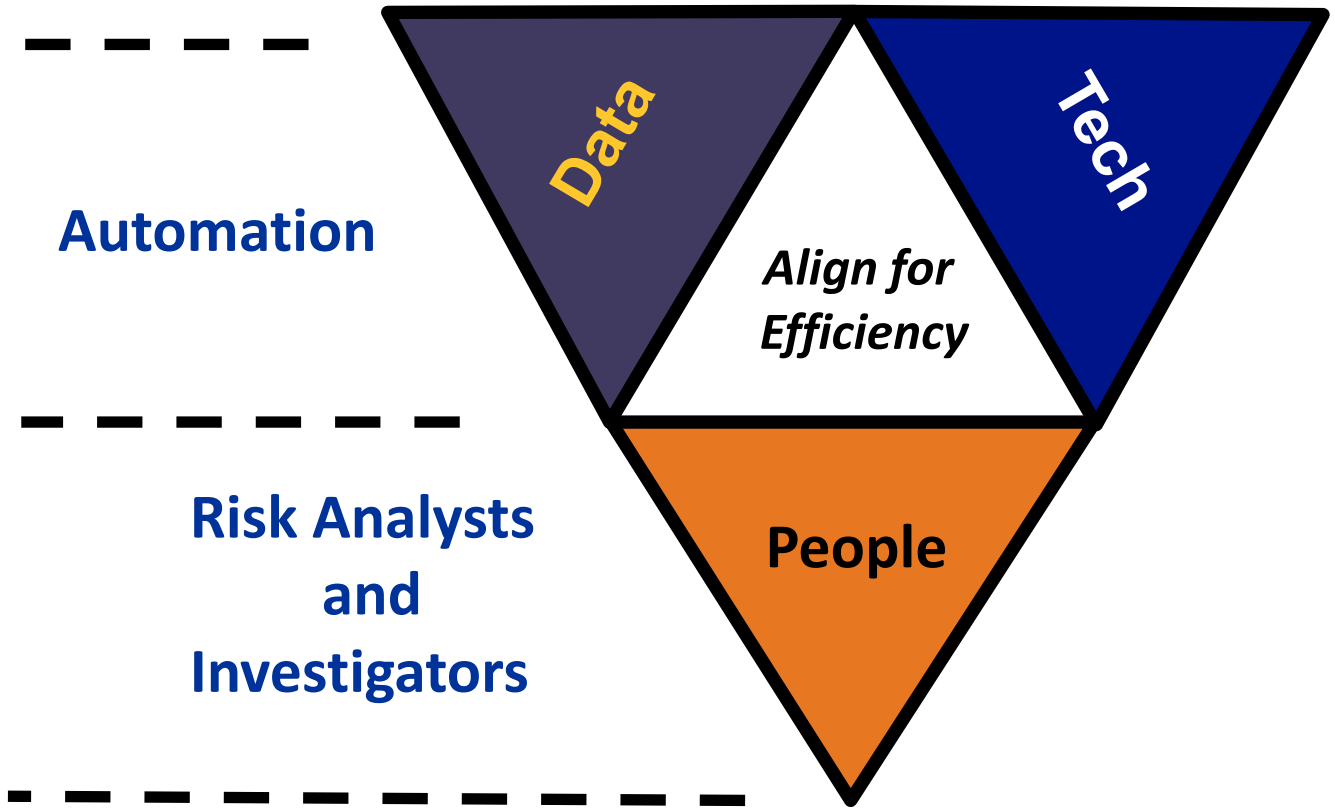
- Border operations constrained by high trade and travel growth
- Growth of e-commerce demands a great deal of operating skills and digital solutions on the side of border agencies and other stakeholders
- Data quality and comparability of data – data standards
- Monitor data flows across supply chains
- Meet government objectives such as safety, security and revenue collection

