

Regulations and Policies Library

How can we expect our staff to comply with rules, regulations and legislation if we do not provide them with both access to such rules, regulations and legislation and the ability to interpret the same against the business environment within which they operate?



In today's world, the financial services sector is perhaps the most heavily regulated industry of all, with a multitude of rules, laws and regulations which need to be complied with, issued by local, state, federal, national and pan-national bodies with various forms of authority. And it is not just the existing body of rules, laws and regulations, but the apparently never-ending tsunami of new rules, laws and regulations which firms need to comply with and ensure that all their staff also comply with.

For firms operating in multiple jurisdictions, there is also the potential problem that different jurisdictions have different, often conflicting rules, laws and regulations, resulting in the almost inevitable compliance failure, whether intended or not. Rules, laws and regulations are also widespread and can affect every facet of the organisation, ranging from financial markets specific rules, laws and regulations, to employee relations, health and safety, property and premises to travel and transport rules, laws and regulations.

It is for these very reasons, coupled to intensified regulatory scrutiny and investigation, that the compliance profession has seen an explosion in demand for resources. But even if suitable resources can be located and retained, how and where do they go for the regulatory and legal content they need to ensure that they are compliant with every possible rule, law or regulation? How can such rules, laws and regulations be translated into concepts and language which the business can understand and comply with? How does the firm ensure that it remains up-to-speed with new and emerging rules, laws and regulations?

By designing, compiling, analysing and maintaining a library of applicable rules, laws and regulations, the discipline of compliance is established and built into the day to day, business as usual, activities of the firm. By then extending this library to assign applicable rules, laws and regulations to those business areas and locations where they apply and by adding an internal thematic classification structure, the firm starts a proactive journey to ensure that applicable rules, laws and regulations are visible and understandable to the business, thus facilitating improved compliance. By doing this across all geographies where the firm operates, global compliance becomes the norm and not the exception.

It is against this background that the RiskBusiness Regulations and Policies Library has been developed, a content rich component of the RiskBusiness RiskIntelliSet™ which both provides standard rules, laws and regulations and facilitates each firm adding those rules, laws and regulations specific to them which the firm needs to comply with. With additional licenses from third party content providers, such as law firms and commercial legal/regulatory content providers, the Regulations and Policies Library becomes the cornerstone of the firm's compliance programme, facilitating compliance assessments, compliance attestations and the management of compliance findings, if and wherever the risk of non-compliance is detected.

The RiskBusiness Regulations and Policies Library provides a standardised framework for the analysis of applicable rules, laws and regulations, linking these to the applicable authority who issued them and the geography(s) to which they apply. In addition, a suggested structure of regulation types and thematic topics are provided, which the subscribing firm can either adopt or replace with their own structure.

For each rule, law or regulation, the various sections and sub-sections can be defined, providing both the original text, relevant footnotes or references and illustrations, with a link to both the external source where that rule, law or regulation can be found and to a downloadable copy of the rule, law or regulation. Where known, relevant public news items from the RiskBusiness Newsflashes Service which relate to fines, penalties, sanction or investigations of rule, law or regulation breaches can also be seen against the relevant rule, law or regulation. Applicable internal loss events which relate to breaches of rules, laws or regulations can also be linked to the relevant rule, law or regulation and users, subject to their individual access rights, can be allowed to view applicable losses against the selected rule, law or regulation.

Against each section or sub-section, the firm can then record its specific comments, internal interpretation, legal and/or compliance views, then can assign the section to user definable thematic topics (such as corporate governance, privacy, regulatory capital requirements, etc.). Any regulatory section or sub-section can then be linked to the firm's taxonomy, assigning the relevant business lines, product types, process types (business functions), risk types (credit, market, operational, etc.), risk categories (loss event types) and/or control types specific to that section to it.

Based on the way in which the firm has defined its organisation structure, applicable sections and sub-sections of rules, laws and regulations can then be assigned to those business entities subject to those rules, laws and regulations, allowing as part of the generic search capabilities against the Regulations and Policies Library, the ability to also search based on business entity. The Regulations and Policies Library can also be used to document and maintain internal policies, rules and frameworks in the same manner. Facility is also available when new rules, laws or regulations are established or when existing ones are changed, to generate notifications to individual or groups of users, so as to promote risk awareness. The Regulations and Policies Library also provides exactly the same capability for the firm's own mandates, rules, policies and procedures.

The Regulations and Policies Library can be used in conjunction with the RiskBusiness Compliance Service to undertake compliance assessments against all or selected rules, laws and regulations, raising and managing compliance findings and associated remedial actions.

For more information on the Regulations and Policies Library, please contact RiskBusiness Services Limited through our website or email us at info@RiskBusiness.com.

