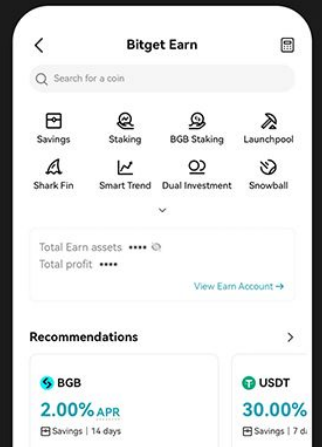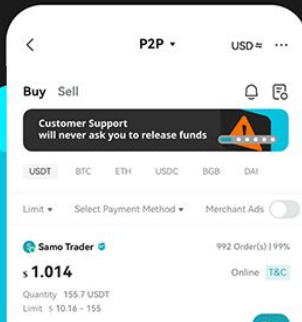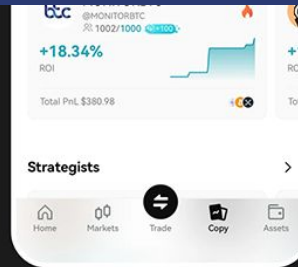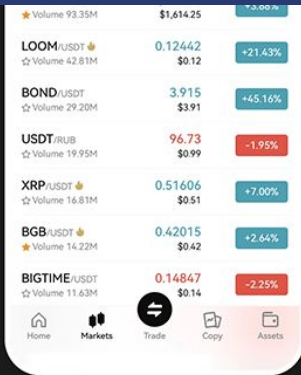# Chainalysis

Bitget Matures Its Compliance Practices to Grow User Trust

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Company Name: Bitget
Type of Business: Cryptocurrency exchange
Chainalysis Solutions: Chainalysis risk solutions
Operating Regions: Asia, Oceania, Europe, Africa, South America

Founded in 2018, Bitget is a global cryptocurrency exchange and web3 company with over 45 million registered users worldwide. Its platform supports Bitcoin and more than 800 cryptocurrencies and operates in nearly 200 countries. With a daily trading volume of $50 billion, Bitget offers crypto futures and spot trading, and is the largest copy trading platform, providing users the option to emulate investor trading that aligns with their own investment style.

As an organization working to mature its compliance operations, Bitget is focused on the long game. "We are dedicated to user fund security, shouldering responsibility for user assets. This gives our exchange a distinctive edge in terms of legal and compliance. Financial results would only come from doing the right thing," says its Chief Compliance Officer (CCO).

Challenge: Establish better compliance practices to grow user trust and expand market share

As a fast-growing crypto trading platform, Bitget needed to enhance its compliance efforts. While the company had significant financial success prior to partnering with Chainalysis, it had even greater ambitions of becoming a global brand built on trust, reliability, and security. This is especially critical as regulations across regions mature and the crypto landscape evolves, with new use cases constantly emerging and opportunistic nefarious actors quick to exploit them. To work towards this goal, Bitget implemented a comprehensive compliance program that required strategic allocation of resources in technology, personnel, and ongoing training to ensure adherence to regulatory standards and the security of its platform.

Why Bitget chose Chainalysis
After researching other blockchain analysis platforms, Bitget chose Chainalysis based on its reputation, comprehensive database, and intuitive product design. The compliance team also acknowledged and appreciated that Chainalysis is well known to law enforcement and government agencies as a market-leading blockchain solution provider; it knew using the platform would demonstrate a commitment to compliance, and produce efficiencies when collaborating with agencies already using it.

Solution: Enhance Bitget's compliance practices and create a safer trading environment

Determined to eradicate illicit activity, Bitget's compliance team is using risk solutions from Chainalysis to optimize its risk management strategy with alerts. Real-time transaction monitoring and pre-screening helps the team to proactively block withdrawals to illicit addresses. Analysts can review the suspicious transactions surfaced, which help them quickly gain quick insights into the risks of transactions occurring on their platform. The team also uses Chainalysis to conduct in-depth investigations of on-chain activity, analyzing the flow of funds and taking action on high-risk users. This not only enhances user protection by potentially preventing illicit activity but also strengthens the platform's integrity by deterring bad actors from exploiting Bitget for money laundering activities.

"The use of Chainalysis has made the analysis and scrutiny of wallets easier. It also makes reporting and strategic decisions more efficient and effective." says Bitget's CCO.

