

Modernising AML Operations

Enhancing Efficiency & Compliance through KPMG Operational Managed Services
September 2023

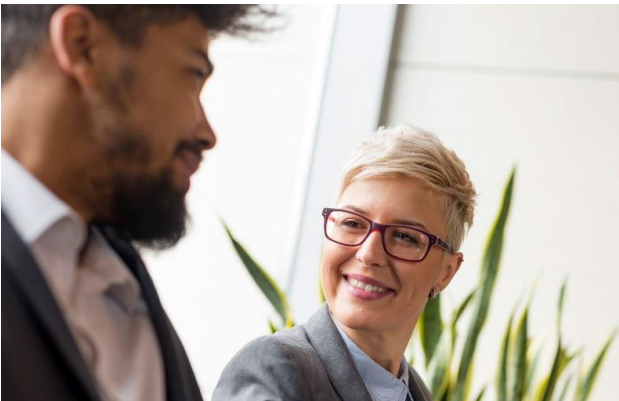
In an ever-evolving financial landscape, staying ahead of money launderers and complying with increasingly stringent regulations is an imperative for any financial institution. Anti-Money Laundering (AML) regulations are designed to detect and prevent financial crimes, making them a critical aspect of the finance industry. However, achieving compliance and maintaining operational efficiency is a complex task that demands a strategic approach. One of the key strategies that financial institutions are increasingly adopting is leveraging operational managed services to optimise AML operations.

The Challenge of AML Compliance

AML compliance is a multifaceted challenge. The regulations are constantly evolving, making it difficult for financial institutions to keep pace with the changing landscape. The costs of non-compliance are high, including hefty fines, reputational damage, and legal consequences. Traditional approaches to AML operations are often resource-intensive, reliant on manual processes, and prone to human error, making them less effective and efficient.

The Paradigm Shift: Operational Managed Services

Managed Services represent a paradigm shift in how financial institutions manage and execute their AML operations. By leveraging third-party expertise and specialised technology, financial institutions can streamline AML processes, enhance accuracy, and ensure compliance in a more efficient and cost-effective manner.



1

Efficiency through Automation and Technology

KPMG Managed Services bring advanced technologies, such as artificial intelligence and machine learning, to the forefront of AML operations. These technologies enable automation of repetitive tasks, data analysis at scale, and the identification of complex patterns that might go unnoticed through traditional manual approaches. By automating routine tasks and codifying policy, AML teams can focus on more complex analysis and decision-making.

2

Specialised Expertise

KPMG possesses specialised expertise in regulatory compliance and risk management. Our Forensic Consulting teams stay abreast of the latest developments in AML regulations and compliance requirements, providing financial institutions with a significant advantage. Our operational delivery teams work side by side with Forensic Consulting from start to finish, ensuring that AML programmes are up to date and aligned with regulatory expectations.

3

Scalability and Flexibility

Financial institutions face fluctuating workloads and regulatory changes. KPMG Managed Services offer scalability and flexibility to adapt to these variations seamlessly. Institutions can expand or scale down services as needed, ensuring optimal resource utilisation without compromising compliance standards.

4

Cost-Effectiveness

Outsourcing AML operations through managed services can result in cost savings for financial institutions. By reducing the need for significant in-house investments in technology and human resources, institutions can redirect resources to their core competencies, enhancing overall efficiency and competitiveness.

5

Enhanced Risk Management

Effective AML operations are pivotal in mitigating financial risks. KPMG Managed Services offer advanced analytics and risk assessment tools that enhance risk detection and management. This, in turn, bolsters the institution's overall risk mitigation strategies.

Conclusion

Operational Managed Services are reshaping the AML landscape, providing financial institutions with a robust and efficient approach to compliance, and KPMG have an excellent track record in this area. By embracing automation, leveraging specialised expertise, and adapting to the evolving regulatory environment, institutions can achieve optimal AML operations while managing costs and mitigating risks effectively. The future of AML compliance undoubtedly lies in the collaborative efforts of financial institutions and specialised managed service providers, working together to ensure a safe, compliant, and prosperous financial ecosystem.

Contact us

To discuss our solution and find out more, please contact the team.



Tania Gill

Managed Services Partner

tania.gill@kpmg.co.uk



Oliver Noble

Managed Services Partner

oliver.noble@kpmg.co.uk



Chris Campbell

Business Development Manager

christopher.campbell@kpmg.co.uk



Simon Mansell

Smart CDD Product Owner

simon.mansell@kpmg.co.uk

Some or all of the services described herein may not be permissible for KPMG audited entities and their affiliates or related entities.

kpmg.com/managedservices



Economic Crime - KPMG UK

© 2023 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation