

Partnering with Survivor Support Organizations to Increase Financial Access: Scotiabank Case Study

For survivors, the lack of appropriate, verifiable identification documentation (ID) is the most significant barrier to accessing financial services. Scotiabank provides a leading example of how banks can work with an SSO to facilitate financial access for survivors, specifically by taking a simplified CDD approach that meets both survivor needs and a robust risk-based approach to KYC policy.

Scotiabank was one of two banks in Canada to join the SII in 2019. The bank was the first to pilot the financial inclusion programme in Canada, by partnering with SSOs across the country. During the pilot phase, Scotiabank's "Financial Access Program" offered survivors a premium bank account (free for 12 months), and a savings account, supported by financial literacy guidance delivered by specially trained financial advisors. Later, Scotiabank added access to an unsecured credit card and enhanced eligibility considerations for applicants referred to their programme. Today, Scotiabank works with leading SSOs across Canada, with participating branches in Vancouver, Calgary, Toronto, Ottawa, and Montreal. It became clear during this pilot, however, that some survivors still experienced challenges when it came to providing documentation to verify their identity.

In response, Scotiabank is currently piloting a simplified CDD methodology that takes a risk-based approach to the KYC element of identity verification for survivors lacking typical forms of ID.

To enable this approach, Scotiabank partners with established SSOs, who can provide documentation to serve as a reliable source of name and date of birth information, by way of a reference letter signed by the executive director of the referring organisation.

In addition to the SSO reference letter, Scotiabank requires a second, personal reference, which can come from the survivor's case worker or advocate. Together these documents would serve as the identification of the individual, who is offered access to a basic bank account at no cost.

Once they become a customer, the survivor will be given a grace period of up to 12 months to obtain a stronger form of identification (for example, a government-issued photo ID). Upon presenting updated ID documentation, the bank will conduct a KYC refresh of the customer and maintain the relationship in line with Scotiabank's risk-appetite, offering its full range of banking products and services, as appropriate.

SSOs working with Scotiabank are also asked to conduct a suitability assessment on any interested applicant prior to making a referral to the programme. By assessing the needs, risks, and benefits of this approach with internal and external stakeholders, the potential misuse of banking products and services by survivors or those who may seek to exploit them are mitigated.