



ITFA'S NEW FINANCIAL CRIME COMPLIANCE INITIATIVE TIGHTENS ITS FOCUS FOR 2025 – February 2025

By *Rebecca Spong, Editorial Consultant*

The new financial crime compliance initiative (FCCI) set up by ITFA last year is making progress with its plans to look at how new technology solutions can fight financial crime. Using recent survey feedback and the strong market knowledge gathered from the group's growing number of participants, the initiative has pinpointed key areas of focus for the coming year.

The battle to fight financial crime is an uphill struggle for financial institutions as fraudsters and criminals become more and more sophisticated in their use of technology. The burden of financial crime compliance has become heavier and more time-consuming for those financing international trade despite years of investment in people, experience and systems.

With this in mind, ITFA set up its new financial crime compliance initiative last year with the aim of helping its members understand the variety of technological solutions available to help them tackle financial crime risk, promote information sharing, undertake advocacy efforts and more.

The initiative falls under the responsibility of ITFA's Fintech Committee, and is co-chaired by Dr. Graham Baldock and Ben Arber, CEO of the AI solutions provider Complidata.

Since its launch in Q4 2024, the group has attracted many participants from both the fintech and banking worlds. "We now have 45 to 50 people interested in contributing to this initiative and we have attracted lot of tech providers and banks – though I would like to encourage even more financial institutions to get involved," says Arber.

"We've had three meetings so far - with a fourth one imminent - where we have been able to get banks and technology partners around the table. We've also had a lot of fantastic 'off-line' activity between meetings with members putting together proposition papers and coming up with other ideas," he adds.

"One of our founding principles is let's not hang everything on one big transformative whitepaper – let's do more practical smaller projects," Arber adds. "The emphasis is also on collaboration so we fully intend to work closely with the ICC, BAFT and other leading industry bodies."

Survey findings

One of the group's first projects was to conduct a survey at the end of last year to find out what are the market's most pressing concerns about financial crime compliance. The responses have helped shape the group's goals and priorities for the coming year.

The survey sought to gather market views on the biggest challenges in ensuring financial crime compliance requirements are met and what can be done to improve the ease and efficacy of managing compliance.

More than a fifth of respondents said compliance checks delayed the time it took to get a deal to market, while 18% cited high costs of running compliance systems and the difficulties of navigating complex and changing regulation. Others also pointed to the lack of access to high quality data.



Reflecting on potential improvements, the responses pointed towards a need for more automation and less manual processing to reduce the compliance burden. Almost a quarter said they wanted a reduction in manual processes through streamlined workstreams.

More than 20 percent called for the use of AI and machine learning for more accurate risk detection, when asked how technology can be better used to reduce operational burdens.

Commenting on collaboration on financial crime compliance between organisations, around 22% wanted more standardised regulation and around a quarter said they wanted improved data-sharing platforms and practices. However, some made comments that they definitely didn't want any more "talking shops" on the subject – something the FCCI is keen to avoid. Armed with this market feedback, the FCCI has begun to focus on five areas as follows, although the scope of the work is not limited to these topics.

- **Best Practice Guidelines**
- **Manual Process Elimination and Use of Data**
- **Optimised use of HS codes**
- **Counterparty Risk Assessment**
- **Next Generation Sanction Screening**

It is also expected that there will be a role for the committee to work on advocacy initiatives, as the survey findings suggest there are some perceptions among respondents that regulators have significant reservations about the use of advanced technologies such as AI in preventing financial crime.

The FCCI is planning to encourage more awareness around financial compliance issues by arranging in-person seminars in financial centres such as London, New York and Singapore throughout the year.

The group is also looking to run more regular webinars – ideally on the same day and time each week or month – where a non-bank institution will present on a particular type of technology. The idea is to encourage a discussion around best practice, says Arber.

For more information on getting involved with the FCCI, please contact info@itfa.org

To read more about fraud and financial crime, access the fintech committee's whitepaper on fraud prevention published last year by the Fraud Working Group [here](#).