Brief: technical research on the collection, processing and use of beneficial ownership data in the private sector

Context

Around the world, momentum for beneficial ownership transparency is increasing substantially. Registers are due to become public across the European Union, and beneficial ownership transparency is now a realistic prospect in key emerging markets such as Indonesia and Malaysia, and throughout the UK Overseas Territories. Increasingly, the world is no longer talking about whether or not to do beneficial ownership transparency, but about how to do it well.

A number of countries already have active public beneficial ownership registers, including UK, Ukraine, Slovakia and Denmark. Public beneficial ownership data is known to be important to civil society investigating corruption and money laundering, and to businesses undertaking due diligence on contractors and suppliers. However, there is little public information detailing the use of Beneficial Ownership data within the private sector.

Brief

As OpenOwnership expands it's Global Register of Beneficial Ownership, we want to better understand in detail the users and use cases of beneficial ownership data (**used under any licence open or otherwise**) in the private sector, building up a clear understanding of the workflow and lifecycle of information related to ultimate beneficial owners of companies. This research is will support us to better understand the incentives and disincentives for adopting common standards around beneficial ownership data collection and use, and raise our knowledge of the value of this data within the private sector.

The end product should be an indicative 'data map' of use cases in two categories of private sector entities: industries closely regulated for compliance with AML legislation and those industries that are not. We would anticipate a focus on at least one bank and one multinational company trading in more than ten jurisdictions worldwide. A focus on US and UK headquartered companies would be a good starting point. A rapid definition of scope at the beginning of the project would be welcome and we are open-minded on which precise businesses should be included.

The data map should include, but not be limited to, a technical specification of systems and tools used for collecting, processing and managing Beneficial Ownership data and an overview of the policy and workflow related to the use of this data. This could include clarity on questions such as;

- How is the data ingested? What is the source of information?
- Where relevant, how companies access, process and analyse BO data on other firms (e.g. as part of Know Your Customer (KYC) or other compliance work)
- Who is declaring this information and why?

- Which internal systems and processes is this data used for?
- What are the main questions that BO data is being used to help answer?
- How does this inform the final reporting/business intelligence processes?

Scope of work

1. Develop a typology of organisations using Beneficial Ownership data for compliance, due diligence (or other purposes) outlining the business drivers for use of this data, the origin of the data and comment on its overall utility within their business.

2. Detail at a top-level the technical tools used (internally developed tools vs commercial off-the-shelf (CoTS) products), type of data ingested (and its licence), modes of analysis and data linking and end-user reporting.

3. Develop a 'data map' of the lifecycle of data in a minimum of two contrasting organisations as defined in the typology already developed. This will cover ingestion, use, deletion or outbound data transfer (e.g. where the data is shared with partners, regulatory authorities or law enforcement)

4. Produce a detailed report on findings and work with a designer to develop visual products describing the lifecycle of data use.

5. Ensure OpenOwnership's technical team are fully briefed on the findings and are engaged throughout on technical scoping

6. Produce recommendations on the key opportunities for Open Ownership and other groups in the sector to collaborate with the private sector and identify the key areas why our goals run counter to private sector motivations.

OPEN OWNERSHIP

The Global Beneficial Ownership Register

Purpose of this project and deliverables

To research and present a small number of end to end use cases of BO data across a sample of private sector users. We would anticipate the following deliverables:

1. Detailed inception report outlining proposed approach (3 weeks after signing)
2. Initial draft report (8 weeks)
3. Final report including work with a design team (at our additional cost) to produce relevant data map/lifecycle graphics.
4. Synthesis report/blog for communication to a broad audience

Vendor profile

- Demonstrable and relevant professional experience (AML compliance, due diligence etc)
- Experience of developing clear business process analysis or (as part of the overall cost of the project) to partner with others that can
- Familiarity with the concept of beneficial ownership
- Confidence in working with technical teams
- Willingness to work flexibly alongside the client to deliver the best results
- Experience of producing digestible products from technical research enabling non-expert audiences to meaningfully engage with the subject

Budget

Total budget £30,000 (GBP) for the completion of all tasks

Timeline and Logistics

We are keen to move quickly to appoint a supplier to this work so would welcome initial **expressions of interest in undertaking the work by the 30th November**. This should, on no more than two pages outline your interpretation of the brief, what additional things you would add and give an outline of your experience. Please use an annex for any CV's and relevant statements or evidence of experience. Please contact thom@openownership to discuss this work. Please note, we will publish any questions asked (suitably anonymised) along with our response.