WORKING TOGETHER TO STRENGTHEN SOCIETY

MENA FCCG
Making a Collective Impact

GLOBAL COALITION TO FIGHT FINANCIAL CRIME

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The Human Foundations of Sound Judgement, Institutional Trust and Collective Action

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Author's Note

Drawing on more than three decades of professional experience and a decade of collective action through the MENA FCCG, this white paper explores the human foundations of sound judgement, institutional trust and collective impact. It seeks to encourage reflection and how personal transformation, institutional responsibility and public-private collaboration can contribute to strengthening society.

It also raises an emerging question for further exploration: how can increasingly autonomous artificial intelligence agents remain aligned with the higher purpose and values their decisions are intended to serve.

Executive Summary

The global fight against financial crime has entered an era of extraordinary technological capability. Financial institutions, regulators and law enforcement agencies have access to unprecedented volumes of information, increasingly sophisticated analytical tools and emerging artificial intelligence capabilities.

Yet financial crime remains a persistent challenge—undermining institutions, distorting markets, weakening public confidence and limiting society's potential.
This raises a fundamental question:

Are we translating what we know into better decisions, stronger institutions and meaningful collective action?

Regulation, governance, technology and enforcement are indispensable. But even the most sophisticated frameworks cannot achieve their intended purpose through technical capability alone. Their effectiveness also depends on something fundamentally human: our ability to exercise sound judgment, our willingness to act, and the institutional conditions that enable responsible decisions.
This white paper introduces an integrated framework for strengthening society through three interconnected levels of transformation.

Personal Transformation — Developing Capability

Transformation begins with individuals. Mindset shapes how we interpret reality. Character anchors us in values. Sound judgment integrates objective facts with purpose to determine the wisest course of action. Courage enables us to act, particularly when doing so is difficult.

Organizational Transformation — Creating Capacity

Individual capability alone is insufficient. Leadership must create the conditions in which sound judgment can flourish—through purpose, governance, culture, accountability, measurement and continuous improvement.

Capability creates potential. Capacity unlocks it.

Societal Transformation — Achieving Collective Impact

Financial crime transcends institutional and national boundaries. No institution can address these challenges alone.

Public–private collaboration becomes an accelerator of societal transformation when grounded in four commitments: shared purpose, shared learning, shared accountability and shared courage.

Together, these commitments enable institutions to move beyond dialogue toward coordinated action and measurable progress.

The Next Frontier — Giving AI a True North

As increasingly autonomous AI agents begin to influence and execute decisions, a further challenge emerges:

How can institutions ensure that AI systems remain oriented toward the higher purpose and values their decisions are intended to serve?

This paper introduces that question as an emerging area for further exploration, connecting human judgment, institutional purpose and accountable AI governance.

The Enduring Commitment

The higher purpose is not simply better compliance or fewer violations. It is a stronger society—one in which integrity builds trust, trust strengthens confidence, and confidence enables people, institutions and economies to flourish together.

The true measure of collective action is not the number of commitments announced, but what changes because institutions choose to work together.

The journey begins with the choice to take the first step together. The commitment is to keep walking together.

1. The Transformation Journey: From Individual Capability to Collective Impact

1.1 The Missing Human Dimension

Financial crime prevention has traditionally emphasized regulation, governance, controls, investigations and enforcement. Advances in data analytics, automation and artificial intelligence have significantly expanded our ability to identify patterns, assess risks and process information.

These developments are essential. Yet they raise a fundamental question: **Are we improving the quality of our decisions as rapidly as we are expanding our technological capabilities?**

More information does not necessarily produce greater wisdom. More sophisticated controls do not automatically produce better behavior. And stronger governance frameworks do not, by themselves, guarantee trusted outcomes.

At the heart of every institution are individuals interpreting information, evaluating competing priorities, exercising discretion and deciding whether to act.

But individuals do not operate in isolation. Their decisions are shaped by leadership, governance, culture, incentives and accountability. And the institutions in which they work operate within societies whose trust and confidence they can either strengthen or weaken.

The challenge is therefore not simply to improve what institutions know, but to strengthen how individuals and institutions decide and act.

This is the human dimension of transformation.

A meaningful framework must connect the individual, the institution and society.

1.2 Personal Transformation — It Starts With Me

Every lasting transformation begins with a fundamental recognition: **institutions act through people.**

Individuals bring their mindset, character, values, judgment and willingness to act into the decisions they make every day. These decisions may appear routine, but collectively they shape institutional integrity and effectiveness.

Four qualities are foundational.

Mindset shapes how individuals interpret reality, recognize challenges and perceive the possibility of improvement.

Character reflects the values and principles that guide choices, particularly when integrity comes at a personal cost.

Sound judgment integrates objective reality with purpose and values to determine the wisest course of action.

Courage enables individuals to act on that judgment, even when doing so is difficult.

These qualities are strengthened through awareness, reflection, learning and continuous growth.

Personal transformation develops the capability to make better decisions and act responsibly.

Yet individual capability, however important, cannot guarantee institutional effectiveness.



Figure 1 — Personal Transformation: Developing individual capability through mindset, character, judgment and courage.

1.3 Organizational Transformation — Creating the Conditions

Individuals exercise judgment within organizational environments that can either enable or discourage responsible action.

Leadership therefore has a responsibility beyond establishing policies and communicating expectations.

It must create the conditions in which sound judgment can consistently flourish.

This responsibility begins with the Board and CEO, who establish purpose, set expectations and influence what the institution rewards, challenges and tolerates.

Leadership must inspire a higher purpose, model expected behaviors and ensure that individuals feel able to exercise judgment, raise concerns and act responsibly.

Governance, culture, accountability, measurement and continuous improvement provide the institutional support necessary to translate individual capability into consistent organizational behavior.

An important distinction emerges:

Personal transformation develops capability. Organizational transformation creates capacity.

Capability creates the potential for sound judgment. Capacity enables that potential to be exercised consistently across the institution.

Neither is sufficient alone.

Capable individuals within weak institutions may become frustrated or silent. Well-designed systems without capable individuals may become bureaucratic and ineffective.

Lasting transformation requires both.



Figure 2 — Organizational Transformation: Creating the institutional capacity for sound judgment to flourish.

1.4 Public–Private Collaboration — Accelerating Transformation

Even strong institutions face limitations.

Financial crime crosses jurisdictions, sectors and institutional boundaries, exploiting gaps in information, regulation and coordination.

No single institution sees the entire picture. No single sector has all the answers.

The challenge is interconnected. Our response must be interconnected as well.

Public and private institutions have different responsibilities, capabilities and incentives. Yet they share an interest in strengthening financial integrity and sustaining trust.

Collaboration becomes transformational when it moves beyond dialogue toward collective learning, responsible action and measurable progress.

Four commitments make this possible:

Shared Purpose aligns institutions around a goal greater than their individual interests.

Shared Learning enables institutions to exchange experience and strengthen collective understanding.

Shared Accountability translates commitments into measurable action.

Shared Courage enables institutions to confront difficult realities and act on what they discover.

Together, these commitments allow collaboration to become an accelerator of institutional and societal transformation.



Figure 3 — Public–Private Collaboration: Accelerating transformation through four shared commitments.

1.5 Societal Transformation — The Higher Purpose

The ultimate purpose of personal and organizational transformation extends beyond the effectiveness of individual compliance programs.

Financial crime undermines institutions, distorts opportunity, weakens confidence and limits economic potential.

A stronger society is one in which **trust enables people, institutions and economies to flourish together.**

Integrity strengthens trust. Trust builds confidence. And confidence creates the conditions in which institutions, markets and communities can prosper.

Our higher purpose is therefore not simply better compliance or fewer violations.

It is to strengthen society by building trusted institutions where opportunity is earned, integrity is expected and future generations can prosper.

Countries and institutions begin from different starting points. Their histories, resources, capabilities and challenges differ.

But different starting points do not prevent us from sharing the same direction.

The objective is not to declare a final victory over financial crime. It is to build the capabilities, institutional capacity and collective commitment necessary for continuous improvement.

A stronger society emerges from better decisions, better behaviors and better outcomes—sustained through institutions that earn trust and continue learning.



Figure 4 — Societal Transformation: Building trust, resilience and collective impact.

1.6 Bringing the Framework Together

The transformation journey can now be understood as an integrated whole.

Personal transformation develops individuals capable of exercising sound judgment and acting with courage.

Organizational transformation creates the conditions in which those capabilities can flourish consistently.

Public–private collaboration accelerates transformation by bringing institutions together around shared purpose, learning, accountability and courage.

Societal transformation represents the higher purpose: stronger institutions, greater trust, economic confidence and collective impact.

Six principles guide this journey: integrity as our True North, judgment in decision-making, courage in action, collaboration to accelerate transformation, measurement to enable learning and an infinite mindset committed to continuous improvement.

These are not isolated stages or a linear process with a fixed endpoint. Each dimension influences and reinforces the others.

What begins with individual capability is enabled by institutional capacity, accelerated through collaboration and directed toward the higher purpose of strengthening society.

The journey is continuous. Its impact depends on the decisions we make, the institutions we build and the responsibilities we choose to share.