Increased volume and complexity of fraud



The intelligence dilemma

Efficiently Aligning Resources for Maximum Risk & Cost Reduction

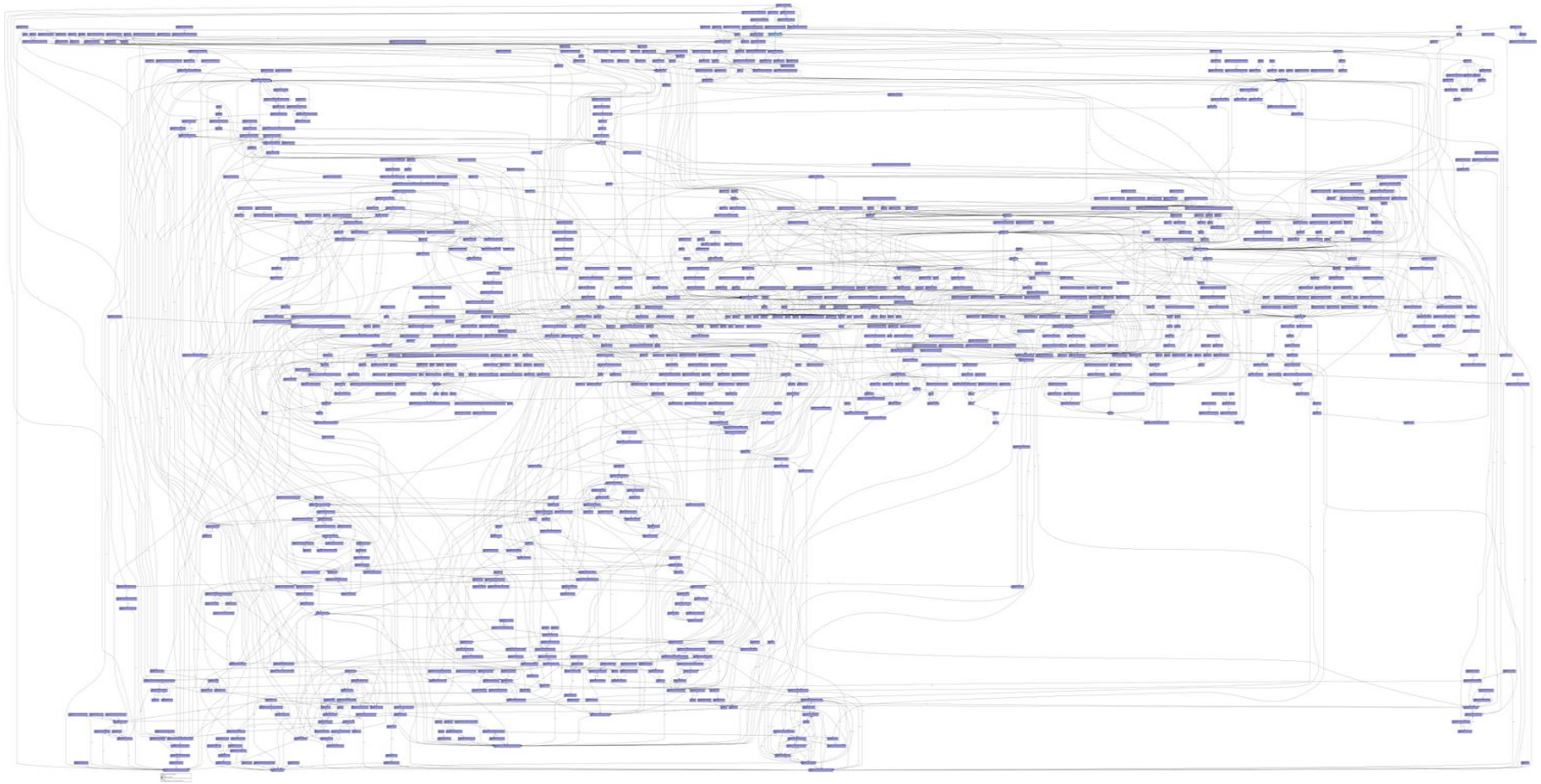


How company data can help Customs Agencies

Obtaining accurate private company data is a challenge

- Accuracy and timeliness
- Verification of entity data
- Depth of data:
    - Ownership information – beneficial owners and global ultimate owners
    - Availability of financials and assessing financial strength
- Comparability of data made complex by different reporting standards and variations, languages, local activity codes…

