

SANCTIONS COMPLIANCE

Given the dynamic regulatory landscape in sanctions compliance, financial institutions and other multinational corporations must stay abreast of regulatory changes in sanctions risk. This requires having a clearly articulated risk appetite, robust horizon scanning, validated and tested screening and monitoring systems and processes, and a robust framework of mitigating controls to detect potential violations and avoid sanctions evasion tactics.

Challenges to Sanctions Compliance

Organizations face various challenges when establishing effective sanctions compliance. Therefore, staying up to date is crucial as monitoring laws, regulations and expectations are complex and change frequently. Furthermore, businesses should avoid siloed infrastructures which may lead to duplications of work, and which can result in poor data quality overall – whereas high data quality allows for transparency in data sources.

Additionally, labour intensive processes, a lack of data integration, proper system calibration, and automation can result in significant false positives. This requires investigators to gather data from multiple sources and duplicate it in their case management tool. However, these manual investigative processes absorb too many resources and add unnecessary complexity to their workflow.

Components of an Effective Sanctions Compliance Model

Protiviti helps to improve the financial crime and sanctions programme to help you manage, measure, and mitigate your organization's risk exposure. Our approach is grounded on four vital elements:

- **Governance framework:** policies, procedures, access control, roles and responsibilities, risk appetite, change management, system controls
- **Data, system and process validation:** model design, data integrity and validation, system validation, and threshold setting
- **Continuous calibration:** ongoing verification, sensitivity testing, scenario rationalization, alert optimization techniques
- **Risk assessment:** continual updates to capture frequent regulatory changes, assess industry, country and ally-country exposure, product risk, inter alia

How Protiviti Can Help

Target Operating Model

Streamlining processes to align with company goals, structuring teams, using technology for seamless operations and scalability, and reviewing on- and off-shore models.

Sanctions Risk Assessment

Examining risks, evaluating threats, and tailoring your organization's sanctions model.

Model Governance Review

Reviewing documents and processes related to system management oversight and user accountability, assessing deployment processes and sufficiency of model documentation.

Model Validation & Data Quality

Ensuring integrity and effective data management through end-to-end validation of data flows, designing test cases, and executing below and above the line testing to identify ideal thresholds.

Data Analytics & Geolocation Detection

Leveraging analytics and machine learning concerning risk score alerts, prioritizing, triage and auto-close, streamlining and automating process to capture, document, and organize alerts, and improving innovation with simulation-based approaches.

Health Check & Gap Assessment

Assessing system and process alignment with sanctions regulatory requirements, and aligning controls to ensure compliance with relevant laws and regulations.

Managed Service Solution

Gaining insight through level 1 and 2 alerts and escalation review, QC and QA processes, reporting and performance metrics, large scale lookback reviews and remediation as well as automated workflows.



Contact:



CORNELIA TOMCZAK

Director

Regulatory Compliance

+49 172 289 13 82

cornelia.tomczak@protiviti.de



EDWIN OLOO

Associate Director

Regulatory Compliance

+49 151 72114916

edwin.oloo@protiviti.de



90 Locations | **25** Countries | **11.000** Professionals

Protiviti advises companies in a hands-on way and on a par in the areas of strategy, organizational transformation and optimization, ESG, digital transformation, risk management, internal audit and control systems, compliance, and IT. Together, we find individual solutions to position your company for years to come. Face the Future with Confidence.

CHECKLIST

THE PROTIVITI ADVANTAGE



INDUSTRY EXPERTISE

highly skilled sanctions, FCC, and transformation experts



ESTABLISHED PARTNERSHIPS

with leading and emerging software companies



TECHNOLOGY ACCELERATORS

fast tracking technology deployments



TAILORED SOLUTIONS

shaping your sanction's transformation journey to your needs and goals



FLEXIBLE DELIVERY MODEL

run your sanctions operations locally, remotely, on- or offshore



DESIGN THINKING WORKSHOPS

working sessions to create innovative solutions



INNOVATIVE PRICING

approach to pricing based on "we win only if you win"



+49 69 963 768 100
contact@protiviti.de
www.protiviti.de