

KoFIU's UPGRADED AML SYSTEM DEMONSTRATES SIGNIFICANT IMPROVEMENTS

The FSC announced that the Korea Financial Intelligence Unit (KoFIU)'s upgraded anti-money laundering system in operation since December 17 of last year has shown significant improvements in terms of its suspicious transaction data processing, data screening and analysis and information security.

The KoFIU began to operate an upgraded AML system from December 17, 2020¹ to improve efficiency in data processing in response to the increasing volume of reports the system handles. In this regard, the past two months of operation has shown that significant improvements were made as intended.

First, the suspicious transaction report filing system has become more efficient. The number of financial institutions filing STRs to KoFIU through an exclusive security network has been expanded to 3,664 from 611 previously. As such, the STR filing rate via exclusive security network has almost tripled from thirty percent to eighty-eight percent, with the processing time per STR reduced by more than ten seconds.

Second, the screening and analysis process has been made more efficient with the increased use of digitalization and automation in the work process. The volume of preemptive screening and analysis of suspicious transactions has increased thirty-five percent on average compared to 2019.

Third, the system hardware which is located at the National Information Resources Service guarantees much stronger levels of security and stability in management. The application of the standard framework on e-government has ensured an efficient integration of electronic resources and has improved the system's daily processing performance by more than nine times compared to the previous system.

In order to more effectively respond to the increasingly diverse and complex types of money laundering schemes, the authorities will continue to work on improvements to the AML system.

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¹ Please click [here](#) to see the press release dated December 17, 2020.