RegTech for BSA AML Programs

The AML Act seeks to strengthen, modernize, and streamline the existing AML regime by promoting technological innovation.

Regulatory Technology

The Anti-Money Laundering Act 2020 (AML Act) includes several provisions that address innovation through adoption of Regulatory Technology (RegTech). Amending the Bank Secrecy Act (BSA) for the first time since 2001, the AML Act is intended to modernize the BSA to address emerging financial risks and encourage technological innovation.

Risk Based Compliance

The AML Act formalizes the risk based approach of AML compliance and stipulates that financial institutions should implement a reasonably designed risk-based program and "direct its resources to its higher-risk customers and activities, consistent with the risk profile of a financial institution."

Data Integrity

Data management fundamentally defines every aspect of a BSA Program. The data must be complete, consistent and accurate. Crucial areas for data integrity include the BSA risk assessment, customer profiling, transaction monitoring and geography risks.

Risk Management

Risk management should be applied throughout the lifecycle of the BSA/AML Program. As part of a risk management system, senior managers and Boards must have readily available data that allows informed decision making. The extent of data validation and integrity controls will be documented in the financial institution's risk management framework.

AML360 RegTech

AML360's RegTech solution combines compliance, data integrity and risk management protocols into a single BSA platform. Centralization of data enables automated workflows and streamlined oversight.

For more information, visit the website:

aml360software.com