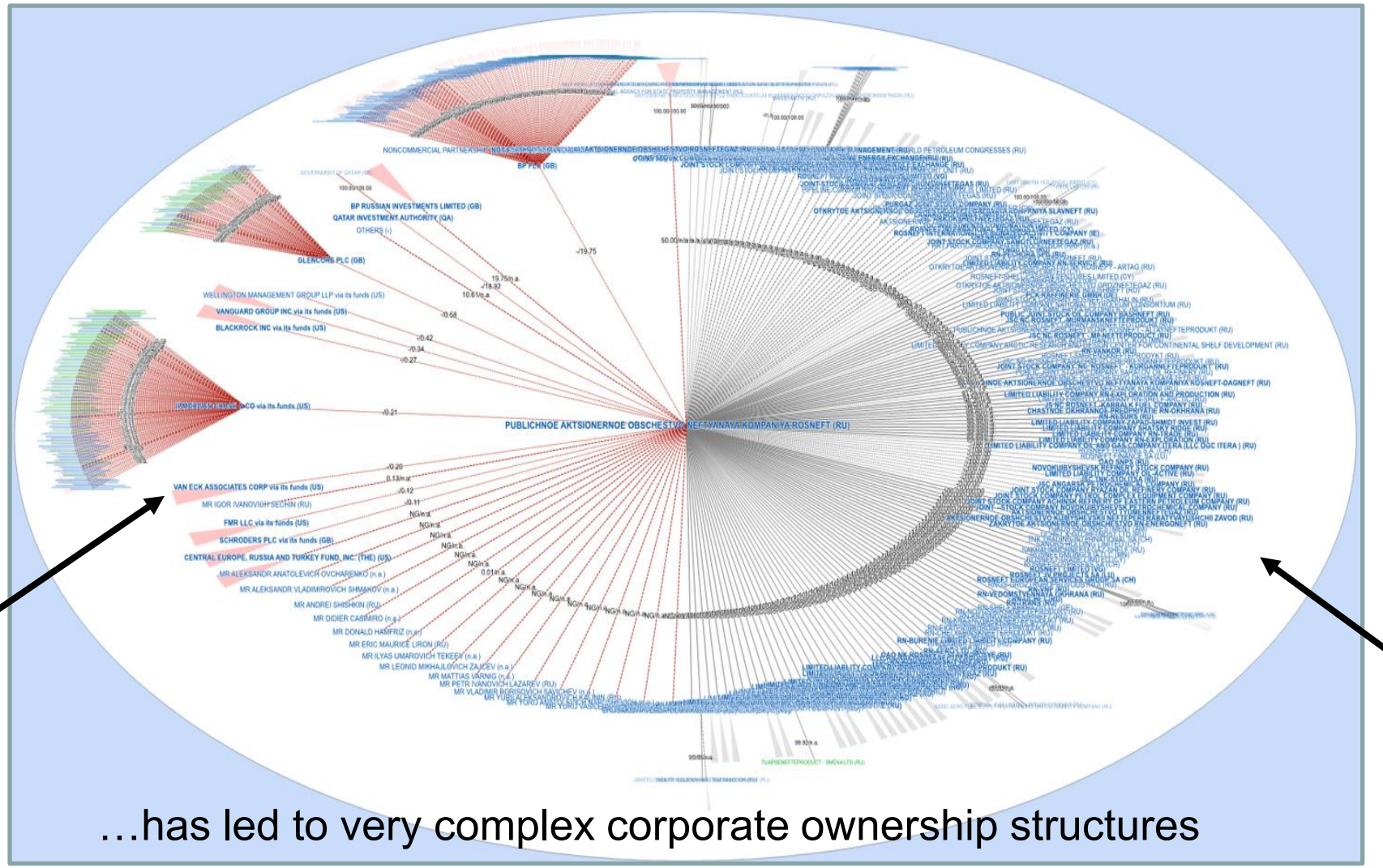
Complex corporate ownership structures keep evolving…



