

Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Risk Module



AML/CTF laws apply to millions of businesses in over 200 countries and over 30 different industries within the financial services, gaming, gatekeeper professions and high-value dealers sectors. AML/CTF laws are risk-based meaning they require all regulated businesses to conduct an ML/TF risk assessment to identify and assess their vulnerabilities to being exploited by organised criminals to launder the proceeds of crime, in order to build an appropriate and proportionate control framework to mitigate and manage these risks.

What is Money Laundering and Terrorism Financing risk?

Money laundering and terrorism financing risk refers to the likelihood and potential impact of regulated businesses being inadvertently involved in or used as conduits for money laundering or terrorism financing activities. These risks arise from the possibility that illicitly obtained funds could flow through a legitimate financial system or business, making them appear lawful.

Money Laundering Risk: This risk involves the possibility that criminals will use a regulated business to legitimise the proceeds of illegal activities. Money launderers often employ complex schemes to “clean” dirty money, making it difficult for authorities to trace its origin. The risks include regulatory penalties, reputational damage and financial losses for the institution or business involved.

Terrorism Financing Risk: Terrorism financing risk relates to the potential that funds or resources will be provided to individuals or groups engaged in terrorist activities through legitimate financial channels or businesses. These funds may be used to plan and execute acts of terrorism, acquire weapons, or recruit members. Being associated with terrorism financing can lead to legal consequences, severe reputational harm and financial losses.

What is a Money Laundering and Terrorism Financing Risk Assessment?

A money laundering and terrorism financing risk assessment is a systematic evaluation conducted by regulated businesses or regulatory authorities to identify and analyse the potential risks of unwittingly facilitating ML/TF and the process to design, implement and maintain an appropriate and proportionate control framework relative to the risk.

The ML/TF risk assessment involves examining various factors, such as customer profiles, transaction patterns, geographic locations, and the nature of products or services offered, to determine the likelihood and potential impact of these risks occurring. The goal is to develop strategies and measures to mitigate these risks effectively and ensure compliance with AML/CTF laws.



Who must conduct a money laundering and terrorism financing risk assessment?

Financial Institutions

- Asset managers, hedge funds and fund managers
- Banks, building societies, credit unions & mutuals
- Cash in transit and safety deposit box providers
- Corporate finance and private equity
- Cryptocurrency & digital currency exchanges
- FinTechs
- Foreign exchange & MSBs (money remitters)
- Financial planners
- Insurance companies
- Investment managers
- Leasing & hire purchase financing businesses
- Non-bank financial institutions
- Payment processing services
- Stockbrokers
- Superannuation, retirement & pension

Other Sectors

- Bookmakers & betting agencies
- Casinos
- Physical gaming venues
- Online gambling
- Accountants & bookkeepers
- Lawyers & conveyancers
- Trust & company service providers (TCSPs)
- Real estate professionals
- Antique & fine art dealers
- Auctioneers & broker
- Bullion & precious stone dealers & jewellers
- Motorised vehicle dealers (cars, boats, planes)
- Luxury goods dealers
- Pawnbrokers & secondhand dealers
- Other sectors (i.e. marijuana businesses, NGOs)

About Arctic Intelligence's Risk Assessment Platform

Arctic Intelligence's Risk Assessment Platform has been designed for larger companies to conduct risk assessments for financial crime and other risk domains. The platform is highly-configurable and can be tailored to your organisation's risk assessment methodology, risk and control libraries relevant to your business and execute these across multiple countries, operating groups or business units. This process produces real-time dashboards and reports aggregated across the organisation.

The Risk Assessment Platform is commonly used to digitise manual spreadsheet-based models and also to automate the inherent risk assessment process by ingesting data from file uploads or API feeds.



