Interview

with Eric Wagner,

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I. Relevance of FALCON for the banking sector

Q1. Which aspects of the FALCON project do you see as the biggest strengths or points of interest for the banking sector?

One key strength of the FALCON project is setting up new databases and making extensive data sets available and searchable via advanced tooling. This allows banks and other stakeholders to identify complex patterns of financial crime that would remain hidden in siloed data.
Another strength is its rare approach to collaboration in a Public-Private Partnership (PPP) manner, especially the tight cooperation with major public/private stakeholders such as law enforcement, Financial Intelligence Units, the banking sector, and academia. This facilitates the sharing of critical intelligence, best practices, and technological innovation across sectors. By bringing together diverse perspectives and expertise, FALCON is better positioned to address the multifaceted challenges of financial crime, adapt to evolving regulatory requirements, and anticipate emerging threats. Academic involvement ensures that the solutions developed remain cutting-edge, evidence-based, and open to peer review.
In addition, FALCON's commitment to open standards and interoperability supports more harmonised compliance processes across Europe, helping banks operate more efficiently across jurisdictions. FALCON's transparent and inclusive development process promotes regulatory alignment and sector-wide adoption of effective anti-corruption tools, ensuring that the project's benefits are widely shared and sustainable in the long term.

II. The Need for EU-Funded Anti-Corruption Tools

Q2. As a representative of a major international financial institution, what are the primary limitations you currently observe in commercial tools regarding the detection and investigation of large-scale, cross-border corruption and sanction circumvention schemes (UC2)?

Commercial tools are cost intensive, poorly integrated, and largely proprietary. Most of them also prioritise functionality and (open) data is usually not provided out-of-the-box but must be customised heavily. This limits cooperation with non-bank stakeholders.

Funded by the European Union

FALCON is funded under the Horizon Europe Framework Program Grant Agreement ID 101121281. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or the European Research Executive Agency. Neither the European Union nor the granting authority can be held responsible for them.

They also struggle to adapt quickly to new regulatory requirements and emerging financial crime typologies. As a result, gaps in detection can occur and responses may be delayed. The lack of transparency in many systems makes it difficult for compliance teams to understand and explain how alerts and risk scores are generated.

There are also concerns regarding scalability and interoperability. As banks expand operations across multiple jurisdictions, the lack of standardised interfaces and data formats hinders seamless integration with other internal or external systems, and with law enforcement or regulatory networks. This fragmentation increases operational complexity and costs, while heavily vendor-specific customisation creates dependencies that restrict innovation. Services to combine and analyse various open and internal data sources are either not available or have to be highly customised and are non-standardised.

Q3. FALCON aims to create a cohesive Corruption Intelligence Framework based on advanced AI and data fusion. How important is it for the banking sector to rely on tools developed through publicly funded EU research, rather than purely proprietary software solutions?

Publicly funded EU research, as seen in FALCON, plays an important role because it enables solutions to be developed with interoperability and openness in mind (sandbox setting) from the start.

FALCON, for example, brings together multiple stakeholders and data sources in a way that supports cross-border analysis. This improves the ability to detect complex financial crime patterns (e.g., in money laundering) that would be difficult to identify in isolated systems.

In addition, the transparent and collaborative development approach encourages the adoption of common standards, which helps reduce integration costs and supports more consistent regulatory compliance. The open exchange of best practices and technical innovations within the FALCON network also accelerates the adoption of cutting-edge technology, ensuring that banks remain at the forefront of anti-corruption efforts.

III. The Strategic Value of Co-Development with Authorities

The FALCON consortium includes key Law Enforcement Agencies (LEAs) and anti-corruption authorities from several EU countries (e.g. General Police Inspectorate of Moldova, State Border Guard Service of Lithuania, Bulgarian Border Police, French Ministry of Interior).

Q4. FALCON's tools are designed in close collaboration with LEAs that may later use these or similar methods for investigations. How does having this "inside track" on future investigative patterns provide a distinct strategic advantage for banking compliance risk assessment?

Close collaboration with law enforcement provides banks early insight into emerging investigative methodologies and risk typologies. This proactive alignment enables compliance teams to anticipate regulatory expectations, adapt internal controls, and refine detection frameworks ahead of formal policy changes. As a result, banks are better positioned to identify novel threats, respond to shifting criminal tactics, and demonstrate a forward-looking stance in regulatory dialogues.

This collaboration also fosters mutual understanding and trust between the financial sector and authorities, creating a shared knowledge base that enhances the effectiveness of anti-money laundering and anti-corruption efforts. The exchange of best practices and technical innovations ensures that compliance solutions are not only robust and future-proof, but also interoperable with law enforcement systems. Overall, this "inside track" significantly strengthens the sector’s capability to manage compliance risks and financial crime risks in a more agile and resilient way. A concrete and public illustration of this dynamic is FALCON’s direct engagement with law enforcement: Project representatives recently met the General Anti-Corruption Directorate of Romania to discuss the operational use of the FALCON platform, giving the consortium and its banking partners early visibility into how these investigative methods translate into practice.