When preparing for meetings, analysts particularly appreciate the product's clustering functionality and curated open-source intelligence (OSINT), which aids in decision making. A compliance analyst says, "Chainalysis helps us visualize the flow of funds and the risk easily and quickly. I think this has greatly shortened our time on investigations."

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Chief Compliance Officer, Bitget

Uniform labeling across Chainalysis' Compliance and Investigations solutions helps the team act quickly and effectively. Using transaction categorization criteria, leadership now provides standardized, objective guidance on how the team should handle certain suspicious transactions. While adding compliance policies like these were an effort to implement, Bitget's compliance team believes that developing a more robust defense mechanism will deter bad actors from attempting to use the platform over time, creating a safer trading environment for its users. This has also ultimately enabled Bitget to run its own internal compliance training, leveraging Chainalysis data.

How Chainalysis integrates with Bitget
As incoming transfers occur on its platform, Bitget sends transaction data via Chainalysis APIs and receives risk levels and an analysis of exposure to illicit activity for each transaction. Compared to the past, where frequent escalations of suspicious transactions for leadership guidance were necessary,

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Compliance Analyst, Bitget

Bitget's compliance team now operates with detailed guidelines and procedures for handling users with suspicious transactions. This advancement has empowered the team to make autonomous compliance decisions, significantly enhancing their efficiency and confidence in managing potential risks. Additionally, while Bitget began this analysis for just a few blockchains, it has since expanded its coverage.

Scaling operational excellence with extensive product training and support
The compliance team at Bitget attributes its increased efficiency to the intuitive user interfaces, comprehensive training, and robust support provided by Chainalysis.

A compliance analyst highlighted the smooth UI of Chainalysis solutions, which enhances due diligence processes. The seamless transition from a risky alert to an investigative graph allows the team to conduct comprehensive analyses efficiently. The team has also found that the frequency of Chainalysis data updates ensures its investigations are supported by the latest market insights and intelligence. Coupled with deterministic data, the analysts can confidently prepare well-conducted investigation summaries and reports with considerable ease.

In addition to expressing appreciation for Chainalysis' solutions, Bitget's compliance team praised its responsive customer success manager and the accompanying product support. Communication flows freely, product questions are answered quickly, and training materials are comprehensive.

"We find the integration with Chainalysis easier, smoother, and more well-supported than with other vendors," a compliance officer says. "For training, Chainalysis Academy offers many free courses which help our beginner analysts get to know the industry. Paid courses provide certification for our experienced investigators in learning how to use Chainalysis solutions. The materials are very helpful for empowering our team to analyze activity with the unique features of option transactions and data."

The training has helped Bitget seamlessly onboard new team members, ensuring they have the requisite knowledge to successfully monitor transactions and perform investigations. With these capabilities, Bitget has grown its transaction monitoring team to provide round-the-clock coverage, enabling a smoother operation and quick resolution of issues.

Results: Bitget implements 24/7 transaction monitoring coverage for a comprehensive compliance program

As Bitget works to create a safer crypto trading environment on its platform, it's putting even more checks in place. Over the past year, Bitget has significantly strengthened its compliance program and achieved lots of milestones, thanks to the dedicated efforts of the entire compliance team. This comprehensive program encompasses the entire customer journey and includes Know Your Customer (KYC) processes, name screening (covering sanctions, politically exposed persons, and adverse news), customer risk assessments, transaction monitoring, travel rule compliance, suspicious transaction reporting, handling law enforcement requests, and annual internal compliance training.

To ensure ongoing seamless operations, Bitget implemented a KYC and transaction monitoring team with 24/7 coverage, complementing its robust compliance program. Furthermore, the company implemented an internal anti-money laundering case management system to accurately store all records and processes, ensuring that all data related to compliance activities is organized and easily accessible.

"We find the integration with Chainalysis easier, smoother, and more well-supported than with other vendors. The training materials and courses have empowered our team to analyze activity with confidence."

Compliance Officer, Bitget

Building Trust in Blockchains

About Chainalysis
Chainalysis is the blockchain data platform, making it easy to connect the movement of digital assets to real-world services. Organizations can investigate illicit activity, manage risk exposure, and develop innovative market solutions with deep blockchain data insights. Our mission is to build trust in blockchains, blending safety and security with an unwavering commitment to growth and innovation.

Chainalysis

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