

PURPOSE

The purpose of the Financial Crime Compliance Working Group is to foster best practice across a broad spectrum of financial crime-related risks that could arise in the Securities Services industry.

Financial Crime Compliance Working Group

Working Group Co-Chairs:

- Mark Gem, Clearstream
- Olivier Goffard, Euroclear

35 Working Group Members

20 ISSA Member Firms Involved

In August 2015, ISSA released 17 Principles which are recommended to be implemented by the global community of securities custodians and intermediaries in order to address the critical challenges posed by financial crime, particularly where omnibus and commingled account structures are used. The Working Group’s scope includes reviewing these principles and the related Due Diligence Questionnaire on an ongoing basis.

Future in scope topics under consideration will be discussed and prioritized in June 2022. These include:

AML Typologies

- Analysis of different Anti Money Laundering (AML) techniques used in Securities Services
- From the analysis, create AML scenarios

Sanctions Forum

Create a group to pool and share information on sanctions in response to the Ukraine crisis, interpretation and necessary actions required

Tax Compliance

- Share – internally only – perspectives on taxation in different parts of the securities value chain (settlements, corporate actions, income, securities finance, securities issuance)
- Consider if appropriate to set a standard of reasonable expectations of control and oversight of tax compliance for the Securities Services industry

New Technologies

- Outline the risk dimensions for different technologies
- Cover crypto currencies and digital assets

ISO Standards and SWIFT

Assess current SWIFT messages and, where required, define compliance standards for incorporation into appropriate messages