

Do most wealth management firms have the relevant tools to fight AML and Fraud?



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What are the risks and how do you prevent them?

Nowadays, every wealth management firm has AML tools. If they are the right ones and if they use the latest technology, I think this is a very challenging topic, but I think the newer RegTech platforms, the new AML solutions out there look much wider than just having some rule-based approach to AML.

How do you get a complete profile of the client?

There's a lot of data that is required in AML. Look-

ing how the client interacts during his whole life cycle: What are the transactions? Do we see regular changes in, maybe, static data? It can be from a change of mobile phone numbers to a change of address. All this stuff needs to be looked at holistically; that's why, I mentioned before, don't look only on transaction. It's, on the whole, bigger profiling that you need to do. And often the first-generation AML tools don't take into account all these different variations. So, I think really the next generation of tools from RegTech providers will bring a huge value add in the whole AML and fraud space.

How do you do name screening effectively?

Name screening is one of the biggest challenges that banks face today. If you have a client base in Asia, especially with names in the native languages, Chinese, Vietnamese, Thai, the tools need to be able to screen the names differently. So, we bring ethnicity into the game and use this as a differentiator from other tools.

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So this helps us to reduce the false positives, and it can help the financial institution to be more, I would say, efficient and of course also to detect more of

the relevant cases that required attention, instead of spending a lot of time and effort on false positives.

This coupled with then, of course, the next level of AI and technology will help even more to reduce the false positives. This, I think, will be really the next generation of name screening where IMTF can support the wealth management space.

The client journey - how can you map it?

There's a lot of data analytics that are required. Tools nowadays can really map out all the data, bring everything together from the client, profile it, see what the interactions between the client and different parties are. There is, again, the profiling intended: noticing change in behaviour, finding out suspicious behaviour with tools and in-depth analysis will really help. So, I think, to have a complete client picture will help in AML, in fraud, and down the line, in the whole client relationship to bring the banks to the next level. ■