A sample of one level of ownership for one company

orbis

Globalisation

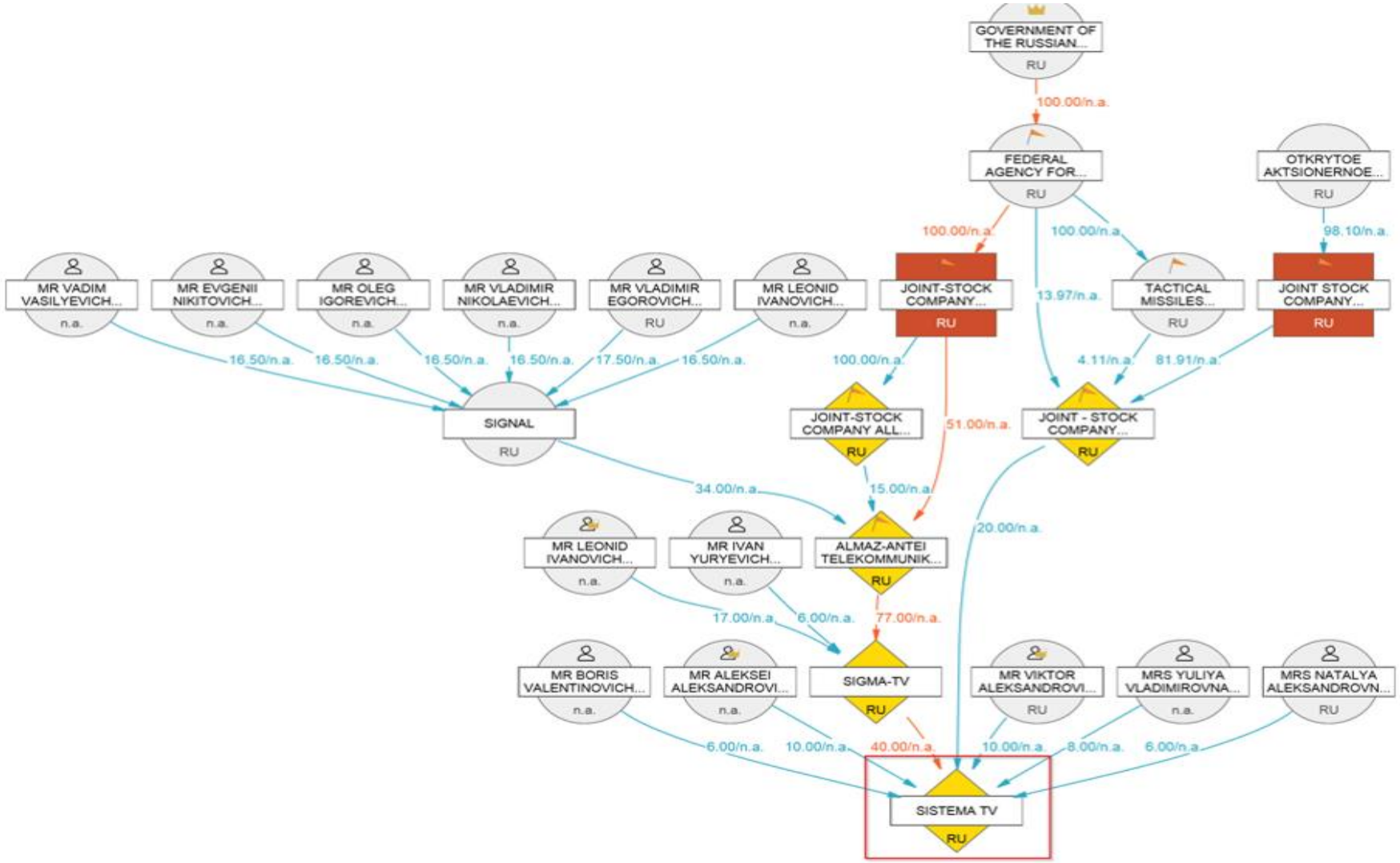


Owners

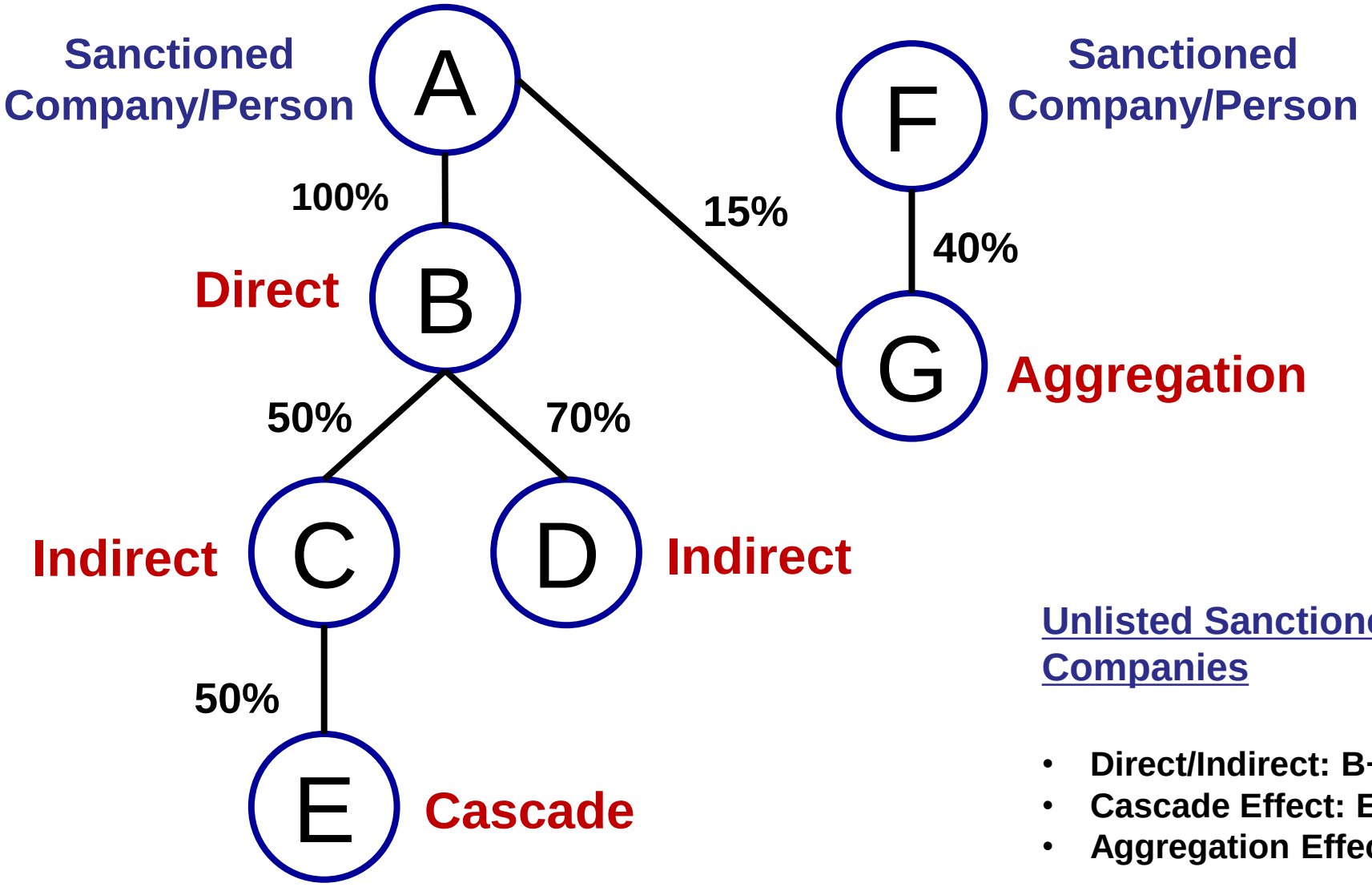
