



TMNL in short

Fighting financial crime together



Why TMNL?

Each year, an estimated €16 billion is laundered by criminals in the Netherlands, of which only two percent is actually confiscated. This percentage can and must be improved upon, and Dutch banks are doing all they can to tackle money-laundering as effectively as possible. That is why Transaction Monitoring Netherlands (TMNL) was founded by five Dutch banks: ABN AMRO, ING, Rabobank, Triodos bank and de Volksbank. TMNL brings together transaction data from these five banks and identifies meaningful connections between them, which provide new insights into potential money laundering and terrorist financing.

TMNL ensures that banks are in an even better position to detect potentially unusual transactions and reveals patterns that might otherwise be overlooked. This allows investigative services to tackle money-laundering more effectively, makes more efficient use of public funds and gives criminals less room to operate. TMNL therefore makes a positive contribution to society.

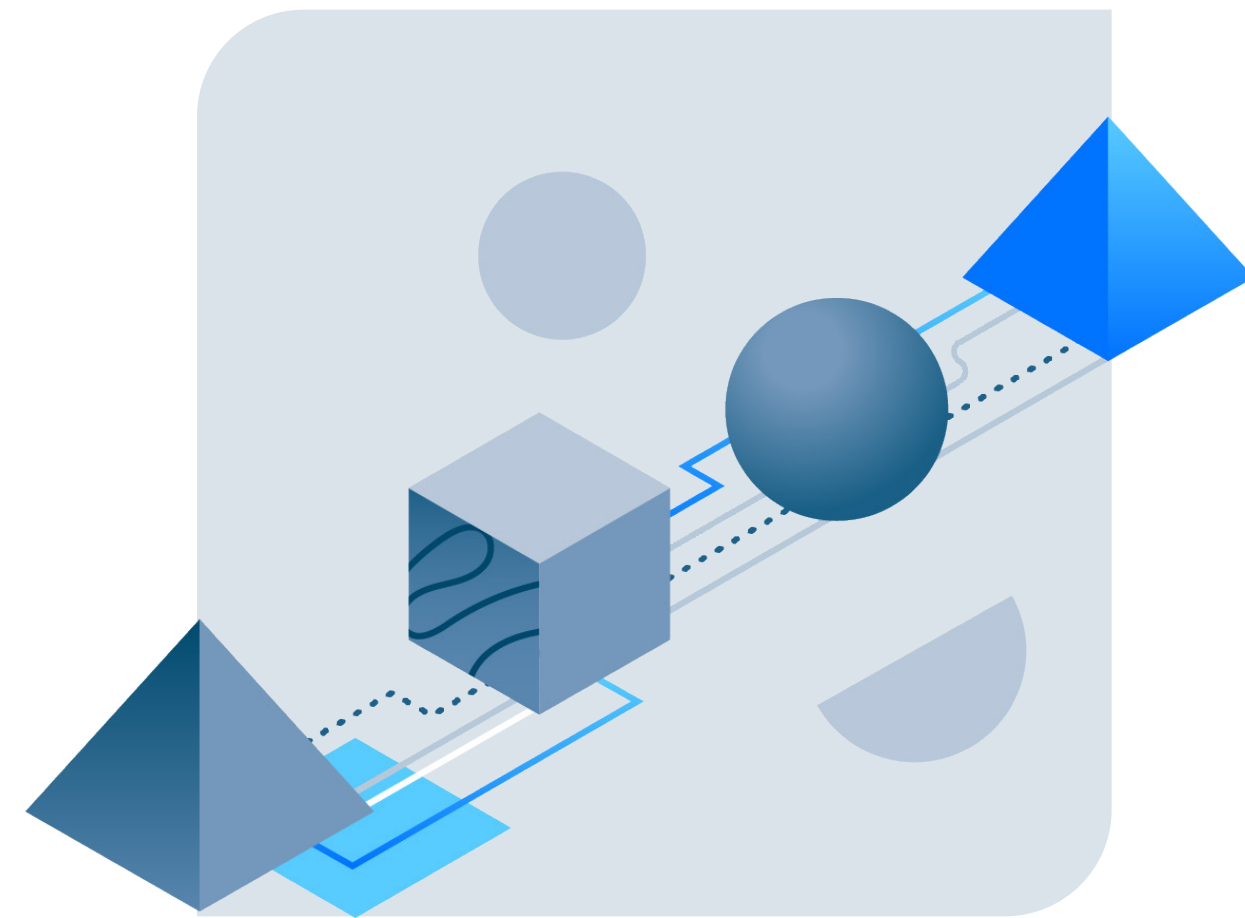
Under the current Anti-Money Laundering and Anti-Terrorist Financing Act (Wwft), banks form a crucial link in the fight against money-laundering and terrorism financing and can make a substantial contribution to a more effective chain for combating these.

