New technologies and industry-wide digitalisation are enabling better solutions across the sector – from payment processing, digital banking and crypto exchanges to insurance, lending, wealth management and more. Given the many challenges that define the anti-money laundering (AML) landscape, companies need to build resilient and effective compliance frameworks.

Five core elements of such a framework include:

1. **CUSTOMER ONBOARDING**
   - Effective screening/scoring, KYC and onboarding due diligence underpinning are the key pillars of successful partnering and the top-facing enabling customer experience means reducing risk.

2. **ONGOING MONITORING**
   - AML obligations extend beyond initial onboarding into ongoing monitoring that is changeable and adaptable, ensuring risk is appropriately factored in.

3. **TRANSACTION MONITORING**
   - Transactions should be monitored for any red flags. For example, if a customer is sending payments to an entity that is either directly or indirectly sanctioned.

4. **CHANGING CIRCUMSTANCES**
   - Monitoring for changing circumstances is a form of perpetual KYC. Financial firms must remain mindful of which data points should trigger a new KYC process.

5. **RISK SCORING**
   - Risk scoring is a useful tool for assisting in a customer’s case. It is essential to ensure that it is utilised across information sources in a comprehensive and multichannel mechanism so that risk can be cut off at the earliest stages of a suspicious transaction. Leaders in this area are very much at the forefront.

Questions to consider:
- Is our current onboarding tool helping us to monitor for changing circumstances?
- Are they who they say they are?
- Will they cause you financial harm?
- Will they cause you legal risk or damage your reputation?
- Can the technology we employ identify fraudulent documents?
- Can it confirm that the person trying to transact is alive?
- Can it uncover adverse media risks?
- Can it confirm that a transaction is not being flagged?
- Can I verify the person I am doing business with is who they say they are?
- Can I identify whom I am doing business with?
- Can I identify the risks that are associated with the entity that I am onboarding?
- Can I identify who I am doing business with?
- Can I verify the person I am doing business with is who they say they are?
- Can it confirm that a transaction is not being flagged?
- Can I verify the person I am doing business with is who they say they are?
- Can it uncover adverse media risks?
- Are we getting the right alerts from our screening dataset?
- Can I identify whom I am doing business with?
- Are any accounts showing warning signs of account takeover?

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