Vanguard leader by ALM Intelligence in financial crimes consulting

ALM Vanguard of Financial Crimes Consulting Providers

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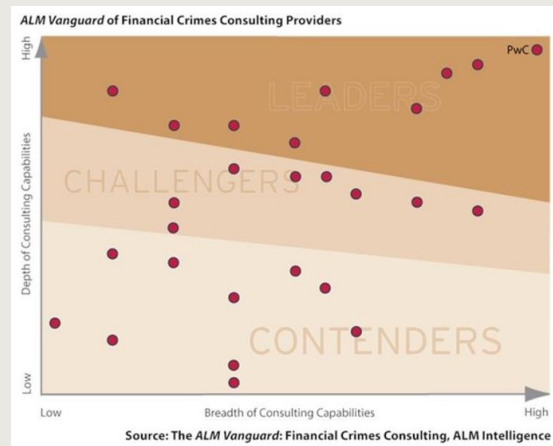
In July 2017, PwC's Financial Crimes Unit was rated Vanguard leader in financial crimes consulting by ALM Intelligence. In addition to being a Vanguard leader, PwC's Financial Crimes Unit was also named "*best in class*" in three out of nine covered categories including operating system, project management and enabling tools.

Why should I be concerned about anti-money laundering (AML) and sanctions?
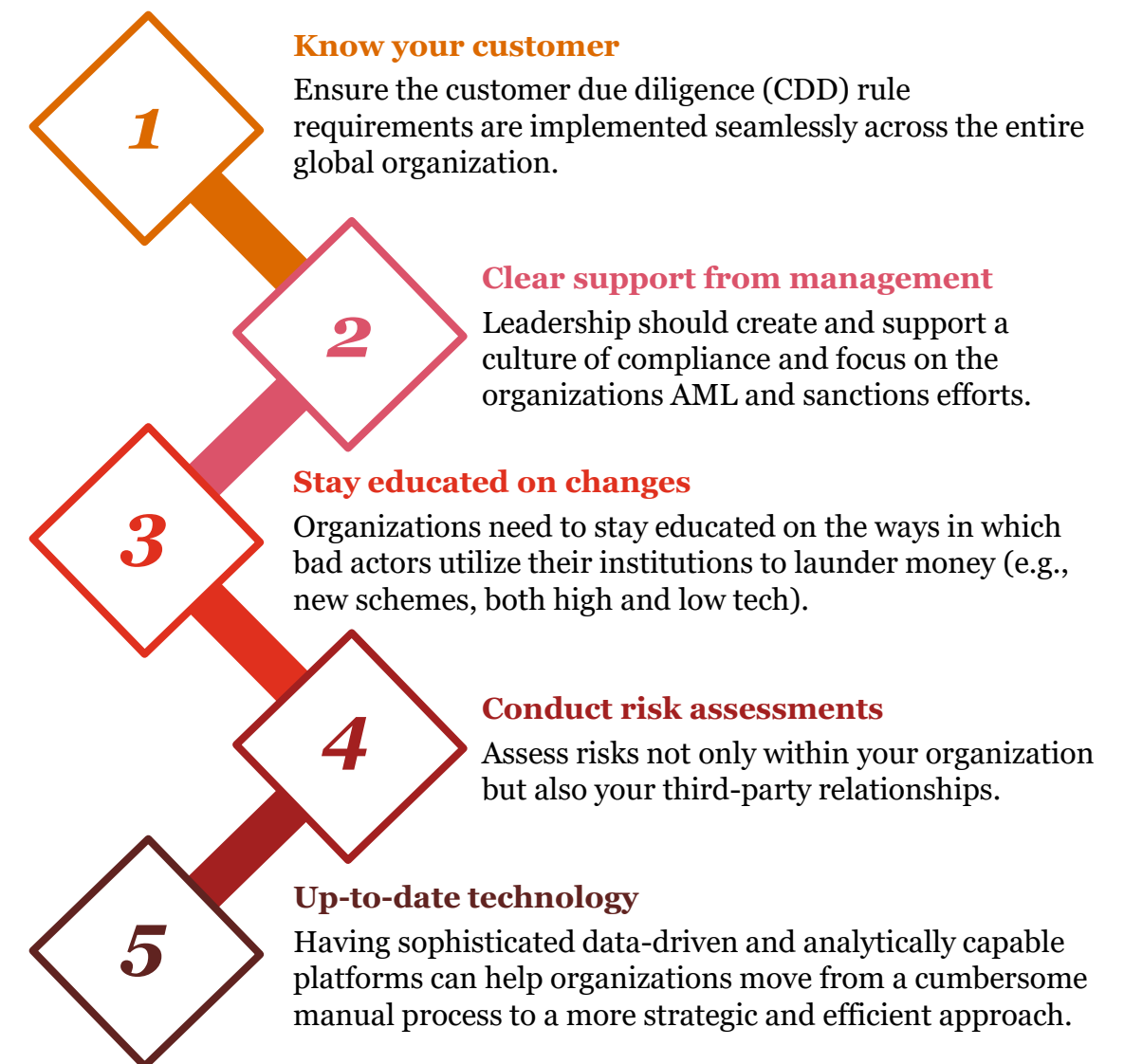
1 The new regulatory environment