Until recently, the banks each worked individually to identify any unusual transactions and reported them to the Financial Intelligence Unit – Netherlands (FIU). The FIU further investigates these transactions and, if necessary, forwards them to the investigative services. Yet there are limits to what individual banks can see because money-laundering networks are often spread across several banks. This is why more intensive cooperation between banks is an essential component of a more effective approach to tackling money-laundering, and which is exactly what TMNL seeks to achieve.

TMNL has five main pillars that form the basis for everything it says and does: Collaboration, Legislation, Privacy, Secure data and Responsible use of models.

1. Collaboration

The success of TMNL depends on the level of collaboration with the individual banks to detect potentially unusual transaction patterns. In addition, TMNL works together with chain parties, such as the Financial Intelligence Unit (FIU) and the Anti Money Laundering Centre (AMLC). This collaboration enables the parties to apply greater focus in their search for suspected money-laundering and leads to more effective use of public funds.

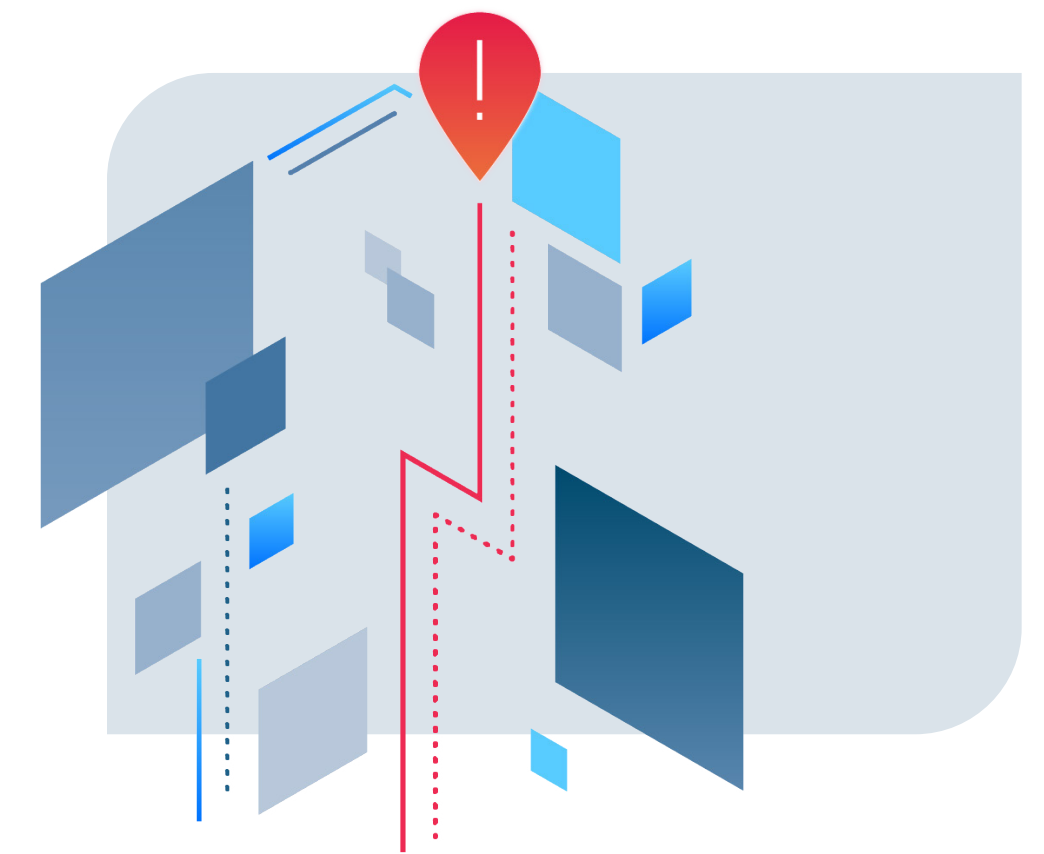


2. Legislation

With TMNL, banks want to be able to fulfill their role as gatekeepers more effectively. This gatekeeper role has been assigned to them under the Wwft. In 2020, TMNL initiated activities that fall within the current legislative framework. However, a number of aspects of the current Wwft require amendment in order to provide TMNL with the correct legal basis for the future. The Dutch government has already started the legislative process for this as part of the Anti-Money Laundering Action Plan, which was presented by the Minister of Finance and Minister of Justice and Security in 2019.