Subsidiaries

…has led to very complex corporate ownership structures

“Sanctioned or Not?”



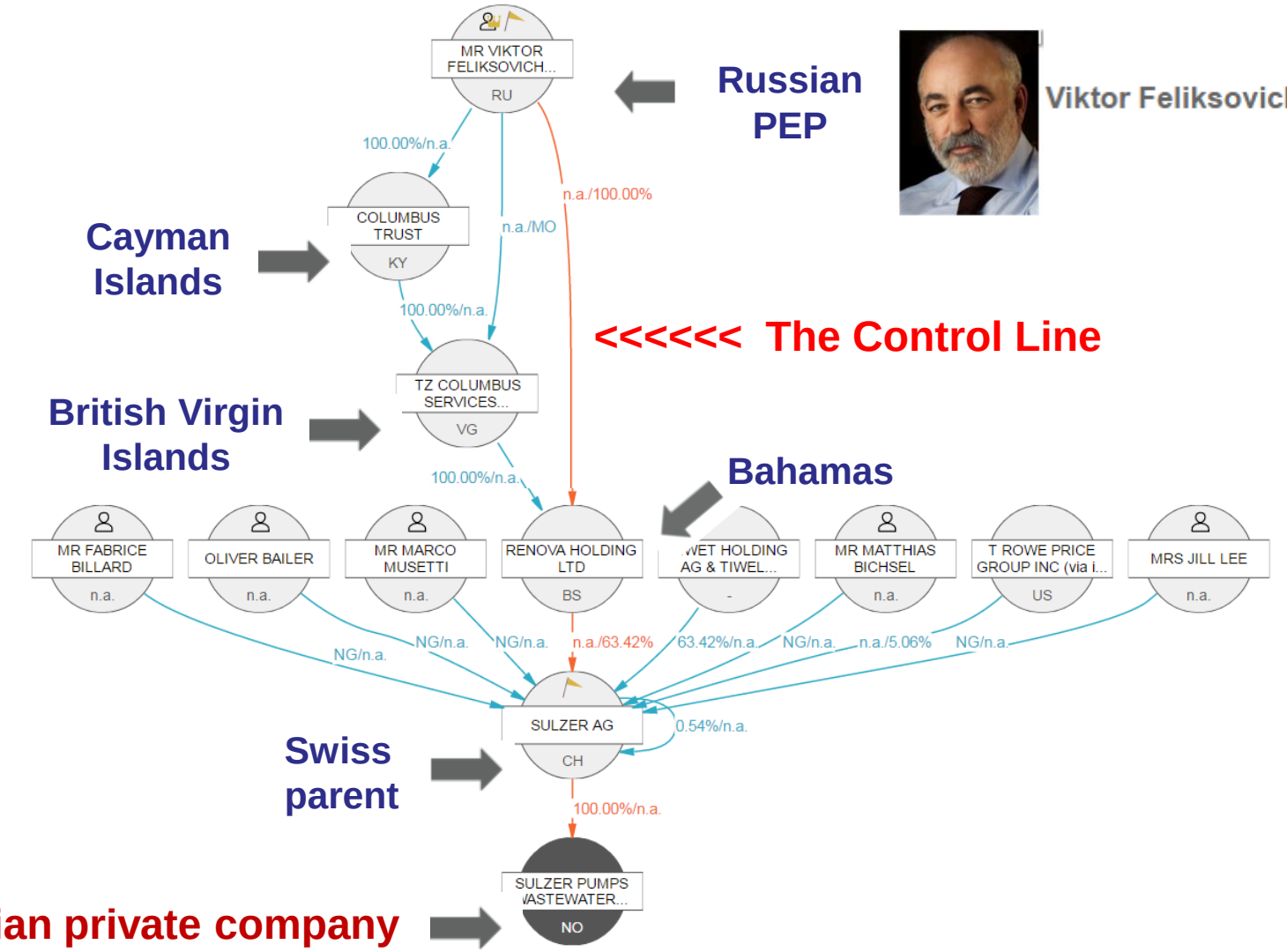
Example:



