ANTI–MONEY LAUNDERING AND ANTI-BRIBERY EVALUATION PROCESSES FOR GLOBAL PARTNERS

In an increasingly interconnected and regulated global economy, managing relationships with business partners has become more complex than ever. Geopolitical instability, evolving regulatory requirements, and heightened expectations around ethical conduct require organizations to adopt a more rigorous approach to partner due diligence. As a result, comprehensive evaluations, particularly in the areas of anti-money laundering and anti-bribery and corruptio are essential to mitigating risk, protecting corporate reputation, and ensuring sustainable global partnerships.

At the same time, regulatory expectations and the need to protect and enhance corporate reputation are forcing organizations to adopt broader and more structured due diligence processes. Establishing a safe relationship with customers and suppliers now requires more than basic checks. A deep and comprehensive understanding of business partners is essential to building reliable, profitable, and long-term relationships.

Partner evaluation traditionally begins with risk assessment, analysis of financial strength, review of corporate structure, and identification of adverse or negative events. While these elements remain essential, they are no longer sufficient. Organizations must extend their checks to assess potential involvement in criminal activities, including financial crimes such as money laundering, bribery and corruption, terrorism, and other illicit conduct.

These assessments should not focus solely on the company itself. They must also include shareholders, owners, directors, senior managers, and any individuals who influence or are connected to the management of the business. Criminal exposure often arises through individuals rather than corporate entities, making this broader scope of analysis critical.

Financial crimes such as money laundering, bribery, and corruption are closely linked to regulatory frameworks. Certain entities, particularly banks and financial institutions, are legally required to conduct extensive checks. However, even organizations not directly subject to these obligations face significant risks. Doing business with a partner involved in criminal activity can cause severe reputational damage, with direct consequences for financial performance and long-term sustainability.

ANTI–MONEY LAUNDERING AND ANTI-BRIBERY EVALUATION PROCESSES FOR GLOBAL PARTNERS

Anti-Money Laundering (AML)

Anti-Money Laundering (AML) refers to the laws, regulations, and procedures designed to prevent criminals from disguising illegally obtained funds as legitimate income. Although AML legislation may apply to a limited range of transactions, its impact is significant and requires strict compliance.

For example, banks and financial institutions must implement specific procedures when opening accounts to ensure that money laundering activities are not taking place. Money laundering is typically described as a process consisting of three stages: placement, layering, and integration.

- Placement involves introducing illicit funds into the financial system, often through cash movements, smuggling, casinos, exchange offices, or the purchase of high-value assets.
- Layering aims to conceal the origin of funds through complex transactions, asset transfers, and cross-border movements, making traceability difficult.
- Integration occurs when laundered funds re-enter the economy as apparently legitimate income, often through shell companies, false loans, property transactions, or fraudulent trade documentation.

AML regulations require financial institutions to monitor customers and transactions and to identify and report suspicious activities.

Anti-Bribery and Corruption

Bribery and corruption can occur in any organization, but the risks increase significantly in international operations, particularly where interactions with public authorities are involved. Operating globally offers new opportunities, but also exposes companies to higher compliance risks.

Key regulations such as the U.S. Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act establish international standards for preventing, detecting, and reporting bribery and corruption. These frameworks emphasize the importance of awareness, transparency, and effective internal controls.

ANTI–MONEY LAUNDERING AND ANTI-BRIBERY EVALUATION PROCESSES FOR GLOBAL PARTNERS

Bribery and corruption are closely related but distinct concepts:

- Bribery involves offering, giving, receiving, or soliciting something of value to influence the actions of an individual performing a public or legal duty.
- Corruption is a broader concept, generally defined as the abuse of entrusted power for private gain.

Failure to implement effective anti-bribery and anti-corruption measures can result in serious consequences, including regulatory penalties, reputational damage, negative media exposure, and loss of trust, all of which can negatively affect business performance.

Major international frameworks addressing these risks include:

- OECD Anti-Bribery Convention
- U.S. Foreign Corrupt Practices Act (FCPA)
- UK Bribery Act
- UK Modern Slavery Act
- United Nations Convention against Corruption

In summary

In today’s global business environment, money laundering, bribery, and corruption represent significant legal, financial, and reputational risks. Organizations must therefore rely on accurate, comprehensive, and timely information to conduct effective due diligence on business partners. Access to reliable data enables companies to identify risks early, make informed decisions, and protect themselves from reputational, operational, financial, and legal exposure—supporting sustainable and compliant global growth.

ANTI–MONEY LAUNDERING AND ANTI-BRIBERY EVALUATION PROCESSES FOR GLOBAL PARTNERS

For the reasons outlined above, **SkyMinder**, CRIF's platform providing access to comprehensive credit and financial data on companies worldwide, plays a key role in promoting financial transparency. It supports organizations in preventing fraud and conducting robust compliance and due diligence checks.

Through its integration with LexisNexis Risk Solutions, SkyMinder further enhances these capabilities by offering advanced data analytics. This allows users to identify relationships between individuals, companies, and entities linked to financial crime risks across global markets.

Sanctions Data

Aggregated information sourced from the most relevant international sanctions lists, including OFAC, European Union, United Nations, FBI, U.S. Bureau of Industry and Security (BIS), and other official authorities.

Enforcement

Data published by government authorities, regulatory bodies, and supervisory or disciplinary agencies. This includes records related to criminal and regulatory actions involving offenses such as bribery, corruption, money laundering, terrorism, financial crime, tax evasion, environmental violations, war crimes, and other serious offenses.

Politically Exposed Persons (PEP)

Identification of individuals holding prominent public positions or international roles, as well as their family members and close associates. This includes heads of state or government, senior politicians, judicial and military officials, and key political party representatives, in line with the Financial Action Task Force (FATF) definition of primary and secondary PEPs.

Adverse Media

Monitoring of publicly available media sources reporting alleged or confirmed criminal activities. Coverage includes local and international newspapers, broadcasts, and press releases across 49 crime-related categories, in 59 languages, sourced from over 35,000 media outlets worldwide.

ANTI–MONEY LAUNDERING AND ANTI-BRIBERY EVALUATION PROCESSES FOR GLOBAL PARTNERS

State-Owned Entities (SOE)

Identification of government-owned corporations (more than 50% government ownership) and government-linked entities (less than 50% government ownership). In accordance with FATF recommendations, ownership percentages and government influence are clearly identified.

Registration

Official registration data published by government authorities in compliance with applicable laws and regulations. This may include:

- FATCA-registered institutions (Foreign Account Tax Compliance Act)
- IHS-registered vessels, particularly those flagged in high-risk or non-cooperative jurisdictions
- U.S. marijuana-licensed businesses, including entities authorized for recreational use.

Through **SkyMinder**, users can choose between two products that integrate LexisNexis Risk Solutions data: the Compliance Check Report and the Extended Check Report.

Compliance Check Report

This report enables users to identify business entities worldwide and determine whether they appear on watchlists related to fraud, terrorism, money laundering, or other criminal activities.

Extended Check Report

The Extended Check Report provides a deeper level of analysis. It allows users to assess companies globally and obtain detailed information not only on the entity itself, but also on its directors, shareholders, and parent companies, as outlined in the Full Report. In addition, it enables checks against a wide range of criminal activity lists. Through the Full Monitoring service, users also receive notifications related to updates in the Full Report content, as well as a complimentary report containing the latest information on financial crime risks.