

# What's coming down the track?

Co-operative compliance:  
Data Protection & Anti-Money  
Laundering

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# Compliance – What’s coming down the track?

## The Status Quo

- Industrial and Provident Societies Acts (1893 – 2014), “IPSA”

## Broader Legal Environment

- Trend towards transparency and accountability
- Compliance as a journey



# Compliance – What’s coming down the track?

## Significant developments

- General Data Protection Regulation (“GDPR”)
- 4<sup>th</sup> Anti-Money Laundering Directive (“AMLD”)

## Common features and motivations

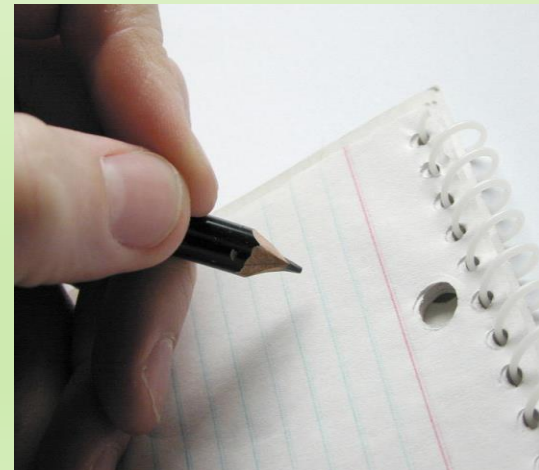
- Information
- Focus on rights of individuals
- Impose responsibilities on organisations (Co-ops)
  - What are these responsibilities?
  - How does my Co-op discharge them?



# Compliance – What's coming down the track?

## Data Protection

- Information identifying a living individual
- Organisations need this information to function
- Law seeks to balance both interests



# Compliance – What's coming down the track?

## Your Co-op and the GDPR

- Into effect this year (25<sup>th</sup> May'18) and penalties apply
- Recognise what personal data is and Co-op's role

## Ask the questions...

- Do we hold or process personal data?
- Are we in control of it being held or used?
- Categories of personal data?
- On what basis do we hold it?
  - Is it necessary for business or required by law?
  - Do we need consent?



# Compliance – What’s coming down the track?

## How do we comply?

- Awareness – Inventory and “Gap Analysis”
- Risk Management – “Pause and consider” is data....
  - kept for proper purpose?
  - safe and secure?
  - up to date and accurate?
- Who is responsible?.... Delegate and Oversight
- Staff Training and ICOS assistance



# Compliance – What's coming down the track?

## Pause and Consider – Plan and implement

- Work to be done depends on the Co-op
- Policies and procedures should include\*:
  - Privacy statement
  - Data Access Requests
  - Data Breaches and Security
  - Employee Handbook
  - Data Retention

\*Non-exhaustive list.



# Compliance – What’s coming down the track?

## Anti-Money Laundering Directive

- Information - ownership/control of organisations
- Motive - Terrorist financing - Money laundering

## Impact of “AMLD” on my Co-ops & its Members

- Co-op obliged to hold, file and maintain detail on ‘Beneficial Owners’ as defined by law
- 15<sup>th</sup> November 2016 (keep a register)
- Individual obliged to inform Co-op of changed circumstances





# Compliance – What’s coming down the track?

## Beneficial Owners

- AMLD definition of “Beneficial Owner”
- Shareholding OR voting rights - Currently 25% (Potential change)
- Start with the Share Register
  - Total number of members
  - Unclaimed or Untraceable shareholders
  - their % of shares
  - their % of voting rights

Access to Register



# Compliance – What’s coming down the track?

## Hold, File & Maintain

- All organisations to “hold” details of any BO
  - Beneficial Ownership Register (“BOR”)
  - 15<sup>th</sup> November 2016
  - Extra details (nationality, date of birth, on /off BOR)
- Must file its BOR with a central register
  - CRO expected to keep central register
  - “Senior managing official”
- Co-op to maintain its BOR and make changes to keep it accurate and current (e.g. death, change of address)



# Compliance – What's coming down the track?

## Recap

- Both AMLD and GDPR obligatory.. but compliance is achievable
- Information as common thread
- As directors of Co-operatives you do not need to know the specifics of these laws
- Do need to know that responsibilities exist
- Ask the question...





Thank You



# Questions ?

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