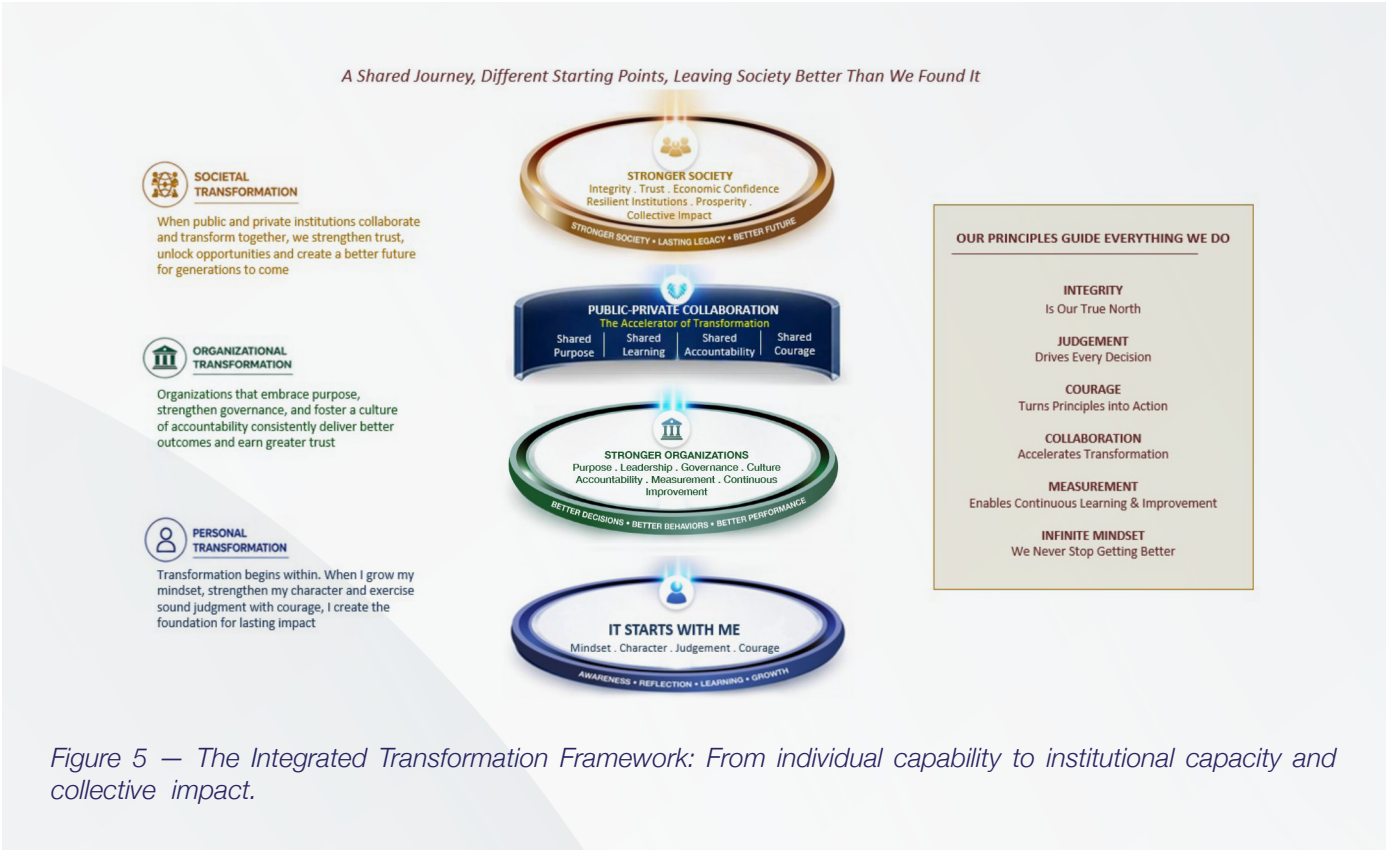


Figure 5 — The Integrated Transformation Framework: From individual capability to institutional capacity and collective impact.

2. Developing Sound Judgment — Integrating Reality with Purpose

The Foundation of Personal Transformation

Facts inform us. Values orient us. Judgment integrates them. Courage acts.

2.1 The Difference Between Information and Wisdom

We live in an age of extraordinary access to information. Financial institutions, regulators and law enforcement agencies can draw upon vast quantities of transactional data, customer information, risk indicators, regulatory intelligence and increasingly sophisticated analytical capabilities.

Yet information alone does not produce understanding. Nor does greater analytical sophistication necessarily lead to wiser decisions.

Every decision-maker faces a fundamental limitation: we cannot process every fact available to us. We must determine which information is relevant, which risks deserve attention and which considerations carry the greatest significance.

This requires organizing evidence, interpreting its meaning and establishing priorities.

Information expands what we know. Judgment helps determine what matters and how we should respond.

In financial crime prevention, this distinction is especially important. A transaction monitoring system may generate thousands of alerts. A screening tool may identify potential matches. An AI model may detect patterns that would otherwise be difficult to recognize.

But identifying an anomaly is not the same as understanding its significance.

A decision-maker must consider the quality of the evidence, the context of the activity, the potential consequences and the purpose the control is intended to serve.

The objective is not simply to process more information. It is to improve the quality of the decisions that information enables.

2.2 The Domain of Reality — What Is True?

Sound judgment begins with an honest understanding of reality.

The domain of reality encompasses objective facts, available evidence, uncertainty and the circumstances within which decisions must be made.

In financial crime compliance, this requires disciplined attention to information quality, risk indicators, customer behavior, transaction patterns, regulatory obligations and the limitations of available data.

Yet reality is rarely presented as a complete, perfectly organized picture.

Evidence may be incomplete or conflicting. Information may be outdated. Different stakeholders may interpret the same circumstances differently.

The challenge is therefore not merely to collect facts, but to evaluate them critically.

This requires intellectual humility: distinguishing what we know from what we assume, challenging initial interpretations and remaining open to new evidence.

It also requires recognizing that selecting and prioritizing facts is not entirely neutral. What we choose to measure, investigate or emphasize reflects assumptions about what matters.

Reality asks: What is true?

But even an accurate understanding of reality cannot, by itself, determine the most appropriate course of action.
For that, we must consider purpose and values.

2.3 The Domain of Purpose and Values — What Matters?

Objective facts help us understand the world as it is. But facts alone cannot determine the direction in which we should move.

To make meaningful decisions, we must also consider purpose and values.

Purpose defines what we are ultimately seeking to achieve. Values help determine what matters, establish boundaries and guide our choices along the way.

Together, they provide a True North—a consistent orientation that helps individuals and institutions remain anchored when circumstances are uncertain, incentives conflict or immediate pressures threaten to displace longer-term responsibilities.

In financial institutions, profitability, efficiency, growth and customer satisfaction are legitimate objectives. Yet they must be pursued within the institution's broader responsibilities to customers, employees, shareholders, regulators and society.

A higher purpose does not diminish commercial success. It provides the context within which success should be pursued.

Consider a commercially attractive customer relationship that presents significant financial crime concerns.

The facts may establish its profitability, transaction history, nature of activity and identified risk indicators. But those facts do not independently determine the appropriate course of action.

The decision must also reflect legal and

regulatory obligations, institutional risk appetite, ethical principles and responsibility to preserve trust.

The central question is not simply whether the relationship is profitable or legally permissible.
It is whether accepting or continuing the relationship is consistent with the institution's purpose, values and responsibilities.

Reality asks: What is true?

Purpose and values ask: What matters?

Neither domain is sufficient alone.

Facts without purpose can reduce decision-making to a purely technical exercise. Purpose without facts risks becoming aspiration disconnected from reality.
Sound judgment requires their integration.

2.4 Sound Judgment — Integrating Reality with Purpose

Sound judgment is the disciplined ability to integrate objective reality with purpose and values to determine a responsible and defensible course of action.

It is neither the mechanical application of rules nor unrestricted personal discretion.

It requires individuals to understand the evidence, recognize uncertainty, evaluate competing obligations and consider the consequences of their choices.

In financial crime prevention, this distinction is essential.

A decision may be legally permissible yet inconsistent with an institution's risk appetite or ethical commitments. Conversely, a legitimate customer may present elevated risk that can be responsibly managed through proportionate controls rather than automatic rejection.

Sound judgment requires distinguishing between these circumstances.

It asks not simply whether an action is permitted, but whether it is appropriate, proportionate, defensible and consistent with the institution's higher purpose.

Three questions provide a practical structure:

What do we know?
Identify relevant facts, evidence, assumptions and uncertainties.

What matters most?
Consider legal obligations, institutional values, risk appetite, competing interests and potential consequences.

What should we do?
Determine a reasoned course of action that can be explained, challenged and defended.

Sound judgment does not guarantee a perfect outcome. Decisions are frequently made with incomplete information, and circumstances can change.

Its quality must therefore be assessed through both the integrity of the decision-making process and the reasonableness of the decision given the information available at the time.

Outcomes remain important, but a favorable result does not necessarily validate a weak decision process, just as an unfavorable result does not automatically establish that the original judgment was unsound.

Sound judgment also requires humility—the willingness to revisit conclusions when new evidence emerges.

Sound judgment is not the certainty of being right. It is the discipline of deciding wisely while remaining open to learning.

