# NICE Actimize Eyes Big Data Analytics, Blockchain in 2016

The issues surrounding anti-money laundering (AML) are many and substantial. Some of the biggest banks' approach to AML can also be scattered and varied. New tech advancements and regulations are looking to bring more transparency and efficiency into the process.

**Sam Somashekar, NICE Actimize**

Waters spoke with NICE Actimize, winner of the Waters Rankings best AML compliance solution, about new trends and developments facing the market in 2016. NICE Actimize AML has a suite of solutions covering suspicious activity monitoring (SAM), customer due diligence (CDD), currency transaction reporting (CTR), watch list filtering (WLF) and Suspicious Transaction Activity Reporting (STAR) forms.

## Single Systems

As the industry moves to bring in more unified systems, NICE Actimize has taken note. "Some of the things we're seeing is this continued move toward enterprise-wide AML compliance and the use of single systems as opposed to just individual point solutions for different programs," says Sam Somashekar, senior director of AML product management.

According to Somashekar, regulators are also happy to see this change. As an example, the Office of the Comptroller of the Currency (OCC) has discussed single installations for firms operating in numerous jurisdictions or that have multiple lines of business.

## Asian Lead

Another key trend, says Micah Willbrand, director of global AML product marketing, is that Asia is leading the way in enforcing early adoption of AML regulations. This is a change from the past, where in most cases, the US and the UK have traditionally been the standard-bearers and Asia-Pacific has followed. "This is sort of one of the first instances where Eastern countries are influencing global AML regulations," says Willbrand.

Somashekar adds that the Singapore authorities have been focusing on cross-border correspondence issues, as an example. At the end of 2015, Singapore released new regulations around AML for 2016 and beyond; the industry is looking to see Hong Kong issue guidance around the end of the first quarter of this year.

"Additionally, key areas we're seeing in terms of enforcement are around beneficial ownership and a unified customer information profile, automation of Customer Due Diligence (CDD), and the implementation of KYV [Know Your Vendor] systems," says Somashekar.

# NICE Actimize Eyes Big Data Analytics, Blockchain in 2016



**Micah Willbrand, NICE Actimize**

### Analytics and Beyond

NICE Actimize also expects to see continued investment in firms building out their financial intelligence units by bolstering their analytics capabilities to help with fraud monitoring, Somashekar says.

"Business intelligence analytics provides the ability for customers and financial institutions to understand what is happening," he says. "The regulators are getting smarter and they're coming in and asking more detailed questions about models, how the models work, why certain answers are received through the models. It's important for us to ensure that financial institutions and the users there understand the systems they are running."

### On the Roadmap

Earlier in 2015, NICE Actimize also released sandbox capabilities for SAM, which allows the ability to perform what-if functions for modeling capabilities and "play around" in a non-live environment. This allows the user to see the production data and how models will respond based on certain tweaks. For 2016, Somashekar says they will continue to build out their backtesting capabilities.

NICE Actimize is also making investments in big data around analytics platform Hadoop in order to solve problems related to the dramatic increase in the amount of data flooding the market and to create actionable alerts from that data.

"Hadoop and the big data paradigm have the ability to organize the data in a way that you can easily query it and essentially slice and dice through it by leveraging commodity hardware. And then the other thing that's also part of that paradigm is to ask questions of that data in a faster way," Somashekar says. "So the net result is that the volume of data doesn't become a limiting factor anymore, and you can basically pile a lot of the data into a data lake."

Another widely popular area they are looking into is blockchain technology. Because the movement of funds happens at such a speedy pace, Somashekar says monitoring blockchain technology can be incorporated into AML technology.

"It's an interesting area because when we talk about movement of funds, especially when you're leveraging that type of technology, it happens at such a speedy pace," he says. "One of the things we are thinking about starting—with our plans in 2016 for trade-based ML—is looking at how to better support blockchain technology. I think about it as another type of transaction we need to support. There may be some specific analytics and business intelligence (BI) analytics which center around blockchain."

*Elizabeth Wu*