

NRI to provide AML/CFT service to strengthen risk management

TOKYO, September 20, 2019 - Today NRI, a leading provider of consulting services and system solutions, announced that the company has begun providing system integration services for Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) regulations. Using this service, clients can strengthen their risk management capabilities through the Financial Crime & Compliance Management (FCCM) function of Oracle Financial Services Analytical Applications (OFSAA), while complying with the Japanese Financial Services Agency (FSA) guidelines. Shinsei Bank, Limited is the first to implement the service.

NRI's new AML/CFT service uses the FCCM function of OFSAA developed by Oracle Financial Services Software Pte. Ltd., which enables financial institutions to support their financial crime and compliance investigation processes on a single platform. The product is widely used by G-SIBs¹ and member banks of Wolfsberg Group² who have adopted risk-based approaches to AML/CFT policies. Because of its track record, NRI chose OFSAA FCCM and became the first service provider to implement the product at a Japanese bank.

As a part of the service, NRI offers CAMS³ certified professionals, consultants experienced in implementing OFSAA FCCM, and the ability to seamlessly lead projects. With the knowledge of their client's operations and unique local project requirements, NRI is able to smoothly implement their services to help their clients combat money laundering and terrorist financing. In addition to localizing the system, NRI also provides knowledge of how to implement non-Japanese software in accordance with Japanese financial institutions' project management rules.

Today's ecosystem requires a higher level of scrutiny around AML/CFT, with the intergovernmental Financial Action Task Force (FATF), setting standards and promoting effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

The Japanese FSA amended its "Guidelines for Anti-Money Laundering and Combating the Financing of Terrorism" in April 2019 which further enhanced financial institutions' risk management responsibilities for AML/CFT and mandated a more risk-based approach⁴.

¹ G-SIBs: Global Systemically Important Banks. <https://www.fsb.org/2018/11/2018-list-of-global-systemically-important-banks-g-sibs/>

² Wolfsberg Group: An association of thirteen global banks which aims to develop frameworks and guidance for the management of financial crime risks, particularly with respect to Know Your Customer, Anti-Money Laundering and Counter Terrorist Financing policies.

³ CAMS: The Certified Anti-Money Laundering Specialist credential is the gold standard in AML certifications and recognized internationally by financial institutions, governments and regulators as a serious commitment to protecting the financial system against money laundering.

⁴ The risk-based approach allows countries, within the framework of the FATF requirements, to adopt a more flexible set of measures, in order to target their resources more effectively and apply preventive measures that are commensurate to the nature of risks, in order to focus their efforts in the most effective way. <https://www.fatf-gafi.org/publications/fatfrecommendations/documents/the40recommendationspublishedoctober2004.html>

About OFSAA FCCM

<http://www.oracle.com/us/industries/financial-services/ofs-fccm-solution-brief-517187.pdf>

About NRI

NRI (Nomura Research Institute, Ltd.), founded in 1965, delivers innovative solutions to your problems by providing insight-driven research, consulting and managed services. Leveraging our expertise, NRI caters to a wide range of operational needs of the international financial services community to establish new industry standard service. NRI empowers clients with a team of 13,000 skilled professionals in more than 50 offices globally.

For more information, visit <https://www.nri.com/en/service/fis/at-a-glance>

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Inquiries about the solution:

Global Financial Solution Business Department, Nomura Research Institute, Ltd.

E-mail : ofsaa-sales@nri.co.jp