

# Analysis of Interbank Messages for the Enforcement of Financial Regulations

Nam-Luc Tran

EURA NOVA

Rue Emile Francqui 4, 1435 Mont-Saint-Guibert, Belgium  
namluc.tran@euranova.eu,  
<http://euranova.eu>

**Abstract.** In the context of the recent policies concerning anti-money laundering and counter terrorist financing defined by the Financial Action Task Force Recommendation 16, it is the responsibility of the financial institution to monitor the quality of the information present in wire transfers. To that end, we present in this paper an approach to automate the monitoring and the validation of the information contained in interbank transfer messages. The approach is implemented in a solution built around an event-driven architecture where the data is processed as a stream and transformed at each stage. This architecture is in line with the latest research in data warehouses with stream data processing. We show that our approach is suitable to the requirements and the standards in the banking industry.

## 1 Policies and Regulations in the Financial Industry

The Financial Action Task Force (FATF) is an independent inter-governmental body that develops and promotes policies to protect the global financial system against money laundering, terrorism financing and the financing of proliferation of weapons of mass destruction. The recommendations and policies emitted by the FATF in (The Financial Action Task Force, 2012) are recognized as the global anti-money laundering and counter-terrorist financing standard.

These policies are then adapted by the markets around the world. The European Commission has already initiated the adoption of laws with regards to the Anti-Money Laundering Directive.<sup>1</sup> Having a European legislation put in place will lead to more and more jurisdictions adapting their local laws accordingly. It is expected that the proposals will become legislation in 2015.

## 2 Enforcing the FATF Recommendation 16

The FATF Recommendation 16 requires that financial institutions include accurate originator and beneficiary information on wire transfers and related messages. The required in-

---

1. At the time of writing, the proposal issued by the European Commission has reached the second stage and is adopted by the Parliament.