



Using Asset Disclosure for Identifying Politically Exposed Persons (PEPs)

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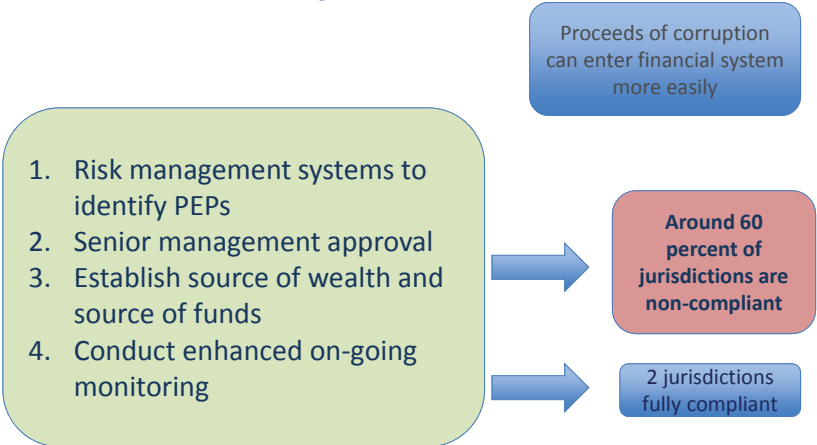
*Financial Market Integrity, World Bank
Stolen Asset Recovery Initiative*

**Seminar on Identifying, Restraining and Recovering
Stolen Assets in the OSCE region**

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Challenge: Low compliance with PEPs requirements



- 1. Risk management systems to identify PEPs
- 2. Senior management approval
- 3. Establish source of wealth and source of funds
- 4. Conduct enhanced on-going monitoring

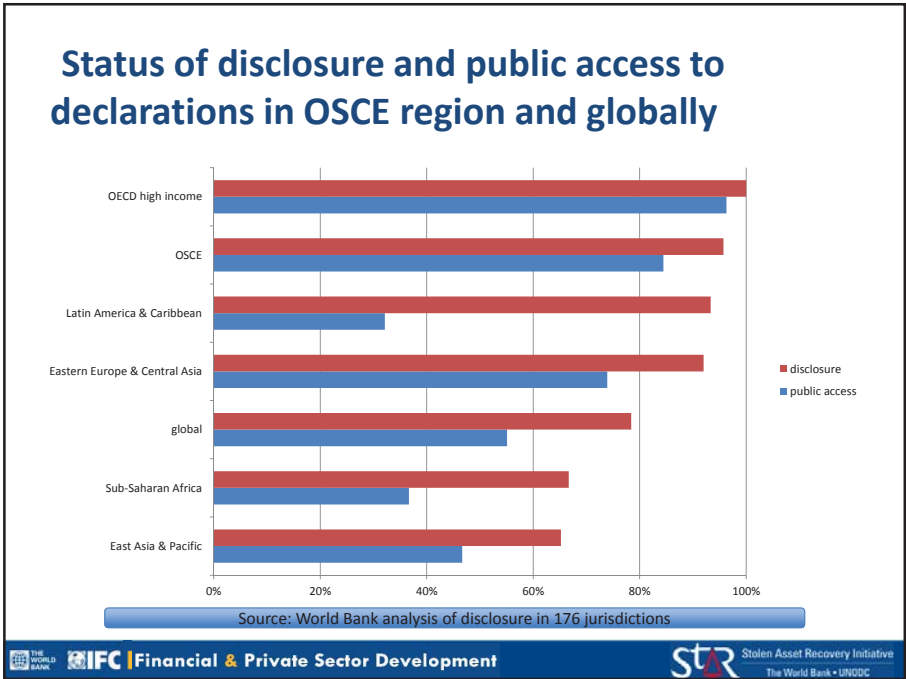
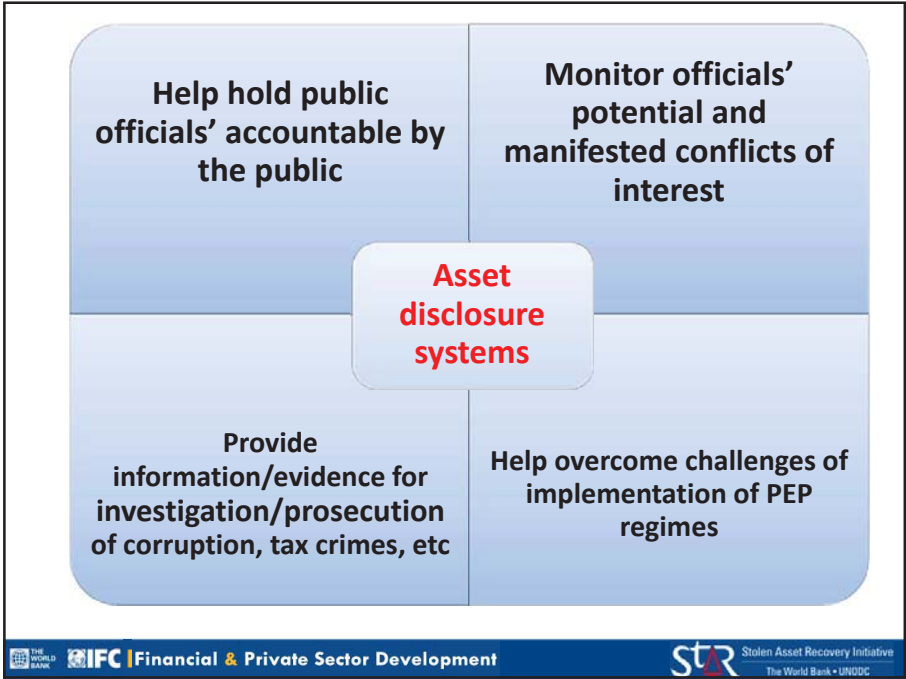
Proceeds of corruption can enter financial system more easily

