

# Challenges in AML implementation to meet the Strict Deadline of Finland's AML Act of August 2008

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# The Key Challenges

- Commercial
- Technical:
  - ✓ IT
  - ✓ AML expertise
- Compliance (Legal)

# The Non-Compliance Penalties

- Recent Cases
  - ✓ in USA
  - ✓ in Europe
- Fines are painful
  - ✓ enforced as deterrent
- Reputation Risk

# Finland AML Guidelines Challenge

- New Account Opening
  - ✓ CDD and KYC (customer experience)
- SWIFT Message Filtering
  - ✓ WatchList Filtering
- CTR & STR Scanning
  - ✓ Investigations (workload)
  - ✓ Reports (details & time)

# Implementation Challenges

- Finland is unique
- Change Management
  - ✓ Ease of use
  - ✓ New responsibilities
  - ✓ Buy-in
- What are the KYC profiles of
  - ✓ Existing customers
  - ✓ New customers

# Purchase vs In-house Development

- Configuration vs Customisation
  - ✓ Off-the-shelf
- Long term support & maintenance
  - ✓ In-house support vs Out sourced corporate
- Total Costs of Operation
  - ✓ Latent and Opportunity costs

# The Costs Challenges

- Direct Costs
  - ✓ Development Tools
  - ✓ Manpower
  - ✓ Maintenance and Support
- Strategic Costs
  - ✓ Time
  - ✓ Customer Experience
- Total Costs of Operation

# CDD, EDD, KYC & Risk based Challenges

- Are there standard data?
  - ✓ Watch list?
  - ✓ Standard profile?
  - ✓ Methodology?
- Each bank is different
  - ✓ calibration



# Key Success Factors

- Top Management Support
- Experienced Vendor
  - ✓ Proven product with minimum customisation
- Change Management
  - ✓ Corporate wide support
  - ✓ Training



*THANK YOU  
FOR  
YOUR ATTENTION*



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