



Definitely of interest to AML and compliance professionals, **Companies House**, the UK's registrar of companies and an executive agency that falls under the **Department for Business, Energy and Industrial Strategy**, has introduced a [new advanced search function](#) on their website. As well as being able to search via company and/or director name, the new function adds the ability to search the database via company address, incorporation and dissolution date, company status, nature of business and company type.

UK

The **Financial Conduct Authority (FCA)** has [confirmed that it will recognise](#) both the [FX Global Code](#) and the [Global Precious Metals Code](#) under its Code Recognition Scheme. Individuals subject to the Senior Managers and Certification Regime (SM&CR) need to meet requirements for market conduct for both regulated and unregulated activities. Behaviour that is in line with an FCA recognised code will tend to indicate a person subject to the SM&CR is meeting their obligation to observe 'proper standards of market conduct' in relation to unregulated markets.

The **FCA** has [published rules](#) for Regulatory Technical Standards on Strong Customer Authentication and Secure Communication (SCA-RTS) as well as amendments to their 'Payment Services and Electronic Money – Our Approach' (Approach Document, AD) and the Perimeter Guidance Manual (PERG). The FCA aims to help remove barriers to continued growth, innovation and competition in the payments and e-money sector whilst also making the sector more resilient and protect consumers if firms fail. The amendments will also provide firms with more clarity on FCA expectations.

The **Future Regulatory Framework (FRF) Review** was established to consider how the financial services regulatory framework should adapt to be fit for the future, and in particular to reflect the UK's new position outside of the EU. In a speech on 1 July 2021, the Chancellor set out the UK government's vision for an open, green and technologically advanced financial services sector that is globally competitive and acts in the interests of communities and citizens across the UK. [This document sets out the government's response](#) to the feedback received on the previous consultation and adds in new proposals.

Europe

On the 23rd November 2021, the **European Commission** announced [new measures targeting transport operators](#) in order to combat transnational organised crime, specifically that which facilitates human trafficking. These measures are a way for the European Union to introduce a unified approach. They will provide a legal framework allowing the Union to adopt measures that will be addressed against transport operators of any mode of transport (air, sea, inland waterways, rail and road) that engage in the aforementioned activities.

November saw the introduction of the [Crowdfunding Service Provider Regulation](#) ('ECSPP' EU 2020/1503) in the **European Union**. This regulation, which applies to the crowdfunding sector, will effectively see individuals seeking to provide crowdfunding services required to obtain a licence from the relevant authority of the member state they are located in. It should be noted that crowdfunding deals of €5m are excluded and the threshold value is calculated over a 12 month period.

Europol has released their [Internet Organised Crime Threat Assessment](#) strategic report for 2021 (providing a law enforcement focused assessment of evolving threats and key developments in the area of cybercrime).

The **EBA** also announced that they, along with the **European Securities and Markets Authority (ESMA)** have jointly launched a [public consultation](#) on the framework for the supervisory review and evaluation process of investment firms.

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In the United States, the **Financial Crimes Enforcement Network** (FinCEN) has published a notice calling attention to an upward trend in [environmental crimes](#) and associated illicit financial activity. Analysis by FinCEN has identified not only a strong association between this type of crime and corruption and transnational criminal organizations, but also the negative impact it has on climate change and other environmental issues. This Notice will be of interest to AML professionals as it provides financial institutions with specific suspicious activity report (SAR) filing instructions and highlights the likelihood of illicit financial activity related to several types of environmental crimes.

FinCEN has also [issued an advisory notice](#) on the Use of the Financial System to Facilitate Ransom Payments. This updated advisory is in response to the increase of ransomware attacks in recent months against critical U.S. infrastructure, such as the May 2021 ransomware attack that disrupted the operations of Colonial Pipeline, the largest pipeline system for refined oil products in the United States. The advisory notice updates the current trends and typologies being seen and provides an overview to help identify illicit activity.

The **US Federal Reserve Board** published their [Supervision and Regulation Report](#) in November. This is a semi-annual report to inform the public and provide transparency about its supervisory and regulatory policies and actions, as well as current banking conditions. This report focuses on the Federal Reserve's regulatory and supervisory response to the COVID pandemic and includes a list of regulatory updates made this year.

A report by **Transparency International** (TI) has highlighted that [62% of countries are at a high risk](#) of defence and security corruption. TI's Government Defence Integrity Index (GDI) identifies countries with poor to non-existent safeguards against defence sector corruption and are more likely to experience conflict, instability and human rights abuses as a result, as well as have higher instances or likelihood of individuals from those countries being involved in financial crimes such as bribery and sanctions evasion.

The **Wolfsberg Group** has announced that they will be endorsing the [“guiding principles for screening ISO20022 payments”](#) published by SWIFT and incorporating the input of major users of SWIFT. The principles provide guidance to financial institutions with regards to best practice for screening transactions and include additional information, giving the industry an opportunity to re-think existing approaches to screening.

The **Financial Action Task Force** (FATF) has made minor amendments to two of their recommendations. The amendments concern [Recommendation 18](#) and [Recommendation 23](#), specifically in relation to Designated Non-Financial Businesses and Professions (DNFBPs). The amendments and this non-binding guidance give more clarity as to the FATF's intentions in this area and how they fit with its overall objective of improving the effectiveness of AML/CTF measures. The clarification is most relevant to regulatory and policy authorities, DNFBP supervisors and DNFBPs operating in groups or structures sharing common ownership, management or compliance control.



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