Unlisted Sanctioned Companies

- Direct/Indirect: B+C+D
- Cascade Effect: E
- Aggregation Effect: G

Ensuring global security



Source: Orbis published by Bureau van Dijk

Change! Ownership is dynamic

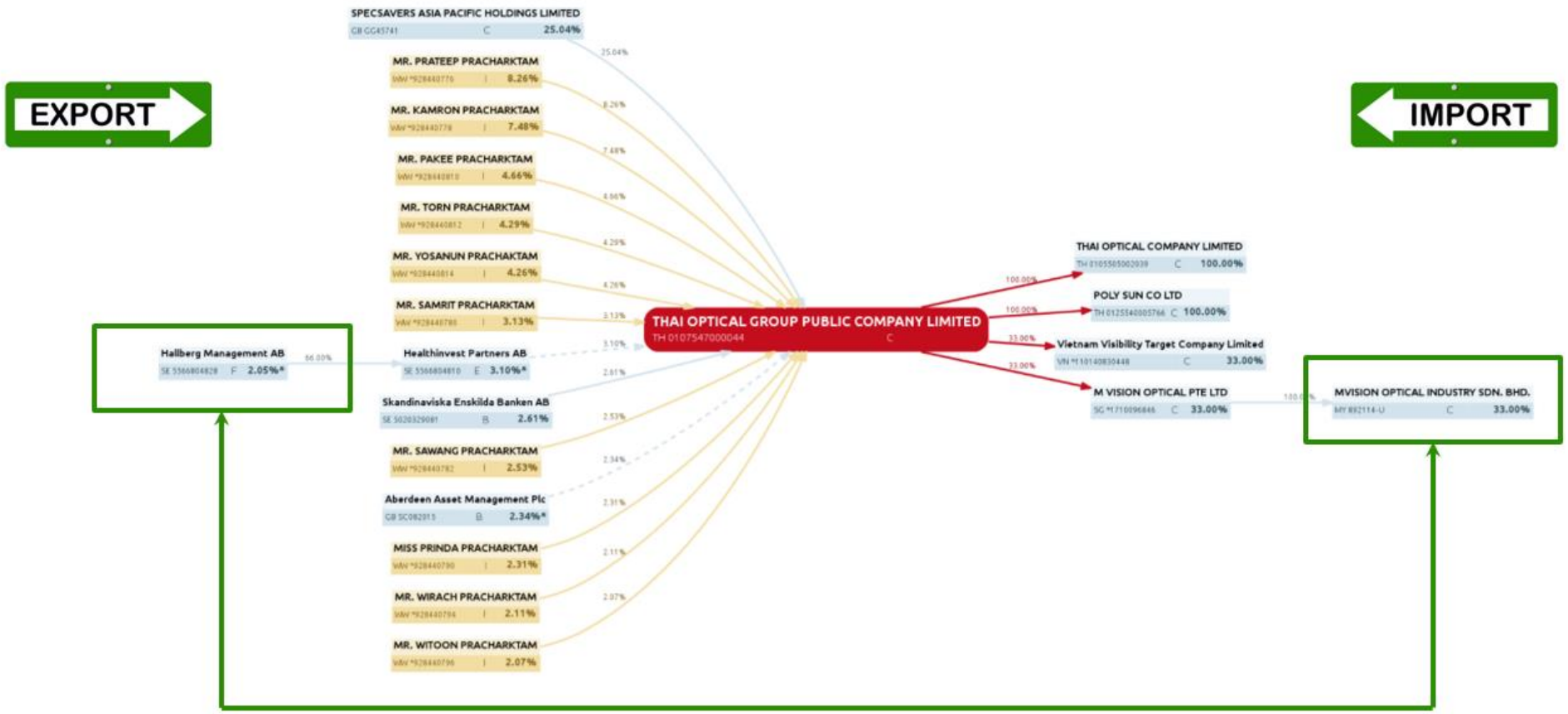
Historic ownership links

companies that had ownership changes last month

That’s equal to more than 200,000 per day, 8,800 changes per hour or over 2 changes per second!

