

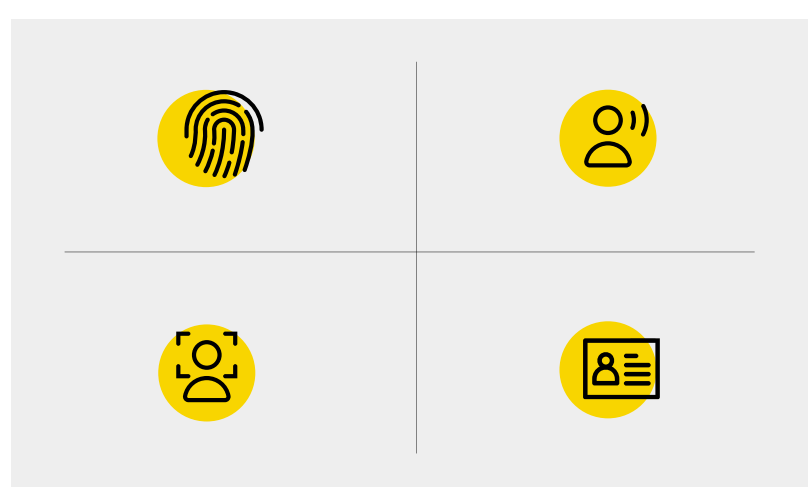
The RegTech for Remittance Toolkit

As financial crime typologies and regulatory technologies evolve, how should compliance teams in remittance firms build and scale their anti-money laundering (AML) programs?

This infographic highlights the core components of a RegTech ecosystem that remittance firms should consider to achieve long-term success.

ID Verification (IDV)

Accelerated by the pandemic, firms are increasingly using biometric authentication measures, such as selfies, fingerprints, or voice recognition to make the onboarding process more efficient. The European Commission has also suggested using digital ID wallets to access services.

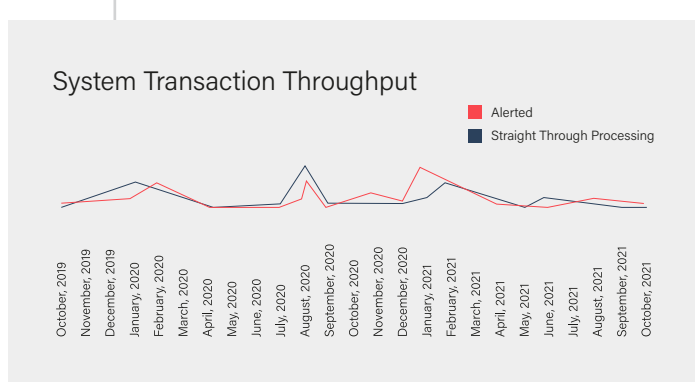
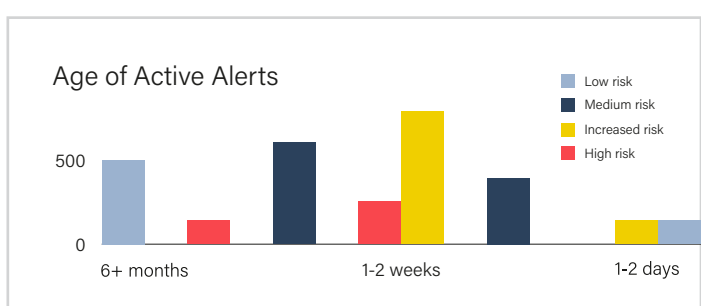


Screening for Sanctions, PEPs, and Adverse Media

Firms must manage their exposure to sanctions risks by screening customers against politically exposed persons (PEPs) lists at onboarding, and on an ongoing basis, in alignment with the firm's risk-based approach. [Adverse media](#) can also greatly enrich a firm's data and help identify less visible risks.

Transaction Monitoring

Automated, risk-based transaction monitoring frameworks help firms keep pace with the evolving financial crime landscape. In addition, they allow data to be processed comprehensively, with speed and accuracy that manual compliance processes could never achieve. [AI and machine learning](#) can make the onboarding process smoother by accurately flagging and rectifying false positive alerts and adapting to regulatory changes and jurisdictional disparities.



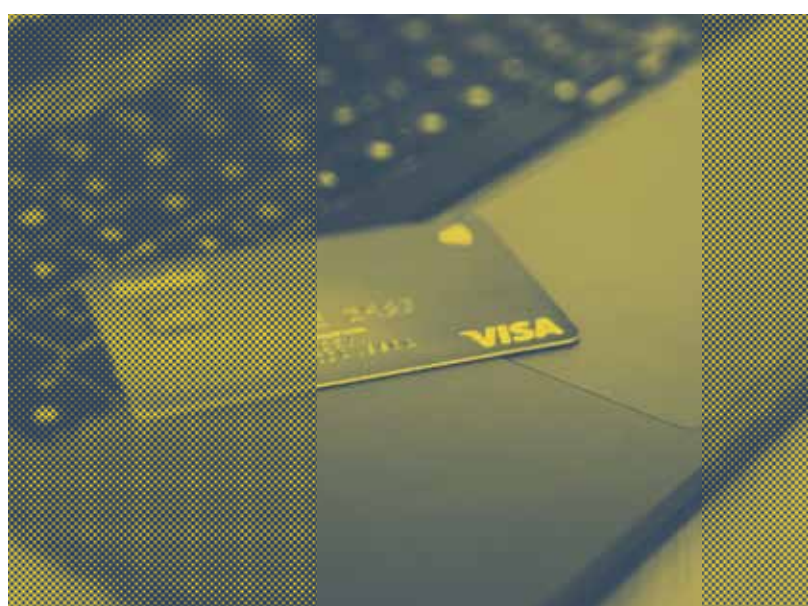
Firms need experienced compliance staff to manage these platforms, make decisions on alerts they generate, and issue reports to regulators.

Crypto

As new regulatory frameworks become law, virtual asset service providers (VASPs) will become part of the financial services ecosystem. As a result, to complete many essential operations, such as onboarding customers, with fiat currencies and the regulated entities that serve those currencies, firms will need to invest in RegTech.

Reporting

For internal risk assessments, it's important to remember that financial crime is just one part of a firm's broader enterprise risk assessment. Many helpful tools are available to support teams conducting these reviews, such as those offered by the [International Compliance Association](#). External reporting considerations include tax compliance, which can consist of nuanced obligations depending on the jurisdiction.



Read our Guide to AML for Cross-Border Payments & Remittance

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