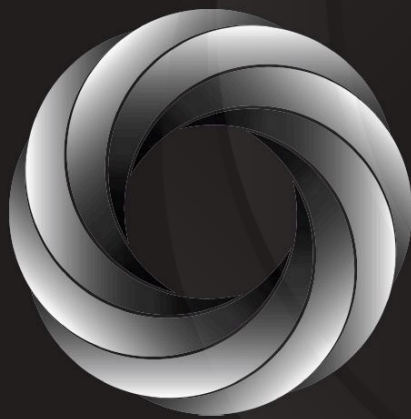


Anti Money Laundering:
***“It will get worse before it
gets better”***



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Anti Money Laundering: “It will get worse before it gets better”

Take a moment to think about the money that has been spent, the time committed, and the jobs created for a problem that is still ‘running away from us’. **30+ years and we are still making almost no difference** in preventing and detecting money laundering.

Maybe you have pondered on this reality, taking a moment to think – ‘is all this actually working’, maybe you’ve even taken a moment or two to find out if there is a better way. The problem, and it’s a real problem, is the collective are still unable make any beneficial changes to a system that is clearly not working.

Here are some reasons why:

- **Conference attendees** are year on year granted with the opportunities to listen to the same panellists – uttering the same old rhetoric. Yet, does anyone ever question - where is the value in this series of consistent uniform messages? Whilst conference and event providers might claim financial crime is the topic, the reality of such events is a series of **paid speaker slots** by compliance tech sales people. Not sure if this is entirely true? – just check out the list of sponsors for any such event.
- **FATF**, despite a new spokesperson, has already set the agenda for her to speak about for the next two years. Elisa de Anda Madrazo of Mexico will no doubt be unable to step off her very tight politically motivated tightrope, so all we should expect – as per previous terms of presidency – is that nothing meaningful will come from FATF. In fact, Ms. De Anda has some of the most **simplicistic of strategic priorities ever**; to ‘promote’, to ‘ensure’, to ‘strengthen’ and to ‘continue’.
- **Case studies** remain the greatest telltale sign of desperation. But consider what if they are not always true, are manipulated to fit a desired outcome, and by their very nature are old and outdated. Case studies, **lack the nitty gritty details**, they lack any realists perspective, they skip the analysis step, and they provide only the evidence that there are still money laundering typologies.

Should you accept what we are being told?

Simply defined, there is a problem in the current approach – meaning you shouldn’t believe everything you are still being told. With a division between compliance and reality, a divide between what we think is money laundering and what money laundering really is, and a gap between preventing money laundering and detecting it – the reality is a lot different to what most people are saying it is.

Nothing you are being told should be accepted without you first questioning it. Critical thinking, analysis and tacit knowledge should be used to unearth the actual truth, the agenda and the apparent value to whom it is being sold.

So who is to blame for such confusion?

- Could it be **the FATF** for a nonsense approach to assessing countries and filling compliance minds with money laundering typologies? A failure to do anything more than punish naughty countries and manage a list of them.
- Perhaps **regulators** are to be blamed for punishing reporting entities for failures in tick box compliance issues that are neither relevant to the problem or of any real concern to those being handed ridiculous fines? Fines are clearly irrelevant to improving AML standards.
- The **experts / the retired professionals** could be to blame, as few may have any real clue about today's money laundering behaviours outside of their generic, inadequate PowerPoint slides? Talking the talk, repeating the same material is just part of the game. A game they only now know.
- Should we perhaps blame **conference providers** too scared to turn away the companies willing to pay ridiculous amounts of money to be on stage and pretend to have the answers? Why are they fearful of taking a lead in supporting a new approach?
- Could we also blame those **RegTechs** that are nothing more than compliance tech option to tick boxes faster – a conglomerate perhaps making up a real and worrisome Ponzi scheme?
- Or is it the people who sell **education certificates** which too many people believe are an actual indicator of expertise?

In today's reality (that many fear of admitting) its all of them and more.

So when you next take a moment to wonder why criminality is remaining so confident, is managing to grow, is branching out into new areas – just remember these are the people that are NOT actually helping to always stop the dirty money from being laundered. They benefit from the chaos and criminality that is amongst us all.

They are the people benefitting from the chaos, the scaredness, the fear of regulatory punishment, the fear of failure, the fear of reputation and a desperation to please. But equally, they will in some way cost you money, put your family in danger, open you up to criminality, foster the chances of you becoming a victim of crime and make the world we live in forever dangerous.



The time has come for a reality check.

But this means its over to you – the many people involved in preventing and detecting money laundering. Not the talkers, but the people making the effort and doing the many jobs.

It will of course mean asking yourself if the people on the stage, the literature and claims in sale brochures, the guidance being handed out is actually reality, actually the truth and worthy of your time and expense.

Once this finally begins, [it] will gain momentum, because people right across the industry, from banking, to professional services, to law enforcement do realise just how wrong things are and what a waste of time and effort it all currently is. Ask people to comment off the record and they will admit what they are selling and preaching is useless in **the War on Dirty Money**.

With this will come the need for fresh ideas, **new 'away from the box' thinkers**, new perspectives and a commitment to do only that which makes an actual and factual difference. Gone will be the days spent ticking boxes that never had any chance of stopping even the most basic of criminals seeking to launder their illicit wealth. It truly is child's play.

So, **be that person to force the change for something new**. Think critically and speak up. Challenge the people on the stage at your next conference. Pull apart the case studies, ask for an explanation. Don't roll over and accept what the so called experts tell you. Listen carefully to their words.

Your voice, and what you have to offer - like ours at Vortex Risk - is worthy of listening to.

Perhaps we could work together?