Fraud and prevention of duty evasion

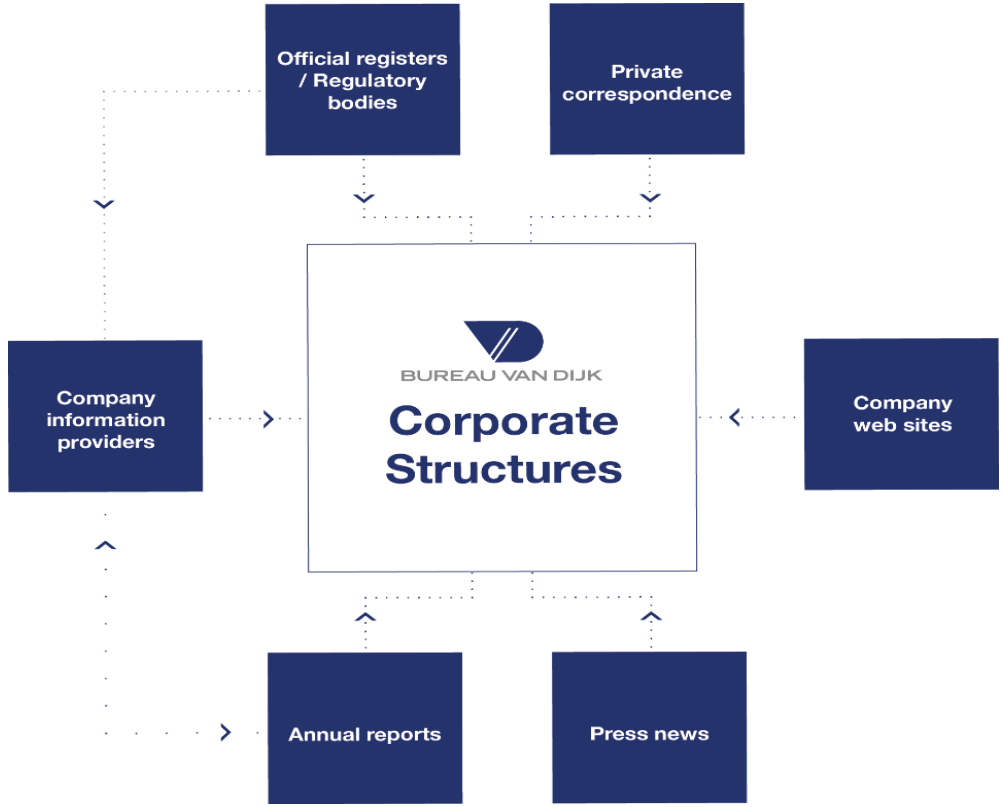
Identifying company links through ownership



