

WHEN IT COMES TO AML, DO COMPLIANCE MANAGERS NEED A SUPERHERO?

Jane Jee, CEO of Kompli-Global, argues that compliance managers need super-powered help to meet today's strict global AML regulations, and explains where they can get the support they need.

Money laundering and the financing of terrorism are financial crimes with serious economic and social effects.[1] Money laundering results in welfare shortfalls and drains resources from a country's more productive economic activities, threatening the stability of its financial sector and wider economy. The gains made through money-laundering are then often used by terrorist groups, causing untold harm to nations and communities, negatively influencing global trade and international prosperity.

The harm done by these activities is truly global. Money launderers and terrorist financiers exploit the complexity inherent in the international financial system – as well as differences between national laws – to move their money with seeming impunity. Action against money laundering and terrorist financing thus responds not only to a moral imperative but also to an economic need. In television and cinema, this the point at which a dazzling superhero enters the fray to save the day.

A tough response needed

In reality, responding to this moral imperative requires national governments to have effective regimes in place to combat

such threats in order to protect the global financial framework.

Increasingly, this means stringent and rigorous local and global Anti-Money Laundering (AML) legislation, alongside regulations stipulating Know Your Customer (KYC) checks. If they want to continue operating in these regulated markets, financial services companies must comply with these standards, and have comprehensive protocols in place.

While this body of legislative requirements goes a long way towards drastically reducing the threat of money laundering and terrorism financing, it does have implications for financial services businesses and their team members. The burden of such regulations is becoming heavier for compliance managers to bear on their own. The breadth of international money laundering is such that scaling resources to efficiently manage risk and compliance is more than many organizations can handle, leaving their reputation vulnerable.

Turning to RegTech

To ensure compliance managers have the support they need to do the heavy lifting relating to AML legislation, they need help from above. Innovative regulatory technol-

ogy (RegTech), often incorporating artificial intelligence (AI) technology, is currently enjoying significant growth around the world. Designed to help organizations meet their compliance requirements and protect reputations that have been built of many years, RegTech now plays an indispensable role in assisting compliance managers as they aim to meet strict requirements of complex global and local AML and anti-terror regulations. Finally, we're not alone in the fight.

Super-powered solutions

Super-powered AI systems can play a significant role in supporting compliance managers to achieve even deeper due diligence, by exploring information far beyond the relatively small bubble of the internet that we use as consumers in our day-to-day lives.

Smart, communicative digital compliance assistants can work around the clock, unlike their human assistant. Imagine a risk manager who doesn't sleep, get tired, need a break or miss vital information. Someone who works 24/7, 365 days a year, running constant checks on both prospective and existing customers.

The age of the superhero is here, formed of self-learning technology with a human

About Jane Jee:

Jane Jee has been working in the world of card-based, e-money, internet and mobile payments ever since she first qualified as a barrister, more than 20 years ago.

Having previously been Managing Director at Access, the credit card issuing and acquiring organisation, and Divisional Manager at Mondex International, she is an expert in the arena of e-money regulation, and passionately believes that good regulatory compliance makes good business sense.

As CEO of Kompli-Global, Jane is committed to spreading this message to the rest of the industry, by delivering the company's unique "Gold Standard" compliance service. Designed to meet the most stringent regulatory requirements, this enables clients to take on new business and retain it, confident that they have the best information and talent on hand to fulfil their compliance obligations.



interface. These protectors can ensure managers are alerted the minute any critical information relating to a client appears, so they can make a judgement and take appropriate action.

Advanced AI solutions are capable of doing even more than simple continual searching. Cutting-edge AI can offer features that support compliance managers in providing the deeper due diligence required not just to meet regulatory requirements, but help to prevent money laundering in the future.

Kompli-Global's new digital compliance assistant, Samantha, for example, can explore the un-indexed "Deep Web", sifting through millions of uncategorised data and documents to find any adverse information relevant to a business' customers and their connections. Samantha continuously monitors all of an organization's clients around the clock, looking at over 500 "stem words" that might be associated with financial crimes. As she's multi-lingual, she can also understand these in every language and their local variations.

Where it would take a human days or weeks to explore this information, it can take Samantha minutes to conduct the checks and interrogations that find indications of potential financial crimes – "bad actors". Samantha then reports back to risk managers

on areas worthy of further investigation, requiring verification of suppressed or falsified information.

Where citizens would cry out for help from superheroes whenever danger is near, so too can compliance managers call on Samantha, interacting with her just as they would a human assistant, via voice-activation technology. They can ask her to carry out a search, without the need for them to be at their desks, freeing them to perform other vital tasks while she is working away on the problem at hand.

Working alongside the expertise and insight of human managers, heroes such as Samantha can play an unrivalled role in helping banks find critical information that otherwise wouldn't be available or is far too time-consuming and costly to find.

Time for superhero support

Money-launderers, terrorism financiers and criminals are getting more sophisticated every day, and so financial regulations are growing ever more strict in response. As a result, it is likely that the legislative burden on compliance managers in the financial sector will grow ever more onerous, making it all the more important to have technological support today.

Technology like Samantha has an important role to play here, acting as a sophisticated guardian, a watchful protector and the hero the compliance world needs right now. Working together, such AI and human oversight can help protect both individual businesses and the wider economy from the dangers of financial crime.



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