There have been many changes around regulatory requirements for the financial services industry, and regulators are scrutinizing organizations' ability to manage financial crime risk through data and analysis. Over a dozen global financial institutions have been assessed fines in the hundreds of millions to billions of dollars for money laundering and/or sanctions violations.

2 The revolution in information

Data is growing in volume, variety, and velocity, and the ability to harness data as a strategic asset is critical.

3 Continued vulnerability of institutions to bad actors

Criminals and organizations are finding new ways, both high and low tech, to evade institutional controls to prevent the laundering money of funds from illicit activities and the movement of funds by sanctioned individuals/entities.

4 Increase in cost of compliance

Compliance is being viewed as a cost containment center now vs. a cost center. According to new figures from WealthInsight, global spending on AML compliance will hit more than $8 billion this year (a compounded annual growth rate of almost 9%).

Five ways to manage anti-money laundering and sanctions challenges:

1 Know your customer
Ensure the customer due diligence (CDD) rule requirements are implemented seamlessly across the entire global organization.

2 Clear support from management
Leadership should create and support a culture of compliance and focus on the organizations AML and sanctions efforts.

3 Stay educated on changes
Organizations need to stay educated on the ways in which bad actors utilize their institutions to launder money (e.g., new schemes, both high and low tech).

4 Conduct risk assessments
Assess risks not only within your organization but also your third-party relationships.

5 Up-to-date technology
Having sophisticated data-driven and analytically capable platforms can help organizations move from a cumbersome manual process to a more strategic and efficient approach.

PwC's anti-money laundering and sanctions services

Sanctions/client screening

Banks cannot do business with sanctioned individuals, countries or entities, identifying these individuals can be difficult due to evasion methods used by criminals.

Sanctions and client screening services include:

- Program development and remediation
- Investigation support
- Technology implementation
- Tuning and optimization
- Alert clearing and robotics

Program and testing

We help organizations with their AML programs by assisting with policies, controls, procedures and processes and testing in both the second and third line of defence.

Program and testing services include:

- Program and policy development
- Risk assessments
- Content order response
- Compliance testing
- Model validation
- Internal audit testing
- Data lineage and quality (CDO)

Strategy

We help organizations revamp bloated programs, reduce spend and create a roadmap for people, process and technology while allowing them to stay agile and learn.

Strategy services include:

- Roadmap development
- Cost takeout

Know your customer

We help organizations comply with know your customer (KYC) requirements.

KYC services include:

- Process re-engineering
- Salesforce KYC
- Customer risk scoring development
- Due diligence robotics
- Remediation

Transaction monitoring and lookbacks

On a monthly basis institutions will alert and detect activity that may be indicative of money laundering.

Transaction monitoring and lookbacks services include:

- System implementation (SAS, Mantas, Actimize)
- Tuning and optimization
- Investigation procedures
- Alert clearing and robotics
- Case management

Why PwC's anti-money laundering and sanctions

PwC serves the world's leading companies addressing AML and sanctions needs. It is evidenced by the fact that we have been selected to complete regulatory remediation for the most complex supervisory actions.

We have extensive specialized skills in key service areas, including regulatory, systems and data management and forensic investigations. This means that we can provide the know-how to efficiently and effectively help you meet your regulatory requirements.

Our credentials include the following:

- Our banking FS regulatory practice is widely recognized as a leader in the U.S. and global financial services industry. In the U.S., our practice is comprised of more than 400 highly qualified professionals who have extensive experience as either former regulators, bankers and regulatory counsel, and who devote all of their time to serving the regulatory needs of banking clients. This regulatory and supervisory experience is combined with subject matter specialists in safety and soundness practices, compliance, insurance, securities activities and information technology ("IT") to assist our clients in anticipating and responding to regulatory issues. In addition our AML practice includes more than 600 professional employees with AML experience.

- We have significant AML experience with top-tier U.S. and international banks. While the specific names of these clients are confidential, we may seek permission to provide references, so that you can speak directly with them about PwC's experiences and delivery capabilities.

- As former bank examiners and compliance professionals, we understand the regulator's approach to compliance and can develop a communication strategy to address all phases of the remediation process.

How PwC can help

For a deeper discussion about PwC's Financial Crimes Unit, contact our team leaders:

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