3. Privacy

TMNL only uses those data that are strictly essential for monitoring potentially unusual transactions. TMNL applies pseudonymisation of sensitive personal data, in order that data cannot be traced back to individual customers. Naturally, TMNL processes personal data in accordance with the General Data Protection Regulation (GDPR). At the moment, TMNL only monitors transactions by business clients.



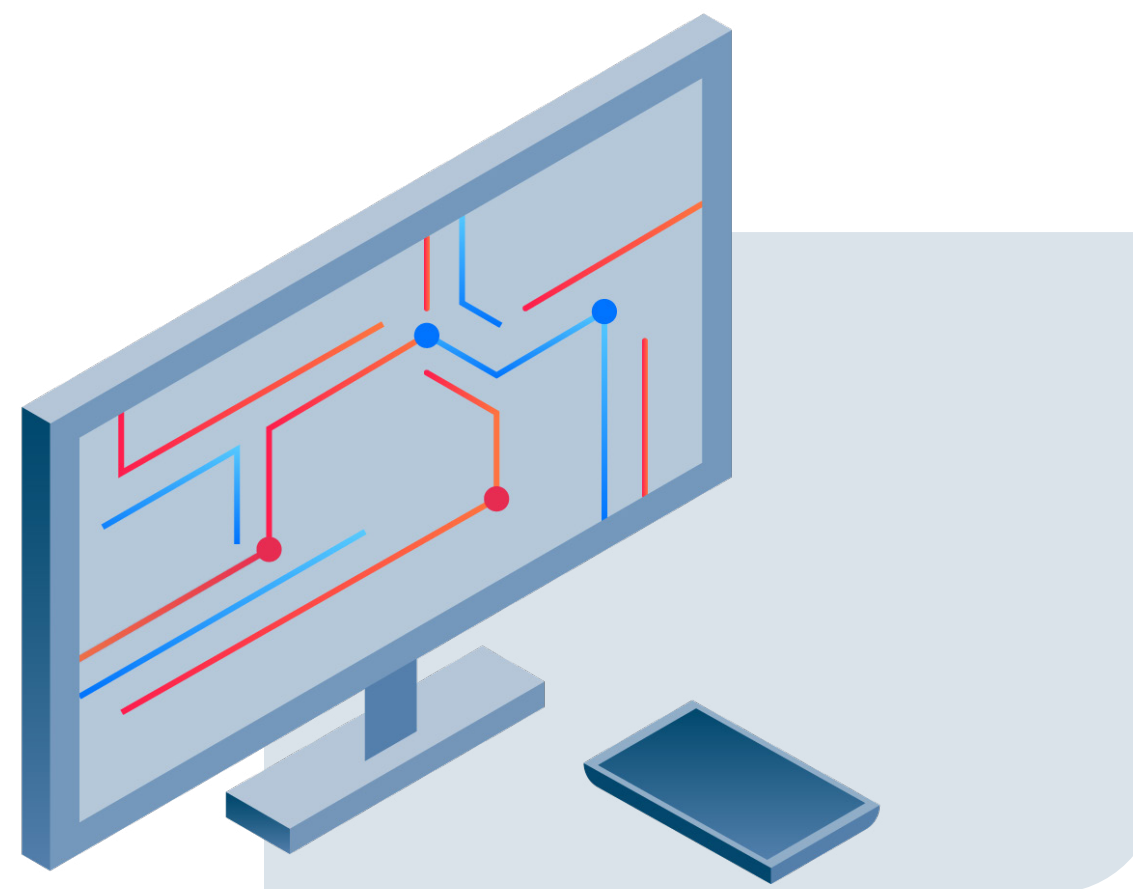


4. Secure data

Participating banks only share their transaction and customer data with TMNL and not with each other. The most stringent IT security measures are also implemented to protect data, which are monitored by independent parties. Examples include pseudonymisation, data encryption and access control. Only those employees who require the data for carrying out their duties have access.

5. Responsible use of models

When monitoring potentially unusual transactions TMNL makes use of models. These models are used efficiently and responsibly and all risk of for example discrimination is eliminated. A special committee of external independent experts and representatives from the participating banks will be supervising this.



The future

In time, TMNL will be open to serve other institutions in addition to the founding banks. In this way, TMNL increases its contribution to the overall quality of financial crime prevention. This means it is not just a great showpiece for the Netherlands but can also serve as a blueprint for the whole EU and beyond.