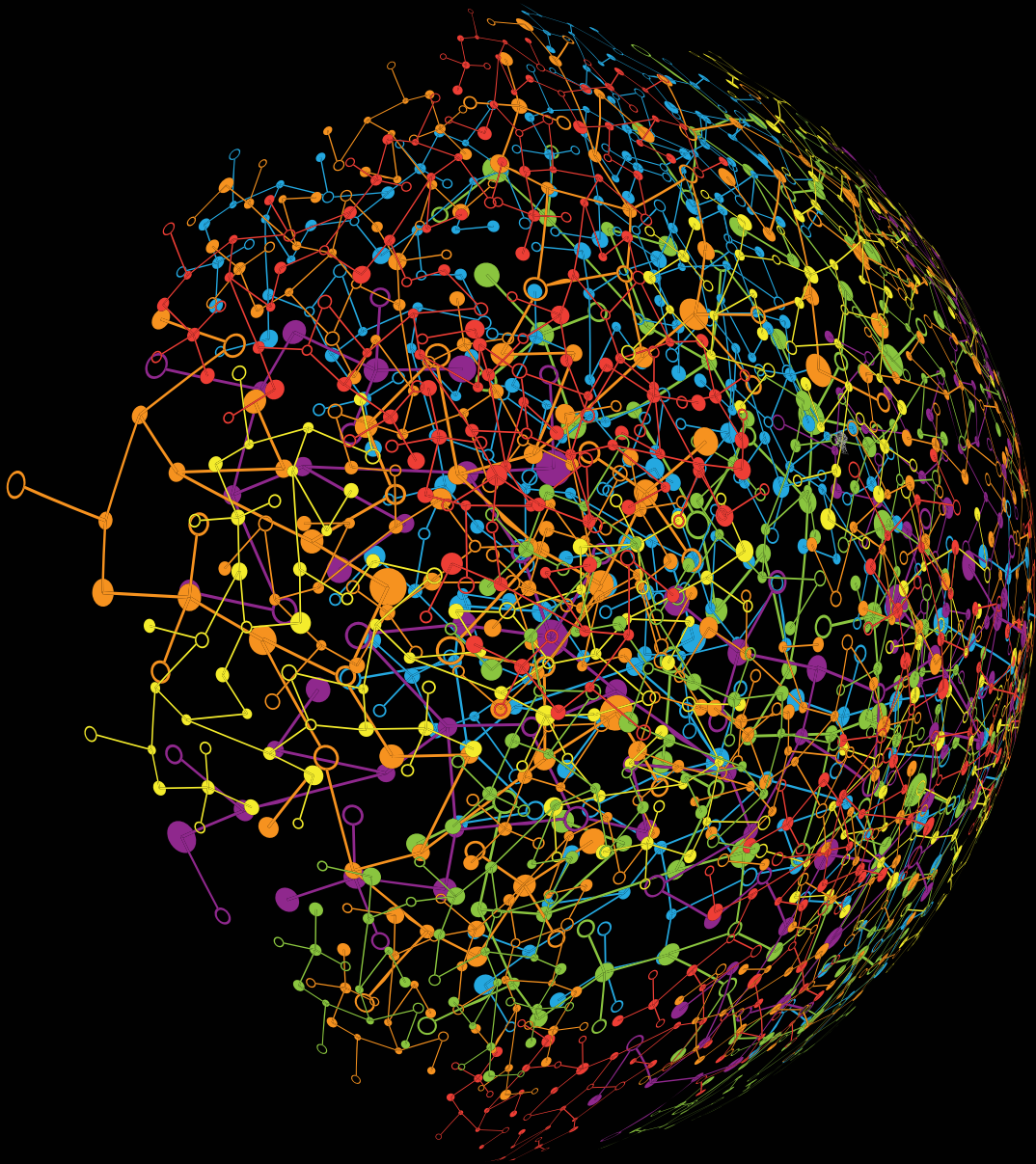


**Deloitte.**



**Anti-Money Laundering (AML)  
Compliance Advisory Services**

Understanding risk to create  
a distinct advantage

# The need for trusted AML Advisors

According to the Financial Action Task Force (FATF), the integrity of the banking and financial services market depends heavily on functioning within a framework of high legal, professional and ethical standards. As such, a reputation of integrity is one of the most valuable assets for a financial institution.