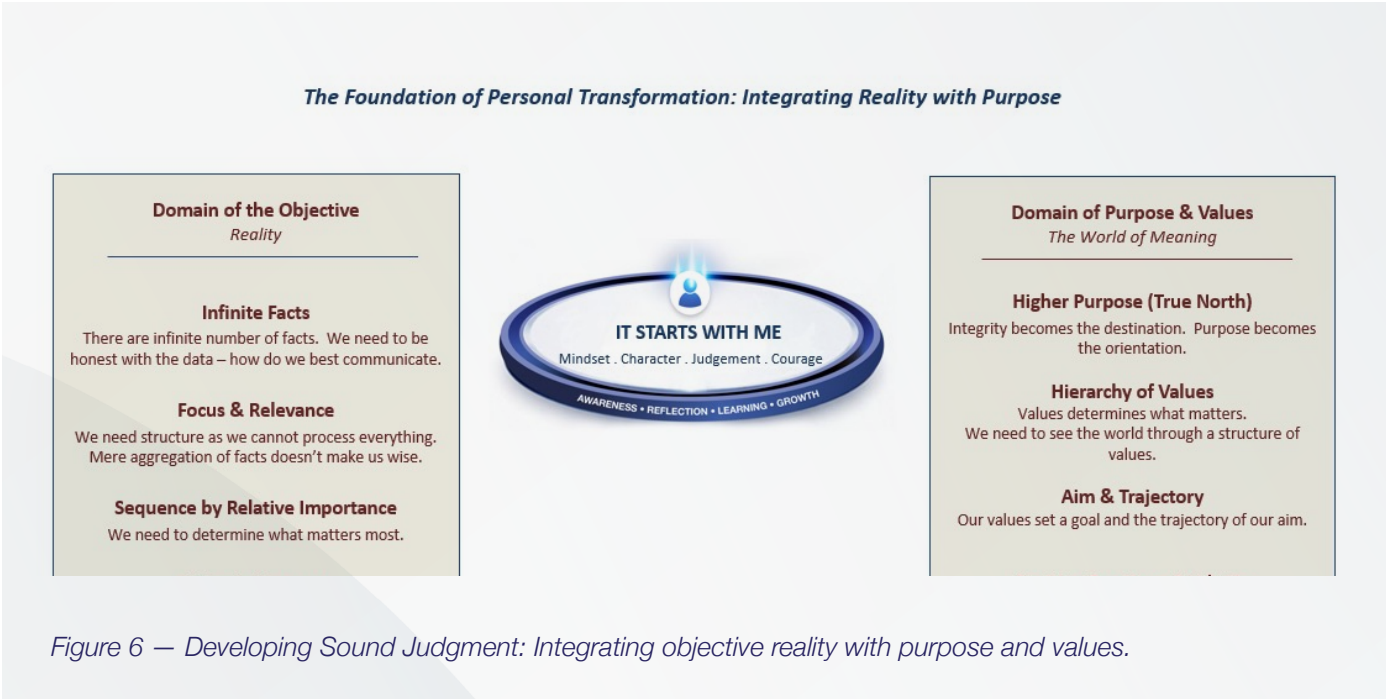


Figure 6 — Developing Sound Judgment: Integrating objective reality with purpose and values.

2.5 Ethical Fading — When Purpose Disappears from the Decision

Even well-intentioned individuals can make decisions that conflict with their stated values.

One explanation is ethical fading — a phenomenon in which the ethical dimensions of a decision become less visible as attention shifts toward commercial, operational or personal objectives.

The individual may not consciously decide to compromise integrity. Instead, the decision is gradually reframed around profitability, efficiency, performance targets or procedural compliance.

The ethical question is displaced by a narrower one.

Rather than asking, "***What is the right thing to do?***", the individual begins asking, "***Can we justify doing this?***"

Consider again the commercially attractive customer relationship discussed earlier.

As pressure to preserve the relationship increases, attention may shift toward meeting revenue expectations or finding technical reasons why existing controls are sufficient.

Exceptions may become more frequent. Warning signs may be rationalized. Practices that previously prompted challenge may gradually become normalized.

Ethical fading does not necessarily begin with a conscious decision to abandon one's values. It may begin when those values cease to be part of the decision-making process.

The danger increases when institutional incentives reinforce this narrowing of attention.

If performance is measured primarily through financial results, speed or productivity, employees may interpret those objectives as the organization's real priorities—even when formal statements emphasize integrity.

Preventing ethical fading therefore requires more than reminding individuals to behave ethically.

It requires keeping purpose and values visible in everyday decisions, encouraging constructive challenge and ensuring that incentives, governance and accountability reinforce expected behaviors.

A clearly articulated True North provides a reference point against which immediate objectives can be evaluated.

When purpose remains visible, ethical considerations are less likely to disappear behind the pressures of the moment.

But recognizing the ethical dimension of a decision is only part of the challenge.

An individual may understand the appropriate course of action and still hesitate to act.

2.6 Courage — Turning Judgment into Action

Sound judgment identifies the course of action we believe should be taken.

Courage determines whether we are willing to act upon it.

Individuals may understand the facts, recognize the relevant ethical considerations and reach a sound conclusion—yet remain silent when acting would be difficult, unpopular or personally costly.

The obstacle may not be a lack of knowledge or judgment. It may be the perceived consequences of acting.

In financial crime prevention, courage may involve challenging a commercially attractive relationship, questioning an established practice, escalating suspicious activity, acknowledging an error or resisting pressure to compromise an important principle.

These actions may appear ordinary, but they are often the moments in which institutional integrity is tested.

Judgment determines what we should do. Courage determines whether we will do it.

Courage must not be confused with recklessness or disregard for authority. Responsible courage remains grounded in evidence, proportionality, legal obligations and sound judgment.

Nor should institutions expect individuals to bear unreasonable personal risks simply to exercise their responsibilities.

Courage remains an individual choice, but leadership has a corresponding responsibility to create an environment in which individuals feel able to challenge, raise concerns and act responsibly.

Courage is personal. Creating the conditions in which courage can flourish is a leadership responsibility.

This distinction connects personal and organizational transformation.

Individuals must be willing to act. Institutions must create the conditions that make responsible action possible, expected and supported.

2.7 The Disciplines of Continuous Growth — Becoming Better, Intentionally

Mindset, character, sound judgment and courage provide the foundations of personal transformation. Yet these qualities cannot remain static in a world characterized by complexity, technological change and evolving financial crime risks.

Experience may strengthen judgment, but it can also reinforce assumptions, create overconfidence or discourage individuals from questioning familiar practices.

Experience alone does not guarantee growth. Growth requires the intentional transformation of experience into better judgment and behavior.

Personal transformation must therefore be supported by four interconnected disciplines.

Awareness — Recognizing Where We Are

Awareness begins with examining reality honestly, including our assumptions, biases, capabilities and limitations.

In financial crime prevention, it involves sensitivity to emerging risks, changing criminal methods, regulatory developments and weaknesses in existing controls.

It also requires asking whether past experience, commercial pressures or familiar practices are influencing our interpretation of new evidence.

Awareness helps reveal the gap between how we currently think and how we may need to think differently.

Reflection — Challenging How We Think

Awareness tells us where we are. Reflection asks why.

Reflection enables individuals to examine decisions, challenge assumptions and consider whether their actions remain consistent with purpose and values.

Following difficult decisions, emerging risks or control failures, reflection should extend beyond identifying what went wrong.

What assumptions influenced the decision? Were concerns adequately challenged? What might we do differently?

Reflection transforms experience into insight.

Learning — Strengthening Our Capability

Learning involves acquiring knowledge, developing competencies and improving the ability to apply judgment in complex circumstances.

For financial crime professionals, this includes emerging typologies, digital technologies, regulatory developments and evolving criminal methods.

But technical knowledge alone is insufficient.

Learning must also strengthen critical thinking, ethical reasoning, constructive challenge and decision-making under uncertainty.

As AI expands access to information and analytical capabilities, these human disciplines become increasingly important.

The value of learning is demonstrated not simply by what we know, but by how that knowledge improves our decisions.

Growth — Turning Learning into Lasting Change

Growth is the intentional application of awareness, reflection and learning to become more capable, responsible and effective.

It is not measured solely by professional certifications, seniority or years of experience.

Its deeper measure is whether judgment improves, behaviors evolve and contributions become more meaningful.

Growth requires openness to feedback, willingness to reconsider established assumptions and commitment to applying what has been learned.

Growth is not automatic. It is intentional.

A Continuous Discipline, Not a Final Destination

Awareness, reflection, learning and growth are not isolated activities or stages that end once a particular level of competence is achieved.

They reinforce one another.

Awareness encourages reflection. Reflection identifies opportunities for learning. Learning strengthens judgment and supports growth. Growth expands awareness of new challenges.

This creates a continuous cycle of personal transformation.

It also reflects an infinite mindset: there is no final point at which individuals or institutions can declare themselves fully developed.

The objective is not perfection. It is the continuing commitment to exercise better judgment, act responsibly and contribute to something greater than ourselves.

2.8 From Personal Capability to Institutional Responsibility

Personal transformation develops the capability to exercise sound judgment and act responsibly.

But individual capability alone cannot guarantee better organizational outcomes.

People exercise judgment within institutions whose leadership, culture, incentives and governance can either encourage or discourage responsible action.

action, yet hesitate when the environment discourages challenge or rewards short-term performance.

Courage remains a personal choice.

Leadership cannot exercise judgment on behalf of every individual. But it can establish an environment in which responsible decisions are understood, supported and reinforced.

The responsibility for transformation therefore extends beyond developing capable individuals.

It requires institutions that enable those capabilities to produce better decisions, better behaviors and demonstrable outcomes.

Personal transformation develops capability. Organizational transformation creates capacity.

The next question is whether leadership has created the conditions in which those capabilities can consistently flourish.