Around 60 percent of jurisdictions are non-compliant

2 jurisdictions fully compliant

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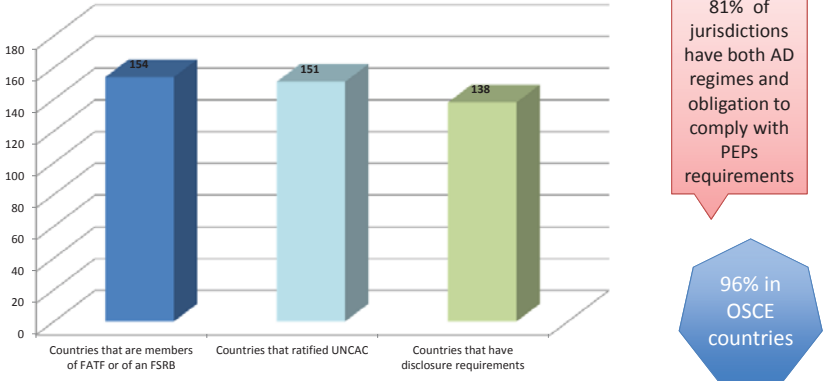


Some categories of information disclosed by public officials

	GLOBALLY	OSCE region
Non-movable assets	91%	82%
Stocks and securities	91%	91%
Business relationships with FIs	84%	78%
Movable assets	83%	71%
Sources of income	83%	98%
Liabilities	75%	58%
Values of income	72%	78%

Source: World Bank analysis of 138 disclosure systems

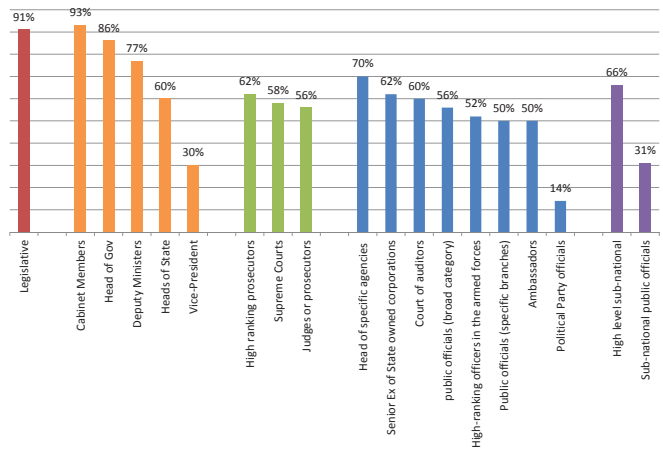
Overlap between AD and PEPs regimes



Source: World Bank analysis of disclosure and PEPs regimes in 176 jurisdictions

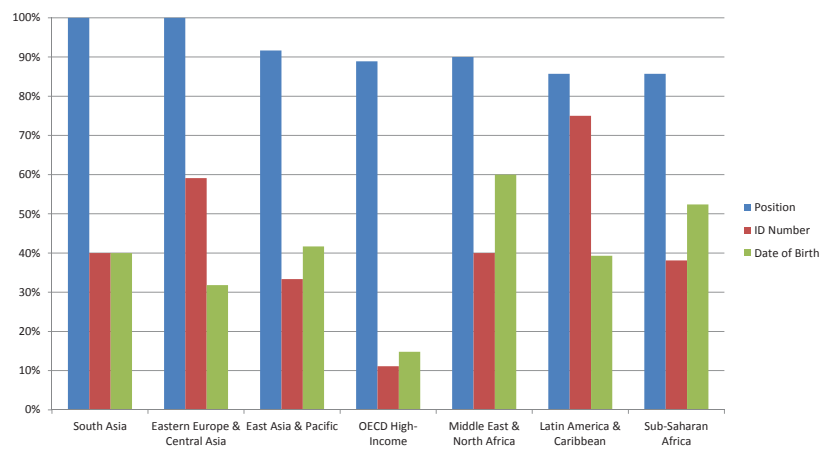
PEPs and AD filers: great overlap/not identical

categories of officials mandated to disclose can go beyond/not cover all PEPs



Source: World Bank analysis of disclosure in 176 jurisdictions

Identifying PEPs using information on disclosure filers



Source: World Bank analysis of disclosure in 176 jurisdictions

Using AD: Main recommendations

1. Compile list of officials who disclose including identifying information (ex. position held)
2. Designate institution which compiles, maintains, updates and shares list
3. Facilitate access to PEP regime stakeholders
4. Make information user-friendly
5. Promote inter-agency and international cooperation
6. This is only a complementary measure

THANK YOU

FOR MORE INFORMATION:

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