The use of illicit funds can adversely affect a financial institution's economic stability and therefore reputation, as well as be detrimental for the soundness of a country's framework and can cause a number of other potential negative consequences, including legal actions.

The Anti-Money Laundering (AML) and Counter Terrorism Financing (CTF) regimes are constantly evolving - an endeavor that started some 20 years ago and which has now become a key component in the agenda of the regulators, governments and organisations.

Financial crime is one of the biggest challenges corporations face today. It is characterised by complex inter-connectivity and it is not defined by geography, industry, or type of organisation. The vast organisational complexity of global corporations increases the threat of financial crime simply by virtue of their size.

Financial crime will not be ad hoc incidents but rather a continuous reputational risk that pervades almost every organisational process in every area of business and commerce. Organisations need to embrace an enterprise-wide approach to addressing financial crime and remove the silos that undermine their ability to share information, pool resources, and develop smart strategies.

With organisations continuing to do business in more sophisticated markets and regulators becoming more demanding as part of their efforts to provide a stronger framework to address new threats to the financial system, MLCOs and the boardroom are in an incredibly difficult position to ensure that their organisations and teams are fully updated with an ever-changing global landscape, where regulation and demand for transparency are dominant. Organisations must embrace a culture of investment and ongoing development - both in terms of expertise and technology - to remain agile and comply with the regulatory requirements.

There are no excuses when it comes to recognising and preventing financial crime. Organisations need to be in a state of continuous readiness to proactively identify such incidents and comply with ever-increasing regulatory requirements



# Our AML Compliance Advisory Services

At Deloitte we understand the scope of the challenges and look for innovative ways to help your organisation plan and be prepared to rise to the occasion.

Whether you are a financial institution, a law firm, a corporate service provider, a family office, an executive or other industry specialist, our AML Compliance Advisory Services team can help you capitalise on opportunities. We provide specialised knowledge and the latest practical insights into the wide range of operational, technological and regulatory issues surrounding the AML regulatory environment.

Our AML Compliance Advisory team is an integral part of our Risk Advisory Services, sharing information and best practices continuously and ensuring that our clients are kept up to date on domestic and international regulatory developments that impact their business.

The result is a clear understanding of the regulatory environment and a deep appreciation of the specific needs of every obliged entity. This gives us the edge to assist organizations in assessing their compliance with applicable Laws, Directives and Guidance issued by the various regulators with regard to AML activities, as well as implementation of AML best practices from around the world.

## Our approach

- Our multi-disciplinary team of experts aims to provide multi-jurisdictional advisory insights and tailored solutions that proactively assist our clients to address their needs and objectives in the midst of a continually evolving AML and CFT regulatory environment.
- Deloitte is an active player in the development of new regulations, practices, and industry positions on a wide range of topics. We are represented in each of the main industry or regulatory working groups and committees, placing us at the forefront of new developments. As a result, our long-standing client relationships allow our clients to benefit from timely information and anticipated future trends.

## Our value proposition

- Offer, high-quality, value-adding, innovative solutions that are tailored to each client's needs and objectives, holistically and on an ongoing basis.
- Contribute to the effective implementation of regulatory developments in Cyprus and beyond.

## Our key strengths

- We combine our depth of local knowledge with our global network's cross-border experience to deliver practical, effective and insightful advice that cuts through the complexity of the AML regulatory requirements.
- The practice's proven methodology relies on a multidisciplinary approach capitalising on synergies of our cross-functional industry group of experts.
- Our local team consist of professionals with regulatory advisory expertise and practical operational experience within the AML and Risk Advisory industry, enabling us to fully comprehend all practical issues MLCOs, AML officers, Executives and AML practitioners are facing.