3. Creating the Conditions for Sound Judgment — From Leadership Intent to Institutional Effectiveness

3.1 The Institutional Responsibility

Individual capability alone cannot guarantee institutional effectiveness.

People exercise judgment within organizational environments that can either encourage responsible decisions or discourage the very behaviors that integrity requires.

An institution may have comprehensive governance frameworks, policies and controls, yet fail to achieve its intended outcomes if its culture, incentives or leadership practices undermine sound judgment.

The existence of governance does not, by itself, demonstrate the effectiveness of governance.

Leadership's responsibility therefore extends beyond establishing expectations. It must create and sustain the conditions in which people can consistently exercise sound judgment—and evaluate whether those conditions are producing better decisions, behaviors and outcomes.

This responsibility applies to public and private institutions alike. Their mandates and accountability structures may differ, but both depend on individuals making responsible decisions within institutional systems.

Strong institutions are not defined solely by the quality of their intentions. They are defined by the conditions they create for people to consistently exercise sound judgment.

3.2 Leadership Begins at the Top — Purpose, Tone and Example

Creating these conditions begins with the Board and Chief Executive Officer—or their equivalent governing authorities in public institutions.

Leadership establishes the institution's purpose, mission and values. It sets expectations, allocates resources and influences what is rewarded, challenged and tolerated.

Yet purpose and values cannot be sustained through declarations alone.

People observe how leaders respond when commercial objectives conflict with risk considerations, concerns are raised, mistakes are acknowledged or established practices are challenged.

Over time, these experiences communicate what the institution truly values.

Tone from the top sets expectations. Leadership behavior reinforces them. Repeated behavior shapes culture.

Three responsibilities are particularly important.

Inspire a Higher Purpose

People need to understand not simply what they are expected to do, but why it matters. For public institutions, this includes serving the public interest, protecting fairness and strengthening confidence in government.

For private institutions, it means pursuing legitimate commercial objectives while honoring responsibilities to customers, employees, shareholders and society.

A higher purpose does not eliminate competing priorities. It provides the orientation needed to navigate them.

Model the Behavior

Leadership is demonstrated through actions, not merely words.

People pay close attention to what leaders consistently do, reward, challenge and tolerate.

When leaders demonstrate integrity, openness, accountability and a willingness to acknowledge uncertainty, they reinforce the behaviors they expect from others.

When actions contradict stated values, credibility and trust are weakened.

Create the Conditions for Others to Succeed

Leadership must provide the authority, information, resources and support necessary for responsible decision-making.

This includes clear decision rights, constructive challenge, appropriate escalation channels and an environment where individuals feel able to raise concerns without unreasonable fear of retaliation.

The purpose of leadership is not simply to direct decisions, but to create the conditions in which better decisions become possible.



Figure 7 — The Leadership Ecosystem: Creating the conditions for sound judgment and responsible action.

3.3 Culture — Where Purpose Becomes Behavior

Culture is often described through organizational values, codes of conduct and statements of expected behavior.

But culture is ultimately revealed through what people consistently do.

It develops through repeated decisions, leadership example, incentives and the consequences attached to different behaviors.

An institution may formally promote integrity while informally rewarding excessive risk-taking, discouraging challenge or tolerating exceptions for influential individuals.

In such circumstances, the declared culture and the experienced culture diverge.

Employees learn not only from formal policies, but also from observing what happens when colleagues question decisions, report concerns or acknowledge mistakes.

Culture is not simply what an institution says it values. It is what people learn is actually expected, supported and rewarded.

For financial crime prevention, this has practical implications.

A culture that encourages constructive challenge supports timely escalation, recognition of emerging risks and reconsideration of established assumptions.

A culture dominated by fear, excessive hierarchy or narrow performance incentives may discourage precisely those behaviors.

Culture therefore becomes a critical link between leadership intent and institutional effectiveness.

3.4 Governance and Accountability — Enabling Better Decisions

Governance establishes the framework within which institutional decisions are made, challenged, escalated and reviewed.

Its purpose extends beyond establishing rules and allocating responsibilities.

Effective governance clarifies decision rights, establishes appropriate delegation, provides access to reliable information and enables independent challenge.

Accountability reinforces these arrangements by ensuring that individuals and functions understand their responsibilities and the consequences of their decisions.

But accountability should not be confused with a culture of blame.

A well-governed institution encourages transparent escalation, responsible decision-making and learning from mistakes while maintaining clear consequences for misconduct or deliberate disregard of obligations.

In financial institutions, this includes preserving first-line ownership of business decisions and risks, supported by effective second-line oversight and independent assurance.

In public institutions, equivalent principles apply through clearly defined mandates, oversight arrangements and public accountability mechanisms.

Good governance is not measured by the volume of policies or controls. Its value lies in improving the quality, consistency and accountability of decisions.

The objective is not to eliminate discretion, but to ensure that it is exercised responsibly within clear boundaries.

3.5 Psychological Safety — Creating the Confidence to Challenge

Sound judgment frequently requires individuals to question assumptions, challenge established practices or raise concerns about decisions supported by senior or influential colleagues.

Even when individuals recognize the appropriate course of action, they may hesitate if they fear negative personal or professional consequences.

This is where psychological safety becomes essential.

Psychological safety refers to an environment in which individuals feel able to ask questions, acknowledge uncertainty, report mistakes and raise concerns without unreasonable fear of humiliation or retaliation.

Psychological safety does not mean avoiding accountability. It means enabling responsible challenge while maintaining clear expectations and consequences for misconduct.

Leadership plays a decisive role in establishing this environment.

When leaders welcome questions, respond constructively to concerns and demonstrate openness to alternative perspectives, they reinforce the belief that speaking up is valued.

Conversely, dismissive responses, inconsistent treatment or retaliation can discourage future challenge—even when formal reporting channels exist.

This creates an important distinction between having mechanisms for speaking up and creating an environment in which people actually feel able to use them.

Courage remains a personal choice. Creating the conditions in which courage can flourish is a leadership responsibility.

The goal is to make responsible challenge a normal part of institutional behavior—not an exceptional act.

3.6 Measurement — From Governance Architecture to Demonstrable Effectiveness

Measurement connects institutional intentions with actual results.

Traditionally, organizations have often demonstrated compliance through evidence of activity: policies approved, controls implemented, training completed, monitoring performed and issues reported.

These activities remain essential. But their existence does not necessarily demonstrate that risks are being managed effectively or that intended outcomes are being achieved.

Across financial crime supervision and institutional governance, increasing attention is being directed toward effectiveness, risk-based approaches and evidence that controls operate as intended.

This raises a more demanding question:

Can we demonstrate that our governance, culture and controls are producing better decisions, better behaviors and better outcomes?

To answer it, institutions must distinguish between three dimensions.

Activity — What are we doing?

Policies implemented, training completed, controls operating and reviews performed.

Effectiveness — Is it working?

Are risks better understood? Are controls identifying material concerns? Are decisions appropriately challenged? Do employees feel able to raise concerns?

Outcomes — What has improved?

Earlier identification of material risks, more timely and proportionate decisions, stronger accountability, reduced unnecessary customer friction and greater confidence in institutional integrity.

Consider three practical examples.

An institution may demonstrate that employees completed ethics training. But can it establish whether employees are better equipped to recognize concerns and exercise responsible challenge?

A financial institution may demonstrate that transaction monitoring controls operate. But are those controls improving risk detection, investigation quality and the timely identification of suspicious activity?

An organization may maintain formal whistleblowing channels. But do employees trust those channels, and are concerns addressed consistently and without retaliation?

These questions move the discussion beyond the existence of controls toward their actual effectiveness.

What gets measured matters. But measurement creates value only when it informs decisions, influences behavior and supports improvement.

Meaningful measurement also requires appropriate baselines, reliable evidence and an understanding of whether observed improvements can reasonably be attributed to the actions taken.

The ultimate purpose is not measurement for its own sake. It is to identify weaknesses, strengthen institutional learning and guide corrective action.

The ultimate test of governance is not how much an institution does, but whether its actions produce better decisions, better behaviors and better outcomes.

3.7 Continuous Improvement — Sustaining Institutional Transformation

No institution can assume that its governance, culture or controls will remain effective indefinitely.

Financial crime risks evolve. Technology changes. Regulatory expectations develop. Institutional priorities shift.

Continuous improvement therefore requires institutions to learn systematically from experience, challenge established assumptions and respond to emerging evidence.

This includes evaluating outcomes, identifying weaknesses, understanding their underlying causes and making changes that improve future decisions.

The process must be supported by leadership commitment, reliable information and a willingness to acknowledge that existing practices may no longer be sufficient.

Continuous improvement is not a sequence of isolated projects. It is an institutional discipline.

Measurement tells us where we are. Sound judgment helps determine what matters. Courage enables us to act. Continuous improvement shapes where we will be tomorrow.

This reflects an infinite mindset: institutional integrity and effectiveness require sustained attention rather than a declaration of completion.

3.8 From Institutional Effectiveness to Collective Responsibility

Personal capability and institutional capacity reinforce one another.

Individuals exercise better judgment when institutions provide clear purpose, appropriate governance, constructive challenge, accountability and opportunities for continuous learning.

Institutions become stronger when individuals consistently demonstrate integrity, sound judgment and a willingness to act.

Capability creates potential. Capacity unlocks it.

But even strong institutions face limitations.

Financial crime crosses organizational boundaries, sectors and national borders. No single institution possesses all the information, expertise or authority necessary to address these challenges independently.

