

Corporate Account Opening in Hong Kong

In the past decade, regulators, both locally and internationally, have passed strict anti-money laundering & know your customer (KYC) regulations that have forced banks to invest heavily in this function just to be in compliance. This pressure on banks has translated into high fees and difficult requirements for SMEs & startups to meet when they are trying to open accounts.

This corporate account opening process is a real challenge in Hong Kong. It is a labor intensive, time consuming and expensive that involves a large and increasingly unnecessary amount of time. Multiple rounds of document sharing, appointments with business stakeholders and complicated due diligence procedures equates to high costs for banks and bad customer experience for corporates.

In 2018, Hong Kong amended the Anti-Money Laundering Ordinance (AMLO) in a way that opens this process up to collaboration and innovation. Financial Institutions (FIs) are now allowed to work with intermediaries like the Licensing Regime Trust or Company Service Providers (TCSPs) to share this AML/KYC burden. The problem is, with over a decade of building regulatory walls around the financial industry, FIs and TCSPs are having difficulty reestablishing a productive working relationship outside of their silos.

CryptoBLK is working with industry partner TESS Asia to break these silos and build a trusted ecosystem using Blockchain / Distributed Ledger Technology (DLT) that dramatically improves the effectiveness and efficiency of the KYC processes for both TCSPs and financial institutes.

Introducing **eKYC Alliance**, a blockchain solution to corporate account opening.

About CryptoBLK

CryptoBLK is an enterprise DLT/ blockchain technology company with an extensive track record in DLT, specializing in trade finance, insurance, and cross-border payment and settlement.

We deliver secure, sustainable, and comprehensive enterprise DLT solutions, which promote digital transformation, streamlined processes, and increased efficiency for businesses and industries.

The eKYC Alliance Platform

The eKYC Alliance platform is a collaborative effort between CryptoBLK and TESS, aiming to build a DLT-based platform for sharing and verifying corporate account opening documents and data (KYC data).

The DLT solution allows TCSPs and FIs to work together and streamlines the KYC requirements by integrating the due diligence work of TCSPs and potentially extending to other stakeholders including the Companies Registry (CR).

The eKYC Alliance will start by offering:

Name Screening

Check company members against international 'Politically Exposed Persons', sanctions, and terrorist lists.

Country Risk Profiling

Prioritize KYC/AML checks based on at-risk countries.

KYC Document Sharing

Establish secure channels between TCSPs & Banks to share clients' KYC data.

KYC Data Integrity

Use DLT to ensure the integrity of shared authentic KYC data between TCSPs and FIs.

KYC data lookup

Instant lookup KYC data when a corporate client applies for a bank account opening directly without via a TCSP.

KYC Data Update

Automatically get up to date KYC information on annual requirements and ad hoc changes.

For more information please contact:

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