Q5. The project explicitly focuses on translating technical results into actionable policy briefs. From your perspective in the Advisory Board, how valuable is the opportunity for private stakeholders, like RBI, to influence the future policy direction of the EU anti-corruption fight by providing early feedback on these policy findings?

The opportunity to provide early feedback on policy briefs is extremely valuable. This early engagement ensures that future EU anti-corruption policy is not only conceptually sound, but also practically relevant to the needs of the banking sector. We can share insights and experiences from the front lines of compliance, sanctions and anti-money-laundering efforts, helping policymakers understand emerging risks, operational challenges, and the impact of technical innovation. It also creates a structured dialogue between regulators and the financial sector, resulting in more robust, forward-looking, and adaptable anti-corruption strategies.

For banks, this means they can help shape a regulatory landscape that supports innovation, while strengthening collective risk management across Europe.

IV. Technology, Trust, and Standardisation

Q6. FALCON addresses the creation of Trustworthy and Explainable AI, focusing on ethical guidelines, security, and robustness. How critical is this for financial crime risk assessment and compliance?

Trustworthiness and explainability are essential if AI is to be used in financial crime compliance, particularly in light of growing regulatory scrutiny such as the EU AI Act. AI systems used in compliance must be transparent and auditable, so decisions can be understood, justified, and defended.

By embedding ethical guidelines, security, and robustness metrics from the outset, FALCON’s AI tools offer clear audit trails and reasoning behind decisions. This helps compliance teams explain outcomes to regulators and internal stakeholders, reducing legal and reputational risks.

Ultimately, trustworthy and explainable AI is crucial for credible, compliant, and sustainable financial crime risk management.

Q7. Financial data standardisation is vital for fighting corruption. Since FALCON leverages rich, structured data for its analysis, do you see the project's analytical framework reinforcing the value proposition of harmonised European payment data for financial crime professionals?

Absolutely, FALCON clearly demonstrates the value of harmonised European payment data for financial crime professionals. By leveraging rich, structured, and standardised data, FALCON enables more sophisticated detection of complex patterns associated with money laundering and corruption.

For banks, that is a practical advantage: better cross-border analysis, more consistent risk assessment, and less fragmentation between systems and jurisdictions. In that sense, FALCON does not just support the case for harmonised payment data in principle — it demonstrates why such data is essential for more effective financial crime detection in practice.

V. Exploitation Model and Fair Pricing (The EU Advantage)

The FALCON exploitation strategy mandates that Foreground IP (the project results) must be provided to end-users on "fair and reasonable conditions", with public authorities accessing the Foreground IP on a royalty-free basis for policy and operational use under the Grant Agreement. Any cost relates to the underlying data and infrastructure rather than to the results themselves, while commercial partners access the results via commercial licensing agreements.

Q8. The FALCON model explicitly links advanced research to *fair and reasonable* commercial access conditions. How does this unique pricing constraint make FALCON's solutions more attractive compared to proprietary tools in the market?

Given FALCON's unique pricing constraint can be held and maintained, i.e. being grounded in fair and reasonable commercial access conditions due to its public funding, should make its solutions especially attractive and competitive when compared to high-cost proprietary tools. It can lower barriers to entry, especially for smaller players that might otherwise be priced out of accessing advanced anti-corruption and compliance technologies. This distinction matters in practice: The tools themselves carry no licensing fee for public authorities, while only the commercial data they may draw upon is licensed separately. For a bank, this means a transparent and predictable cost structure compared with fully proprietary suites.

What makes FALCON different is not only the price point, but the combination of publicly funded research, trustworthy AI, and transparent and fair licensing. That can help bring advanced compliance technology in wider practical use, fostering sector-wide innovation.

Q9. For innovative tools still under active development (such as those at TRL 7), what is the benefit for a financial institution in engaging early as a "validation partner", actively shaping the commercialisation path of technology that will ultimately be adopted by law enforcement?

For banks, the key benefit of engaging early with tools like those developed in FALCON is the chance to shape them around real compliance needs from the start. As a validation partner, a financial institution can help ensure that the tools fit operational workflows, reflect actual risk scenarios, and meet the level of usability and explainability that compliance teams require.

Early engagement also puts validation partners at the forefront of innovation, giving them privileged access to tools that may later be used more widely by law enforcement and industry peers. That helps them prepare sooner for new investigative approaches, strengthen their own controls, and build practical know-how ahead of broader adoption.

So, the advantage is not only earlier access to innovation, but the ability to actively influence how FALCON's solutions evolve into tools that are relevant, workable, and credible in real compliance practice.

Project Details

FALCON (Fight Against Large-scale Corruption and Organised Crime Networks) is a three-year Horizon Europe research project in the field of anti-corruption. It addresses the significant challenges of the global fight against corruption by developing new, data-driven indicators and tools following an evidence-based, multi-actor and interdisciplinary approach.

FALCON comprises 25 partners from 15 countries.

Coordinator: Jenny Adamopoulou, Institute of Communication & Computer Systems (ICCS)
Duration: 09/2023 - 08/2026
Call / Topic: HORIZON-CL3-2022-FCT-01-05
Budget: € 5 080 455,00

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