

# Anti-Money Laundering & Sanctions

## South Africa

Our professionals offer comprehensive solutions to financial institutions and other organisations facing unprecedented scrutiny and pressure to serve as the first line of defense in the global war on money laundering and terrorist financing. Clients benefit from our world-renowned expertise and cutting-edge technical capabilities.

We approach client challenges with diligence, ingenuity and purpose. Our diverse background offers clients solutions of unmatched breadth and depth.



FTI builds solid and strong relationships with its clients by showing that they are not just there to perform a piece of work, but more so, to be invested in helping the organisation fight financial crime.

### The FTI Consulting advantage

- Distinguished technical and subject matter experts
- Top rated data warehouses and analytical computing power
- In-house licensed private investigators
- Customized technology applications and platforms
- Global presence and local language capabilities
- Industry recognized software services

*“FTI Consultancy is committed in getting to know their business and ensures that the client mitigates the risk of falling foul to a money launderer or terrorist/proliferation financier’s abuse.”*

## Where we can help



### Expert Witness Services

- Analysis of policies and procedures, KYC documents, customer transactions
- Assistance in developing and responding to discovery requests
- Critiques of opposing expert analyses
- Advice in the settlement process
- Preparation of expert opinions, affidavits and reports
- Formulation of deposition questions
- Research on relevant regulations and compliance matters



### Lookback Transaction Reviews

- Data mapping, extraction, validation, analysis and hosting
- Payment message linking and deduplication
- Filter and detection scenario design and execution
- Design and implementation of review protocols
- Comprehensive record review
- Global investigative research of high-risk parties
- Thorough and objective reporting of findings



### Compliance Program Development, Assessment & Remediation

- Analysis of policies and procedures, KYC documents, customer transactions
- Compiling risk management and compliance program
- Developing customer risk assessment frameworks
- Designing enterprise wide risk assessments
- Develop new and assess existing compliance programs
- Implementation of KYC procedures
- Governance training and expert support
- Regulatory gap analysis and consulting
- Evaluation of transaction monitoring rules and algorithms
- Bespoke compliance training
- Sample testing of KYC files, alerts, investigations and SAR filings
- Global investigative research and due matters



### Regulatory Advisory

- Independent forensic transaction reviews (lookbacks)
- Independent program assessments
- Supervisory examination support
- Enforcement inquiry and incident response
- Data extraction, management, and hosting

## Our Experience - Case Studies

### Money Laundering Investigation

FTI was contracted by a respected local Regulatory Authority to conduct a complex and intricate money laundering investigation. The investigation spread across various continents and included conduits in Middle East, Mauritius and across the African continent. The initial phase of the investigation consisted of analysing thousands of transactions of which the majority was carefully constructed over a period of not less than 5 years to break the audit trail and transfer funds offshore illicitly. As with most money laundering investigations, the gatekeepers of the integrity of the financial and legal system were brought in to create ostensible credibility to the flow of money.

The investigation exposed deliberate abuse of the legal system, failing procurement processes without any supporting consequence management and the epitome of a money laundering scheme which involved all 3-stages i.e. placement, layering and integration of the proceeds of crime. The second phase created a platform for both criminal and conduit to face hard-line questioning and with the right amount of pressure, the ultimate race for confessions.

A complex money laundering investigation like this required an in-depth understanding of the financial systems and more specifically the banking system, the application of the civil procedure law, the accounting of legal practices and engineering related procurement.

In laying a solid foundation of managing risk, there was little room for the old tick-box approach to manage compliance risk.

FTI built solid and strong relationships with its clients in the RMCP implementation process. By showing the client that you are not just there to perform a piece of work, but more so, you are really invested in helping the organisation fight financial crime. You are committed in getting to know their business and ensure that the client mitigate the risk of falling foul to a money launderer or terrorist/proliferation financier's abuse.

### Implementation of an Automated AML Solutions

FTI was requested to provide and implement an automated AML solution, with particular focus on automated customer risk rating at the time of on-boarding, and ongoing risk rating thereafter, and automated transaction monitoring.

FTI was also required to project manage the implementation of the system which included:

- Compiling Functional Specifications
- Building data extraction processes, data loading and data validation
- Configuring customer risk rating framework
- Mapping of source systems
- Testing of all functionalities to ensure alignment with the Business requirements
- Logging and resolution of bugs

FTI Consulting has offices in Cape Town, Stellenbosch and Johannesburg, which are home to our Forensic & Litigation Investigations, Economic & Financial Consulting, Business Transformation, Corporate Finance and Strategic Communications teams.

And with offices in 29 major financial centres across the globe, we successfully serve clients wherever and whenever challenges and opportunities arise.

### Risk Management & Compliance Programme Implem

With the implementation of the updates to the Financial Intelligence Centre Act, 38 of 2001 in South Africa, the accountable institutions in South Africa were inundated with the requirements to complete an end to end Risk Management and Compliance Programme (RMCP). FTI was contracted by a number of financial institutions and non-banking financial institutions to implement an effective and well-grounded RMCP across their businesses. The biggest challenge across all assignments was to create a bridge between the old rules-based compliance regime which governed the industry since 2002 to a more risk-focused application of mitigating money laundering, terrorist and proliferation financing risk.



**KEVIN WEST**

Senior Managing Director  
kevin.west@fticonsulting.com  
FTI Consulting



**MANET BASSON**

Managing Director  
manet.basson@fticonsulting.com  
FTI Consulting



**AMIT DAYAL**

Managing Director  
amit.dayal@fticonsulting.com  
FTI Consulting



**FRANS FERREIRA**

Senior Consultant  
frans.ferreira@fticonsulting.com  
FTI Consulting