

## Financial Adviser

16 February 2006

### Letters:

#### Time to keep it simple on laundering

A requirement of the Financial Services Authority (FSA) is for organisations to put in place processes to monitor transactions for potential money-laundering activity; with part of this requirement enforcing that any suspicious transactions must be reported.

While there are potentially many simple, low-cost software solutions on the market, they are consistently being over-looked as the decision-makers feel that purchasing them would be viewed as 'not taking the matter seriously'.

Consequently, the market is dominated by over-elaborate and expensive software products.

The FSA, in making an informed decision, should have in place a scheme for accrediting software to assist those responsible for implementing money-laundering reporting software.

Yet, the FSA would argue that it is not its place to be recommending software, and that setting up such a scheme would be unreasonable - the products accredited first would gain an unfair market advantage.

The IT Faculty of the Institute of Chartered Accountants in England & Wales (ICAEW) runs a software accreditation scheme, which allows vendors to display the ICAEW logo on their accredited software.

Accreditation, which is performed by an independent expert with the costs borne by the vendor, merely guarantees that the software 'does what it says on the box' and is not an indication of endorsement by the ICAEW.

If the FSA were to launch such a scheme with a proviso that no accreditations would be made public within the first year, the marketplace would remain level but it would at least be opened up for cost-effective solutions.

It stands to question as to what exactly is the FSA's problem with accreditation. Is it simply a case of ignorance?

Yours sincerely

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