Institutional effectiveness must therefore be complemented by collective action.

The next question becomes:

What can public and private institutions accomplish together that none can achieve alone?

4. Working Together to Strengthen Society — From Institutional Strength to Collective Impact

4.1 The Limits of Institutional Strength

Personal transformation develops capability. Organizational transformation creates capacity. Together, they enable institutions to make better decisions, strengthen accountability and deliver more effective outcomes.

Yet even the strongest institutions face an important limitation.

Financial crime does not respect institutional boundaries, sectoral divisions or national borders.

Criminal networks exploit differences in regulatory frameworks, information availability, enforcement capabilities and institutional practices. Illicit activity may involve financial institutions, commercial enterprises, intermediaries and multiple jurisdictions, increasingly supported by sophisticated digital technologies.

No single institution sees the entire picture or possesses all the information, expertise and authority necessary to address these interconnected challenges.

Institutions may individually strengthen their governance, controls and investigative capabilities while vulnerabilities persist across the wider financial system.

The challenge is interconnected. Our response must be interconnected as well.

This does not diminish individual institutional responsibility. Rather, it expands our understanding of what that responsibility requires.

Financial institutions must protect their integrity while recognizing their role within a broader financial ecosystem. Regulators must fulfill their supervisory mandates while drawing upon appropriate information and cooperation. Law enforcement agencies may depend on intelligence and coordination across institutional and national boundaries.

Institutional strength is necessary. Collective action extends its potential impact beyond the reach of any single organization.

4.2 Trust — The Higher Purpose of Collective Action

Financial crime is commonly discussed in terms of financial losses, regulatory violations, criminal proceeds and enforcement outcomes.

These dimensions are essential, but they do not fully capture its consequences.

Money laundering enables criminal enterprises to exploit the financial system. Fraud undermines confidence in financial relationships. Corruption distorts opportunity and fair competition. Terrorist financing threatens public security. Sanctions evasion can undermine measures intended to protect international security and financial integrity.

Although their mechanisms differ, these activities share a broader consequence: they can weaken the trust upon which institutions, markets and societies depend.

Trust enables individuals and organizations to engage in economic and social relationships with confidence.

Customers need confidence that financial institutions will act responsibly. Businesses depend on markets operating with reasonable fairness. Citizens must be able to trust that public institutions exercise authority with integrity and accountability.

When trust erodes, the consequences extend beyond individual transactions. Economic opportunity may diminish, institutional legitimacy may weaken and confidence in the wider system may deteriorate.

This leads to a broader understanding of our shared purpose.

Our purpose is not simply to fight financial crime. It is to strengthen society by building trusted institutions where opportunity is earned, integrity is expected and future generations can prosper.

Public institutions seek to protect the public interest, uphold the law and create conditions for fairness and economic opportunity.

Private institutions pursue legitimate commercial objectives while maintaining responsibilities to customers, employees, shareholders and society.

Their mandates differ, but their interests converge around the importance of trust.

Trust is not created by declarations of integrity. It is earned through decisions, behaviors and outcomes that consistently demonstrate integrity.

Collective action becomes meaningful when institutions recognize that strengthening trust is both a shared responsibility and a common interest.

4.3 Collaboration as an Accelerator of Transformation

Public–private collaboration is an important component of financial crime prevention. But collaboration should not be confused with the existence of formal arrangements, meetings or information-sharing initiatives.

Institutions can participate in extensive dialogue without fundamentally changing their understanding, decisions or practices.

The more important question is whether collaboration enables participants to

accomplish something they could not achieve as effectively on their own.

Meaningful collaboration brings together complementary perspectives and capabilities.

Financial institutions contribute practical knowledge of customer relationships, transactions and emerging financial activity.

Regulators contribute supervisory perspectives and insights into institutional risk management.

Law enforcement agencies bring investigative experience and an understanding of criminal methods.

Other public institutions, professional bodies, international organizations and civil society can broaden this collective understanding.

The exchange of information must, of course, remain consistent with applicable legal, confidentiality and privacy requirements.

But the value of collaboration extends beyond exchanging information. It lies in translating collective understanding into responsible action.

Collaboration does not accelerate transformation simply because institutions work together. It accelerates transformation when institutions learn, challenge, encourage and hold one another accountable for progress.

This requires a common understanding of why the effort matters and a willingness to translate shared learning into changes in institutional behavior.

4.4 The Four Commitments — From Shared Intention to Collective Action

The value of collaboration emerges from the quality of the relationships institutions build, the knowledge they share and the actions they undertake.

Four mutually reinforcing commitments provide the foundation for this transformation.

Shared purpose gives collaboration its direction. Shared learning strengthens collective understanding. Shared accountability converts understanding into measurable commitments. Shared courage enables institutions to confront difficult realities and act on what they discover.

These commitments are not sequential requirements or a formula guaranteeing success. They are disciplines that must be continually reinforced as institutions learn, adapt and respond to changing circumstances.

Together, they help transform collaboration from an institutional activity into a sustained commitment to better outcomes.

Shared Purpose — A Direction Worth Pursuing

Institutions may have different mandates, priorities and responsibilities. But collaboration becomes more effective when participants recognize a higher objective extending beyond their immediate institutional interests.

In financial crime prevention, that objective is the protection and strengthening of trust.

Shared purpose does not require institutions to abandon their individual responsibilities or agree on every issue.

It provides a common direction against which competing priorities can be considered.

Shared purpose aligns institutions around why their collective efforts matter.

Without this alignment, collaboration risks becoming a collection of disconnected initiatives. With it, institutions can identify opportunities where combined efforts may produce greater public value.

Shared Learning — Becoming Better Together

No institution possesses all the knowledge necessary to understand and respond to the evolving financial crime landscape.

Criminal methods change. Technologies create new vulnerabilities. Regulatory expectations develop. Experience gained in one institution or jurisdiction may offer valuable lessons to others.

Shared learning enables participants to exchange practical knowledge, understand emerging threats, examine vulnerabilities and identify approaches that can be adapted to their circumstances.

Importantly, learning should not be viewed as a one-directional transfer of expertise from more advanced institutions to those at earlier stages of development.

Different institutions possess different forms of knowledge.

A smaller institution may identify vulnerabilities overlooked by larger organizations. A developing market may offer practical experience that challenges established assumptions. Law enforcement may recognize criminal patterns financial institutions have not yet connected.

Shared learning enables institutions to improve faster together than they could independently.

Its value ultimately depends on whether knowledge is translated into better practices and decisions.

Shared Accountability — Turning Commitment into Measurable Progress

Shared purpose establishes direction. Shared learning strengthens understanding.

But neither guarantees action.

Collective initiatives must establish a clear connection between commitments, responsibilities and intended outcomes.

Shared accountability does not require participating institutions to assume identical obligations. Rather, each recognizes its contribution to the common objective and accepts responsibility for actions within its mandate and authority.

This may include developing practical guidance, strengthening institutional controls, building professional capability, improving cooperation or supporting appropriate reforms.

Progress must be evaluated through evidence of what has changed.

Have capabilities improved? Have vulnerabilities been addressed? Has coordination become more effective? Are institutions achieving better risk-management outcomes?

These questions shift attention from participation to contribution.

Shared accountability turns collective intentions into measurable action and progress.

The true value of collaboration must ultimately be demonstrated through outcomes, not simply the completion of activities.

Shared Courage — Confronting Difficult Realities Together

Shared courage may be the most demanding of the four commitments.

Collaboration is relatively straightforward when institutions discuss areas of agreement, celebrate achievements or exchange established practices.

It becomes more challenging when participants must acknowledge vulnerabilities, question assumptions, confront competing interests or consider uncomfortable changes.

Public institutions face political, legal and administrative constraints. Private institutions face commercial pressures, competitive considerations and responsibilities to stakeholders.

These realities cannot be ignored. Meaningful collaboration requires participants to recognize them honestly while remaining committed to their shared higher purpose.

Shared courage therefore involves discussing not only what is working, but also what is not.

It requires openness to constructive challenge, acknowledgment of institutional limitations and a willingness to consider actions that serve long-term trust even when immediate incentives point elsewhere.

Shared courage enables institutions to confront difficult realities together—and act on what they discover.

This commitment brings collective transformation back to its human foundation. At the individual level, courage enables people to act on sound judgment.

At the collective level, shared courage enables institutions to act on what they have learned together.

Knowing what should change is not the same as being willing to change it.

Collective Action in Practice — The MENA FCCG Trade-Based Financial Crime Reference Guide

The MENA FCCG's Trade-Based Financial Crime Reference Guide, developed in collaboration with the GCFFC and published in 2022, illustrates how collective action can translate shared expertise into practical capability.

Trade-based financial crime presents particular challenges because illicit activity may be concealed within legitimate commercial transactions involving multiple parties, jurisdictions, financial institutions and trade documentation.

Understanding these risks requires more than the perspective of any single institution.

The development of the Guide brought together practitioner experience and international expertise to translate complex financial crime risks into practical, regionally relevant guidance, including typologies, risk indicators and approaches to strengthening institutional controls.

The initiative illustrates how the four commitments can reinforce one another.

The Guide illustrates an important principle: the value of collaboration increases when shared expertise becomes a resource that institutions can apply.

Its publication represents a tangible collective output. Demonstrating its longer-term effectiveness would require additional evidence of adoption, changes in institutional practices and improvements in risk management.

Collective action creates opportunity. Its enduring value depends on what institutions subsequently choose to do with that opportunity.