# Our Service offerings

Following the transposition of the fifth EU Anti-Money Laundering Directive (5th AMLD) into national law in February 2021, Cyprus is able to fully utilize the harmonised European AML regulatory framework. The new requirements will necessitate an increased focus on AML and CTF for obliged entities. Due to the new requirements which have been implemented, including any upcoming developments, there will be an increased requirement on obliged entities. These entities should ensure that they are prepared for these regulatory developments, and have measures in place to train staff, update policies and procedures, implement new controls and the right technology.

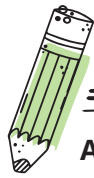
In this respect, Deloitte Cyprus AML Compliance Advisory Services team has developed a sophisticated set of expertise enabling us to help our clients take up the challenges of today and prepare for those of tomorrow. We leverage on our international and local AML expertise and take a holistic approach, from diagnostics, to solutions and continuous learning.



## AML Diagnostic and Gap Assessments

1

- ✓ Understanding the clients' key characteristics and overall objectives including the risk appetite of the firm as part of our AML diagnostic assessments. AML risk assessment tailored to the needs of any organisation to uncover the risks pertaining the different business sectors. Structured methodology which can focus in various risk areas such as client risk, product risk, geographical risk and channel risk.
- ✓ Preparation or review of Client Acceptance and Continuance manuals required to satisfy the AMLD and local AML law. Assistance with policies implementation to ensure full compliance with the regulatory requirements.



## AML Compliance Reviews

2

- ✓ Assistance to the firm's compliance department to design and implement a firm wide risk-based oriented customer due diligence assessment process.
- ✓ Provide a review of a firm's internal AML policies and procedures against requirements of the 5<sup>th</sup> AML directive. The review will be tailored to examine compliance including, on-boarding, monitoring, reporting, screening, clients risk classifications and records keeping.
- ✓ Assistance with evaluating and improving the function of a firm's suspicious activity monitoring and reporting system.
- ✓ Following the findings of a gap assessment, recommend a remedial action plan to enable a business to meet the regulatory requirements.
- ✓ Assistance with the preparation and implementation of regulatory responses following onsite inspections by the regulator.



### Customised due diligence reports

3

- ✓ Assisting with the validation of the details provided by the prospect client to ensure that fundamental KYC checks are carried out and any hidden risks are uncovered.
- ✓ Detailed background analysis through the incorporation of comprehensive information on the current and previous business activities of the prospect in question.
- ✓ Corroboration and analysis of Source of Funds (SOF) and Source of Wealth (SOW) analysis, enabling the client to evaluate the suitability of a prospect client, investor, business partner or associate.
- ✓ Assisting with collecting and evaluating a company's background, main activities, counterparties, management structure, actual owners, etc.
- ✓ Uncover any existence of criminal activity such as money laundering, corruption, terrorist financing, adverse or negative publicity, allegations or convictions.



### Managed and FinTech services solutions

4

- ✓ Guiding through the emerging RegTech market to assess and select the tools and solutions that will help and ensure regulatory compliance.
- ✓ Assisting with digitisation of processes for AML and CTF compliance and with the selection and implementation of an automated AML system.
- ✓ Acting as co-source service provider offering services regarding the risk assessment and ongoing monitoring of clients and clients transactions.
- ✓ Assisting with system optimisation, including system configuration, rules selection, maintenance and fine tuning. Build risk assessment and scoring functionality within the system that will enable you to assign and maintain the proper risk categorisation for each client in line with the risk-based approach of the 5<sup>th</sup> AMLD.



### Bespoke AML Learning and Seminars

5

- ✓ Provision of tailored learning aligned to the role and industry requirements. The material is built around the organisation's specific needs and entail theoretical and practical knowledge on AML/CTF matters.
- ✓ Differentiated learning from junior to senior employees, industry-focused learning, customised for the needs of each organisation.



# Contacts

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