Fraud and prevention of duty evasion

Identifying company links through individuals

Global approach to collecting Beneficial Ownership information

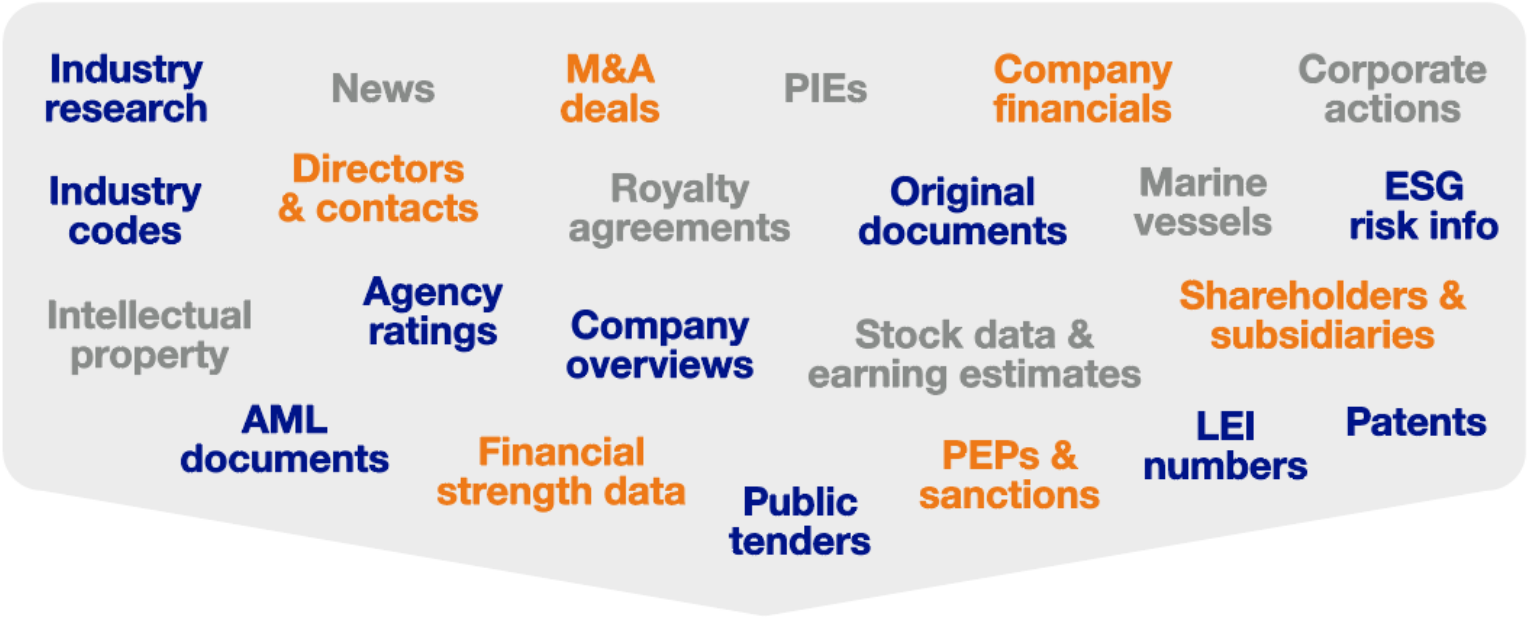


Multiple, global sources and networks are essential

Increasing the depth and breadth of data

Capture

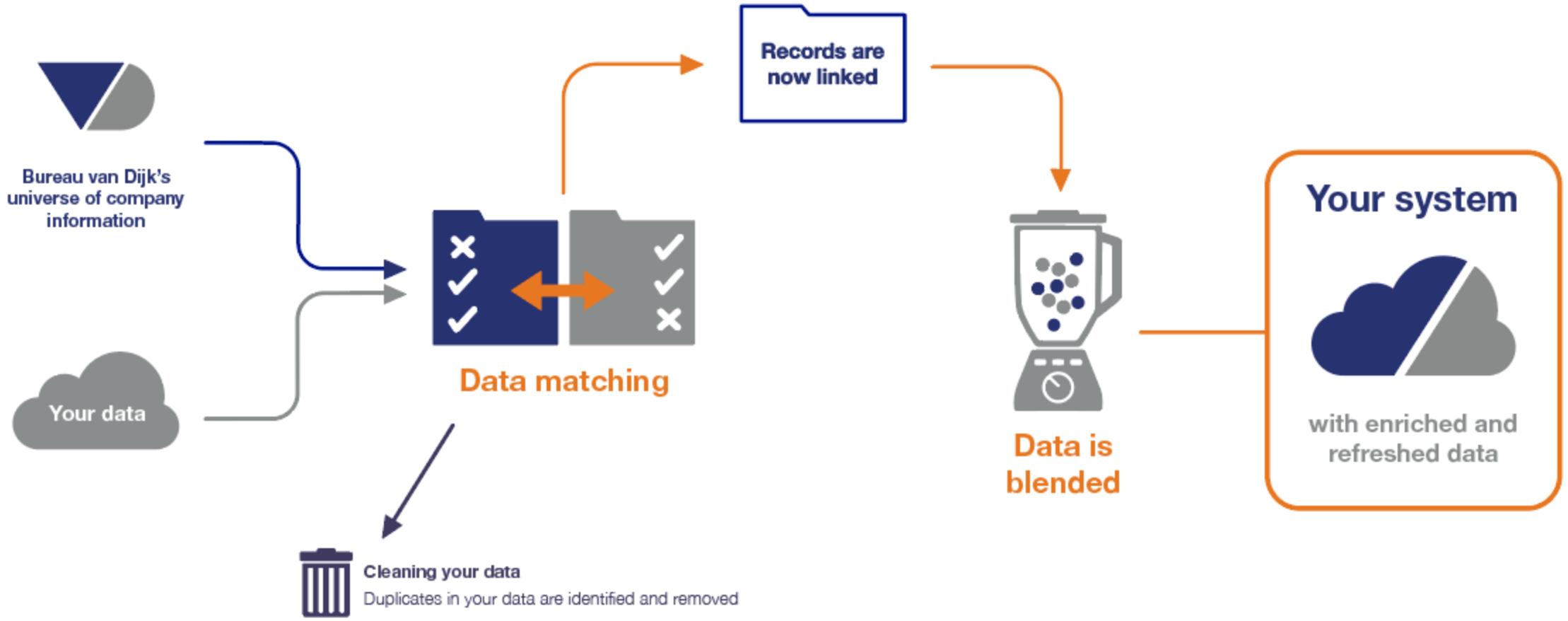
All other aspects of corporations outside of just ownership



Treating data to add value

Addition of user interface and data visualisation tools

Blending external data with customs' administrations



Key takeaways

- Accurate private company information helps manage high trade and travel growth
- External sources deliver interpretation of complex corporate structures, identification of beneficial owners and risk checks including PEPs and Sanctions
- Detailed private company information can help determine and validate valuations of import / export prices
- Blending internal knowledge with external company information is the future

qing.liu@bvdinfo.com | bvdinfo.com