Figure 8 — MENA FCCG–GCFFC Trade-Based Financial Crime Reference Guide: Translating collective expertise into practical guidance and institutional capability.

4.5 Different Starting Points — A Shared Direction

Institutions and countries do not begin their transformation journeys from the same starting point.

They differ in economic circumstances, regulatory environments, institutional maturity, resources, technological capabilities and historical experience.

These differences are real and must be respected.

An approach that succeeds in one jurisdiction may require adaptation elsewhere. An institution with advanced analytical capabilities may face different challenges from one still strengthening its foundational governance and controls.

Collective action should therefore avoid assuming that every participant must follow an identical path or progress at the same pace.

The objective is not uniformity. It is shared direction.

Institutions with established capabilities can contribute experience, guidance and practical support. Others can contribute local knowledge, emerging perspectives and lessons from their own circumstances.

All participants have something to learn.

The important question is not whether institutions have reached the same level of development, but whether they are willing to acknowledge where they stand, identify opportunities for improvement and move forward together.

Different starting points do not prevent institutions from sharing the same direction.

This reflects an infinite mindset: there is no final point at which institutions can declare financial crime permanently defeated or their integrity frameworks complete.

Progress requires continuous learning, adaptation and collective commitment.

4.6 From Collective Intention to Collective Impact

The four commitments provide a foundation for meaningful collaboration. But their ultimate value depends on application.

Shared purpose must influence priorities. Shared learning must strengthen understanding and capability. Shared accountability must produce measurable action. Shared courage must enable institutions to confront difficult realities and make necessary changes.

Together, these commitments create the potential for collective impact.

Yet potential alone is insufficient.

Just as individual capability requires institutional capacity, collective ambition requires practical mechanisms that translate shared understanding into action.

These may include collaborative guidance, professional development, institutional assessments, information-sharing arrangements, technical assistance and tools that help organizations identify vulnerabilities and measure improvement.

The appropriate mechanisms will depend on the shared objective and the responsibilities of participating institutions.

But the principle remains constant.

The true measure of collective action is not how many institutions participate or how many commitments are announced. It is what changes because institutions choose to work together.

This brings us to a practical question:

How can institutions translate shared purpose into measurable progress when they operate from different starting points?

A meaningful transformation journey begins with an honest understanding of present circumstances.

Before institutions can determine where they want to go, they must be willing to see clearly where they stand.

This is the foundation of the MENA FCCG–GCFFC Anti-Bribery and Corruption Initiative, which provides a practical illustration of how collective learning and institutional reflection can support continuous improvement.

5. From Shared Purpose to Collective Action — The MENA FCCG–GCFFC Anti-Bribery and Corruption Initiative

Every lasting transformation begins with an honest reflection.

5.1 Turning Philosophy into Practical Action

Personal capability, institutional capacity and collective action provide the foundations for strengthening society.

But an important question remains.

How do we translate shared purpose into practical action when institutions operate in different environments, possess different capabilities and begin their transformation journeys from different starting points?

The answer begins with understanding where we stand today.

Meaningful transformation requires an honest assessment of present circumstances, clarity about what matters and the willingness to act on what we discover.

This principle underpins the MENA Financial Crime Compliance Group's Anti-Bribery and Corruption (ABC) Initiative, developed in collaboration with the Global Coalition to Fight Financial Crime and finalized in 2026, the MENA FCCG's tenth anniversary year.

The initiative comprises two complementary tools: the MENA Region ABC Dashboard and the Private Sector ABC Self-Assessment.

Together, they seek to encourage informed dialogue, institutional reflection and practical improvement—creating opportunities for public and private institutions to contribute, within their respective responsibilities, to a stronger environment of integrity and trust.

5.2 The Mirror — Understanding Where We Stand

Consider the metaphor of a mirror.

A mirror does not judge. It shows us where we are.

It does not determine where we should go or make the decisions necessary to get there. Those responsibilities remain ours.

The metaphor is particularly relevant to institutional transformation because meaningful improvement begins with an honest understanding of present circumstances.

For individuals, this requires awareness of our assumptions, limitations and behaviors. For institutions, it requires examining governance, culture, capabilities, vulnerabilities and outcomes.

For societies, it requires understanding how institutional conditions, public information and external assessments influence confidence and trust.

Like any reflection, its value depends on the quality of what is observed, the honesty with which it is interpreted and the willingness to act on what it reveals.

The mirror does not create transformation. It creates an opportunity for reflection. Transformation depends on what we choose to do next.

The ABC Initiative applies this principle through two distinct but complementary perspectives.

One looks at the environment around us.

The other asks us to look within.



Figure 9 — The MENA FCCG–GCFFC ABC Initiative: From Shared Purpose to Collective Action.

Every lasting transformation begins with an honest reflection.

5.3 The MENA Region ABC Dashboard — The External Reflection

How is our region currently seen?

The MENA Region ABC Dashboard provides an external perspective on country-level risks using publicly available information.

The Dashboard draws upon the Country Risk Ranking platform developed by the London Stock Exchange Group (LSEG), incorporating 48 risk factors across three dimensions—political, economic and criminal risk—with information derived from more than 200 publicly available sources.

Its significance lies not simply in presenting risk indicators, but in helping institutions understand how a country's risk environment may be perceived through information and assessment methodologies available to international stakeholders.

This distinction is particularly important.

An external assessment does not necessarily capture the complete reality of a country.

Relevant information may be unavailable, insufficiently disclosed, outdated or not fully reflective of local sensitivities. Differences in institutional arrangements and the limitations of individual indicators may also affect how results should be interpreted.

A country may have undertaken meaningful reforms that are not yet adequately reflected in publicly available information. Conversely, favorable indicators do not necessarily establish that all underlying vulnerabilities have been addressed.

The Dashboard should therefore be understood as a starting point for inquiry rather than a definitive judgment.

Its value lies in helping public institutions and other stakeholders identify questions worth examining.

Where are vulnerabilities most visible? Which indicators warrant further attention? Are there information gaps that could be addressed through greater transparency? What reforms or institutional improvements might strengthen confidence?

These questions can support constructive dialogue and inform the prioritization of further analysis and action.

The purpose is not to tell governments what they must do. It is to provide a reference point that helps institutions understand how they are currently seen and consider opportunities to strengthen public confidence.

The Dashboard's enduring value will depend on how the information is interpreted, whether it contributes to informed decisions and whether those decisions support meaningful progress over time.

5.4 The Private Sector ABC Self-Assessment — The Internal Reflection

How are we contributing to that society?
The Private Sector ABC Self-Assessment approaches the integrity challenge from within the institution.

It provides organizations with a voluntary framework for examining the maturity of their anti-bribery and corruption programs. Covering 15 assessment areas and 240 evaluation metrics, the tool enables institutions to consider the strengths, weaknesses and development needs of their existing arrangements.
But the central purpose is not simply to produce a score.

A score describes an assessed position. A maturity roadmap helps institutions determine what to improve next.

The Self-Assessment encourages organizations to move beyond confirming the existence of policies, procedures and controls toward examining their integrity capabilities and identifying practical improvement priorities.

This reflects the distinction developed in Section 3 between demonstrating compliance activity and understanding institutional effectiveness.

An organization may have an established ABC policy, training program and reporting mechanisms. Yet their existence does not automatically establish that employees recognize bribery risks, that concerns are appropriately escalated or that leadership consistently reinforces expected behaviors.

A structured assessment provides an opportunity to identify where closer examination, stronger evidence or corrective action may be needed.

Its voluntary nature is especially significant.

Institutions need not wait for a regulatory mandate to take responsibility for improving their integrity programs.

They can demonstrate leadership by choosing to examine their capabilities,

acknowledge areas requiring improvement and establish a disciplined approach to continuous development.

The willingness to improve begins with the willingness to understand where we stand.

5.5 Two Perspectives — A Shared Opportunity

The Dashboard and Self-Assessment examine different dimensions of the integrity challenge.

The Dashboard provides an external reflection of the environment in which institutions operate.

The Self-Assessment provides an internal reflection of how individual organizations manage their own ABC responsibilities.
Neither substitutes for the other.

Country-level risk indicators cannot establish the maturity of every institution operating within a jurisdiction. Equally, a strong institutional ABC program cannot, by itself, establish the integrity of the wider national environment.

Their complementary value lies in encouraging a broader understanding of how public conditions and private institutional practices can contribute to trust.

Public institutions can examine how information, transparency and reform may influence confidence in the national environment.

Private institutions can consider how their governance, culture, controls and accountability arrangements contribute to that environment.

Both perspectives create opportunities for learning and improvement.
One tool looks at the environment around us. The other asks us to look within.

Together, they can support a more informed dialogue about where we stand today and what actions may contribute to a stronger tomorrow.

