

# Leading City Commercial Bank in China reduces manual screening efforts by 40% with Accuity

Bank of Jinzhou is a leading city commercial bank in China, operating primarily in the Liaoning province, that provides customized financial services to local small and medium sized businesses (SMEs), many of whom are exporters.

The bank is listed on the Hong Kong stock market and its headquarters are based in the economic and industrial centre of Jinzhou, China's northernmost seaport. Bank of Jinzhou currently has 178 outlets of which 20 are located outside Liaoning province and the bank has been growing rapidly.

## Facing Financial Risk and Reputational Exposure

Bank of Jinzhou operates in a strategically important and highly sensitive location. Situated on the Liaoning province, Jinzhou shares a geographic border with North Korea, a UN sanctioned country. This makes trade in the area of major interest to regulators, not just in China but also to institutions globally. Trade-based money laundering regulations are currently very high on the government agenda in China, with the next mutual evaluation by the Financial Action Task Force (FATF) and Asia Pacific Group on Anti-Money Laundering Group (APG) due in 2018.

*client success*

'We were very impressed by the professionalism displayed by Accuity team members and their focus on data and compliance issues. We value their deep knowledge of regulatory issues and their experience in implementing trade finance solutions in other banks.

The sophistication of their systems greatly improves workflow, while offering the audit features that we need to satisfy our regulators. Their systems integrate seamlessly with ours, and are backed up by excellent customer service and support provided by their local team.'

**Yanxiu Liu**

General Manager, International Business Department



While wanting to support its many SME customers in their commercial activities, Bank of Jinzhou is acutely aware of the reputational and regulatory risk from inadvertently trading with sanctioned entities and individuals. The bank is also keen to expand into dealing with more foreign currencies such as Korean Won and Singapore dollar while maintaining a low risk profile and adhering to international compliance standards.

In the past, in order to combat these risks, the bank's international business department was reliant on data supplied by an information services company, which then had to be reformatted for use in the bank's own systems. However, the data provided was neither comprehensive nor fully up-to-date, and the bank was experiencing many false positives due to the algorithms employed. This led to a lot of time being wasted processing cases between local branches and the central team, and there were also concerns that transactions with sanctioned entities could still slip through the net.

Bank of Jinzhou were therefore looking for a solution, which would offer them access to much richer and comprehensive data sources, more efficient decision-making and a better view of their exposure while reducing overall risk.

## Solution—An Automated Screening Solution

Bank of Jinzhou chose Accuity for its ability to offer a one-stop, easy-to-implement solution for its compliance needs and high levels of service and local support.

### The chosen solution includes:

1. Firco Global WatchList® brings together the caution lists from all major sanctioning bodies, law enforcement agencies and financial regulators
2. Firco Compliance Link handles the account, transaction and trade screening processes
3. Firco Online Compliance is an online look-up tool offering access to multiple sources for due diligence
4. Bankers Almanac for Counterparty KYC expedites and improves counterparty Know your Customer (KYC) risk management.

## Answer— An integrated solution by Accuity

Bank of Jinzhou found that Accuity had a key differentiator with its expertise in data and compliance, rather than being just another piece of software or information provider. Another reason they chose Accuity was their international regulatory expertise and experience in helping banks and other entities deal with these issues in many parts of the world.

Implementation was fast and smooth, taking just a month and a half to integrate Accuity products and launch the system. Accuity actively assisted the bank in training the central and branch teams both in the use of its products and in best practice in international regulations and compliance.

The integration of the Accuity solution into the bank's internal system for operators at branch level has resulted in faster checking within the approval process along with escalation of special cases. There is no longer a need to spend time and effort logging onto multiple systems and performing manual checking

The solution has been tailored to meet both local regulatory requirements and the bank's own risk threshold, and the bank uses the Accuity false positive reduction methodology to continually improve accuracy. Automatic database updates mean that the chance of approving a sanctioned entity has reduced greatly, and the system creates a clear audit trail of all decisions.

This new approach to screening has won official approval from both local regulators and Bank of Jinzhou's correspondent banks overseas, while customers are seeing transactions handled more swiftly and accurately. The bank now has a firm foundation for future expansion both nationally and overseas with a globally recognised, world-class compliance and screening processes.

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### Key Highlights

- Streamlined screening process via automation
- Optimised investigation process through more comprehensive sanctions data
- Reduced false positives and increased productivity in checking process
- Full visibility with all actions recorded and electronic audit trail
- Increased customer trust and ability to scale up the business to the next level

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## About Accuity

Accuity offers a suite of innovative solutions for payments and compliance professionals, from comprehensive data and software that manage risk and compliance, to flexible tools that optimize payments pathways. With deep expertise and industry-leading data-enabled solutions from the Fircosoft, Bankers Almanac and NRS brands, our portfolio delivers protection for individual and organizational reputations.

Part of RELX Group, a world-leading provider of information and analytics for professional and business customers across industries, Accuity has been delivering solutions to banks and businesses worldwide for 180 years.

// **Stake your reputation on ours.**

For more information or for a free demo,  
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