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Digitisation

Play Video Demo
Automation

Download Brochure

Key Features

To help manage your enterprise-wide risks, whatever the risk domain you're assessing



Highly configurable so you can tailor the platform to suit your needs



Import your own risk and controls or use our expert-built risk domains



Flexible risk methodology, tailored to your risk-based approach



Auditable workflow process for conducting risk analysis and controls assessment



Digitise and automate by ingesting data via API or file upload



Track, monitor and report on actions, issues and incidents



Real-time dashboards and analytics, with exportable reports



Fully hosted in a secure cloud with dedicated support

Why choose the Risk Assessment Platform?



Fully configurable risk analysis and controls assessment platform



Automate risk assessments by ingesting data, improving efficiency



Expert-built content modules with hundreds of risks and controls



Real-time analytics, approval workflows and fully auditable



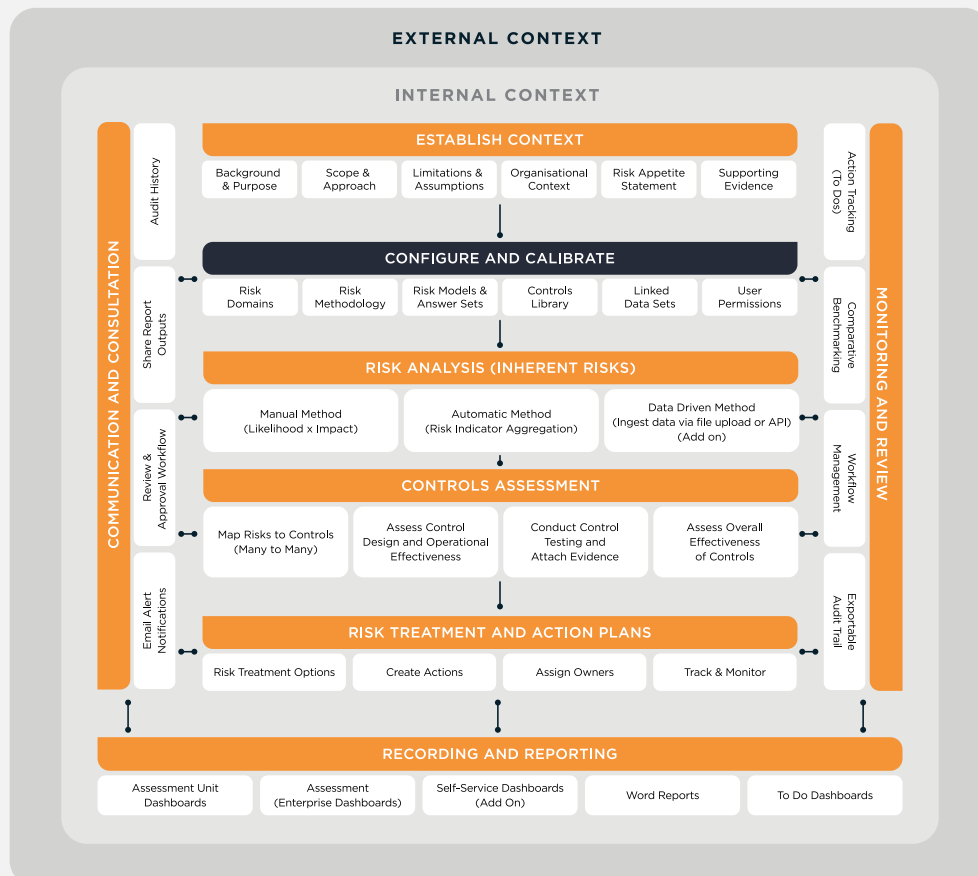
Digitise spreadsheet-based approaches, improving quality



Save time and money, reducing compliance costs

How it works

The diagram below visualises recognised industry best risk assessment practices overlaid against the features within the Risk Assessment Platform that supports these processes.



We've developed several AML/CTF risk and control modules, which are represented in the diagram below. It can also be fully tailored to suit your organisation by modifying content, applying weightings, determining answer set values and calibrating risk thresholds.



We've helped hundreds of clients in over 20 industry sectors and multiple countries strengthen their defences against financial crime.

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