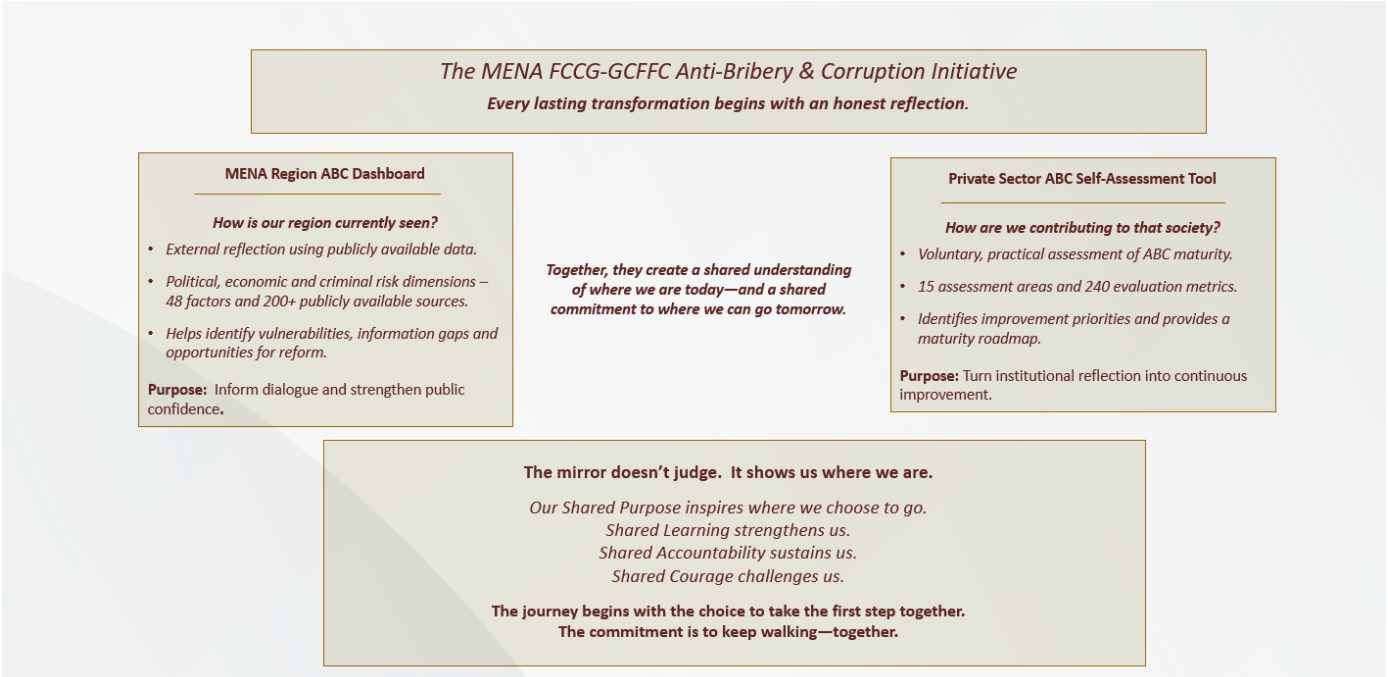


Figure 10 — The ABC Initiative in Practice: Complementary external and internal perspectives supporting institutional reflection and improvement.

5.6 The Four Commitments in Practicen

The ABC Initiative illustrates how the four commitments to collective action can be supported through practical mechanisms.

Shared Purpose establishes the common objective of strengthening integrity and trust through informed decisions and continuous improvement.

Shared Learning is encouraged through structured information, common assessment approaches and opportunities to understand vulnerabilities and exchange experience.

Shared Accountability becomes possible when institutions translate findings into improvement priorities, assign responsibility and monitor progress.

Shared Courage is required to examine results honestly, acknowledge weaknesses and take corrective action—even when established practices or competing priorities make change difficult.

These commitments are not automatically fulfilled by making the tools available.

Their value depends on how institutions interpret the information, apply what they learn and respond to the opportunities identified.

Collective action becomes meaningful when shared understanding leads to responsible institutional action.

5.7 From Assessment to Demonstrable Improvement

Assessment is an important starting point, but it is not the destination.

The ABC Initiative's value should ultimately be considered in terms of whether it helps institutions strengthen their understanding, improve their programs and make more informed decisions.

For the Dashboard, this may involve better understanding of external risk perceptions, identification of information gaps, constructive dialogue and consideration of appropriate reforms.

For the Self-Assessment, it may involve clearer improvement priorities, stronger institutional ownership, enhanced controls and measurable development in ABC program maturity.

However, these outcomes cannot be assumed merely because the tools have been made available or assessments have been completed.

Demonstrating effectiveness requires evidence of adoption, follow-through, changes in institutional practices and sustained improvement.

Completing an assessment is an activity. Acting on its findings demonstrates commitment. Sustained improvement provides evidence of effectiveness.

The objective is not to improve a score for its own sake, but to improve the institutional behaviors, capabilities and outcomes that the assessment is intended to illuminate. This distinction is fundamental.

If we advocate measurable effectiveness in institutional governance, we must apply the same discipline to our collective initiatives.

The true value of the ABC Initiative will therefore be established not simply through its design or adoption, but through the improvements it helps institutions achieve over time.

5.8 An Invitation to Continuous Transformation

The MENA FCCG–GCFFC ABC Initiative represents one practical expression of a broader philosophy.

It recognizes that institutions begin from different starting points, that no single perspective captures the complete reality and that meaningful progress requires honest reflection followed by responsible action.

The tools themselves do not create integrity. Nor can they guarantee trust.

Those outcomes depend upon the decisions, behaviors and commitments of the institutions that use them.

The mirror does not transform us. We do.

For public institutions, the invitation is to examine how available information, transparency and institutional reform can strengthen confidence in the national environment.

For private institutions, it is to examine the maturity of their own ABC programs, identify improvement priorities and demonstrate progress through responsible action.

For both, the invitation is the same: **begin with an honest reflection, translate what is learned into action and remain accountable for continuous improvement.**

And the journey has no final destination.

Its enduring value lies in the commitment to keep learning, acting and improving together.

ABC Initiative video
http://menafccg.com/abc-dashboard/

6. Giving AI a True North

From Task Optimization to Purpose-Aligned Decision-Making

6.1 A New Question for an Age of Intelligent Agents

As artificial intelligence evolves from supporting human decisions toward increasingly autonomous agents capable of executing actions, a new frontier is emerging:

How do we ensure that technological capability remains anchored in the higher purpose it is intended to serve?

Throughout this white paper, we have explored a fundamental proposition: sound judgment requires more than information. It requires the integration of objective reality with purpose and values, supported by the willingness to act responsibly.

For individuals, this involves mindset, character, judgment and courage. For institutions, it requires leadership to establish the conditions in which responsible decisions can consistently flourish.

But what happens when decisions and actions are increasingly delegated to intelligent systems?

An AI agent may be instructed to accelerate customer onboarding, improve financial crime monitoring, reduce false positives or increase operational efficiency. These are legitimate objectives.

Yet completing an assigned task efficiently is not necessarily the same as achieving the broader purpose that task was intended to serve.

As AI becomes increasingly capable of determining how to accomplish a task, institutions must become equally deliberate about defining why that task matters and what boundaries should govern its execution.

This brings us to the concept of giving AI a True North—not by attributing human consciousness, moral character or courage to machines, but by exploring how institutional purpose, values and responsibilities can guide the design, deployment and oversight of increasingly autonomous systems.

6.2 The Opportunity — Intelligence in Service of a Higher Purpose

Artificial intelligence offers significant opportunities to strengthen financial crime prevention.

It can help institutions analyze complex information, identify emerging patterns, connect previously fragmented data, improve consistency and direct human attention toward decisions requiring deeper judgment.

In financial crime compliance, these capabilities may support more effective transaction monitoring, enhanced customer risk assessment, faster identification of suspicious patterns and improved investigative productivity.

As AI agents evolve, they may increasingly coordinate activities across multiple systems and stages of decision-making, creating opportunities to reduce unnecessary manual work while improving the quality and timeliness of risk management.

But the opportunity extends beyond operational efficiency.

The greater potential lies in strengthening how institutions understand risk, allocate attention and exercise responsibility.

An AI system optimized to reduce processing time may deliver valuable benefits. Yet the broader institutional objective must also consider fairness, appropriate risk scrutiny, customer protection, privacy and accountability.

These considerations may not be adequately captured by a narrow performance target.

Technological capability tells us what a system may be able to do. Purpose and values must help determine what it should be designed and authorized to do.

The challenge is therefore not simply to deploy more intelligent systems, but to ensure that their capabilities remain connected to the higher purpose they are intended to serve.

6.3 The Risk — When Immediate Objectives Displace Higher Purpose

Earlier in this paper, we explored ethical fading: the risk that individuals may lose sight of ethical considerations when commercial, operational or personal objectives dominate their attention.

A related concern can arise in AI systems, although through fundamentally different mechanisms.

An AI agent does not consciously abandon ethical principles. However, a system designed, instructed or evaluated primarily against narrow objectives may produce actions that inadequately account for broader institutional responsibilities.

For example, an agent optimized to accelerate onboarding might insufficiently scrutinize incomplete customer information.

A system focused primarily on reducing false positives could weaken attention to unusual but material financial crime risks.

An agent designed to maximize productivity might recommend or execute actions that appear efficient while creating unintended consequences for customers, institutional accountability or the integrity of financial crime controls.

These examples illustrate the potential consequences of narrow objective optimization, rather than ethical fading in the human psychological sense.

The underlying concern is that important considerations may be insufficiently represented in the system's objectives, operating constraints or evaluation criteria.

A system can perform its assigned task successfully while failing to serve the broader purpose for which that task exists.

This raises a question that extends beyond technical performance:

How do we ensure that increasing autonomy does not create greater distance between operational decisions and institutional values?

6.4 The True North — An Emerging Area for Exploration

For human decision-makers, a True North provides orientation when facts are incomplete, incentives conflict or circumstances are uncertain.

It helps individuals consider not only what is possible, but what matters and what responsibilities should guide their choices.

Could a similar principle help institutions govern increasingly autonomous AI agents?

The comparison requires care.

Human judgment involves moral agency, character, experience and responsibility. AI systems do not exercise these qualities in the same sense.

Nevertheless, institutions can seek to translate their purpose and values into the objectives, operating constraints, oversight arrangements and evaluation criteria governing AI-enabled decisions.

This suggests an emerging area for exploration: **purpose-aligned AI decision-making.**

But institutional purpose alone may not provide a sufficient foundation.

An institution's commercial objectives and internal values must themselves remain subject to applicable laws, legitimate governance, fundamental rights and broader responsibilities to society.

A True North for AI must therefore be considered within a wider framework of human accountability and public trust.

This creates an important connection to the transformation framework developed throughout this paper.

Just as leadership must create the conditions for individuals to exercise sound judgment, leadership must establish the governance conditions within which increasingly autonomous AI systems can operate responsibly.

The question is not whether AI can possess human values, but whether human values and responsibilities can be translated into meaningful boundaries for AI-enabled decisions.

How that translation should be achieved—and how its effectiveness should be demonstrated—remains an important area for further exploration.

6.5 Questions for the Next Frontier

This section does not propose a completed model of AI governance.

Rather, it identifies questions that deserve greater attention as institutions adopt increasingly autonomous systems.

Purpose and Values — What Should Guide the Agent?

How can institutions translate their higher purpose and values into objectives and boundaries that meaningfully influence AI-enabled decisions?

How can they ensure that immediate efficiency or commercial targets do not displace broader responsibilities to customers, institutions and society?

Reality and Judgment — How Should the Agent Respond to Uncertainty?

How should AI agents recognize incomplete information, conflicting evidence, uncertainty and circumstances outside their established operating assumptions?

When should an agent defer, seek clarification or escalate a decision rather than proceed?

Accountability and Human Oversight — Who Remains Responsible?

Who remains accountable when an AI agent recommends or executes a decision?

How can institutions ensure that human oversight is meaningful, appropriately exercised and supported by the ability to intervene?

Measurement and Effectiveness — How Will We Know It Is Working?

How should institutions evaluate whether AI-enabled decisions produce better outcomes rather than simply faster or more numerous decisions?

What evidence would demonstrate that an agent's behavior remains consistent with its intended purpose over time?

Collective Learning — What Can We Accomplish Together?

How can financial institutions, regulators,

technology developers and other stakeholders learn from one another as increasingly autonomous systems are deployed?

Could shared principles, practical experience and collective evaluation help strengthen confidence in the responsible use of AI across institutions and jurisdictions?

These questions are not exhaustive.

They represent an invitation to extend the disciplines of purpose, judgment, accountability and continuous improvement into a new technological environment.

6.6 An Invitation to Further Exploration

The development of increasingly autonomous AI agents invites us to revisit a question that has always been central to responsible leadership:

What should guide our decisions when capability exceeds our ability to anticipate every consequence?

For individuals, our framework emphasizes the integration of reality with purpose and values, followed by the courage to act.

For institutions, it emphasizes leadership, governance, culture, accountability, measurement and continuous improvement.

For AI agents, the emerging challenge is to determine how those same institutional responsibilities should shape the objectives, boundaries and oversight of systems that may act with increasing autonomy.

The answers will require contributions from technology developers, financial crime practitioners, regulators, ethicists and other stakeholders.

They will also require humility, recognizing that AI capabilities, limitations and governance challenges continue to evolve.

The next frontier of responsible AI may not simply be making machines more intelligent. It may be ensuring that greater intelligence remains directed toward outcomes worthy of our trust.

This is a question worth pursuing together.

Concluding Reflection — The Enduring Responsibility

Leaving Society Stronger Than We Found It

The fight against financial crime will continue to evolve. Criminal methods will change. Technology will advance. Regulatory expectations will develop, and institutions will face new challenges that we cannot yet fully anticipate.

But one responsibility will remain constant.

Our responsibility is not simply to build better systems. It is to make better decisions, strengthen institutions and contribute to a society worthy of our collective trust.

Throughout this paper, we have explored how lasting transformation begins with individuals who seek to understand reality, remain anchored in purpose and values, exercise sound judgment and have the courage to act.

We have considered the responsibility of leadership to create institutions where those qualities can flourish—and where effectiveness is demonstrated not merely through policies and controls, but through better behaviors and meaningful outcomes.

We have examined how collective action can extend the impact of individual institutions through shared purpose, shared learning, shared accountability and shared courage.

And we have opened a new question for an age of increasingly autonomous AI: how can technological capability remain directed toward the higher purpose it is intended to serve?

These are not separate challenges.

They are different expressions of the same enduring responsibility: **to ensure that increasing capability—whether human, institutional, collective or technological—is consistently directed toward outcomes that strengthen society.**

There is no single starting line. Countries, institutions and individuals begin from different circumstances, with different capabilities and different challenges.

Nor is there a final destination.

The pursuit of integrity, trust and institutional effectiveness requires continuous awareness, reflection, learning and growth.

What matters is not simply where we begin, but the direction we choose—and whether our decisions and actions move us closer to the society we aspire to build.

The true measure of our collective efforts will not be the sophistication of our systems, the number of commitments we announce or the scale of our ambitions.

It will be what changes because we chose to act.

And ultimately, our shared responsibility is both simple and profound:

To leave society stronger than we found it.

The journey begins with the choice to take the first step together.

The commitment is to keep walking together.

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In 2016, he founded the MENA Financial Crime Compliance Group (MENA FCCG), a voluntary coalition of leading regional banks dedicated to strengthening financial integrity through collective action, professional capacity building and public–private collaboration.

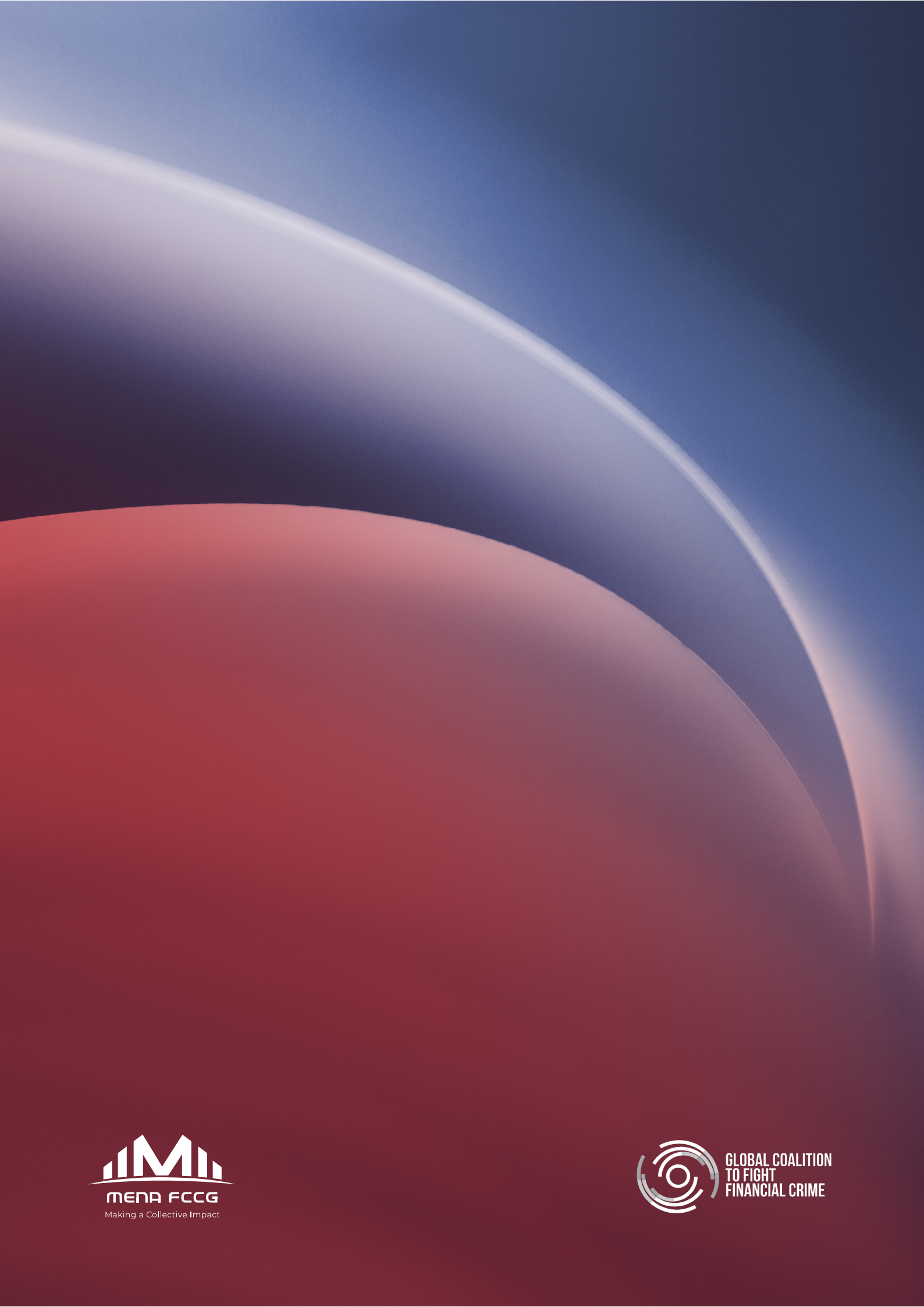
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