CR360 Methodology Overview

Methodology Version 0.3 | Customer-facing overview | 20 October 2026

Purpose of this document

This overview explains how Country Risk 360 converts approved jurisdiction-level evidence into LOW, MEDIUM, HIGH or EXTREME classifications. It is designed to let customers understand, apply and explain CR360 outputs without requiring access to internal technical mappings or software implementation details.

1. What CR360 assesses

CR360 assesses geographic or jurisdiction risk. It provides a structured classification that can be used as an input within an organisation's own customer-risk, onboarding, due-diligence, monitoring, governance or audit framework.

The methodology is applied consistently across a universe of 249 ISO-based jurisdictions. Each published assessment is a point-in-time result tied to an assessment date and methodology version.

2. Methodology principles

- Explainable: material triggers can be described in plain language.
- Deterministic: identical approved evidence produces identical classification outcomes.
- Evidence-based: classifications follow documented rules rather than analyst opinion.
- Conservative: missing, ambiguous or unexpectedly changed evidence is not silently treated as LOW risk.
- Version controlled: historical assessments remain interpretable against the methodology version and assessment date that produced them.
- Professional judgement remains with the user: CR360 supplies a jurisdiction-risk input rather than a complete customer or transaction risk assessment.

3. Classification categories

LOW	MEDIUM	HIGH	EXTREME

CR360 does not average the evidence into a composite score. A higher-priority trigger is not diluted by benign evidence from another source.

4. Evidence framework

The methodology evaluates nine normalised evidence streams grouped into six jurisdiction-risk domains. Approved sources contribute evidence; the CR360 methodology determines the classification effect of that evidence.

Evidence domain	Approved source / evidence	Methodology treatment
Comprehensive sanctions	Controlled CR360 comprehensive-sanctions register	Presence in the controlled register -> EXTREME
Targeted sanctions	OFAC; UN; UK Sanctions List; EU consolidated sanctions evidence	Mapped jurisdiction-specific regime/programme -> HIGH
AML/CFT deficiencies	Financial Action Task Force (FATF)	Call for Action or Increased Monitoring -> HIGH
Corruption	Transparency International Corruption Perceptions Index (CPI)	CPI score <= 25 -> MEDIUM
Rule of law	World Bank Worldwide Governance Indicators - Rule of Law	CR360 Rule of Law threshold <= 25 -> MEDIUM
Tax transparency	OECD Global Forum Exchange of Information on Request (EOIR)	Non-Compliant -> HIGH; Partially Compliant / Provisionally Partially Compliant -> MEDIUM

5. Classification decision framework

1	**EXTREME**	Controlled comprehensive-sanctions trigger
2	**HIGH**	Targeted sanctions, FATF strategic deficiency or OECD EOIR Non-Compliant
3	**MEDIUM**	CPI / Rule of Law threshold or OECD EOIR Partially Compliant / Provisionally Partially Compliant
4	**LOW**	No higher-priority methodology trigger identified

No averaging

The hierarchy is intentional. A serious trigger remains visible and is not offset by stronger performance in an unrelated evidence domain. Where several sources support a classification, CR360 preserves the relevant reasons.

6. Sanctions interpretation

Targeted sanctions and comprehensive sanctions are treated differently because their legal and practical effects can be materially different.

Targeted sanctions signal

A jurisdiction-level targeted-sanctions signal is a geographic-risk trigger. It does not mean that a particular customer, beneficial owner, counterparty or transaction is sanctioned. The user must still screen relevant persons and entities and determine whether the applicable regime affects the proposed activity.

EXTREME classification

EXTREME identifies a controlled comprehensive-sanctions trigger and calls for heightened escalation and legal/sanctions analysis. It is not a universal conclusion that every relationship or activity involving that jurisdiction is prohibited in every legal system.

7. Evidence integrity, freshness and change control

- A live-source retrieval failure must not silently produce a LOW classification.
- Unknown or materially changed sanctions programme or regime identifiers are treated as review events rather than guessed or silently ignored.
- A legitimate absence of a jurisdiction record is distinguished from source failure or an incomplete dataset.
- Source date, reporting year or file-generation date is retained where available.
- FATF evidence is maintained under a controlled official register with a freshness control.
- Material source-format changes that prevent reliable interpretation should stop publication until reviewed.

8. Publication validation and point-in-time snapshots

Before a new run may become the current CR360 assessment, it passes operational publication controls. These controls protect the reliability of publication; they are not additional risk-classification rules.

Publication control	Current requirement
Jurisdiction universe	Exactly 249 jurisdiction results, with each ISO code appearing once
Allowed outcomes	LOW, MEDIUM, HIGH or EXTREME only
Evidence completeness	Nine normalised evidence records expected per jurisdiction
Source sanity controls	Minimum expected source inventories used to detect obvious truncation or failure
Failure behaviour	A failed run does not replace the prior valid current snapshot

Each successful publication is a dated point-in-time snapshot. A report does not automatically update after download and should be refreshed at an interval appropriate to the user's own risk-based methodology.

9. How to use a CR360 classification

CR360 is intended to support organisations that need a consistent external jurisdiction-risk methodology. The classification may be used as a geographic-risk input in onboarding, customer-risk scoring, enhanced due-diligence decisions, periodic review, audit evidence and governance reporting.

Appropriate use	Not provided by CR360
Jurisdiction/geographic-risk input	Overall customer, transaction or business-relationship risk assessment
Evidence of the assessment applicable on a particular date	Sanctions, PEP or adverse-media screening
Support for internal RMCP / risk-methodology documentation	Identification and verification, source-of-funds or source-of-wealth assessment
Consistent classification across the adopted jurisdiction universe	Legal, regulatory, tax or investment advice

10. Methodology versioning

Methodology versioning distinguishes changes to the decision framework from routine evidence refreshes and technical implementation changes.

- A threshold change, classification-effect change, addition/removal of an evidence domain, or material reinterpretation of a controlled methodology mapping generally requires a methodology version change or controlled methodology release.
- Routine publication of newer evidence from an already approved source does not, by itself, create a new methodology version.
- A technical refactor that preserves methodology outputs may change software version without changing methodology version.
- Historical outputs should always be read together with their assessment date and methodology version.

11. Known limitations

- The controlled comprehensive-sanctions register is a maintained methodology input rather than an automatically inferred conclusion from the existence of targeted sanctions programmes.
- FATF evidence currently relies on a controlled official register because reliable automated retrieval is not used as the authoritative production method.
- Jurisdictions outside the adopted 249-jurisdiction universe are not independently classified.
- Jurisdiction-level sanctions evidence does not establish customer-level sanctions exposure.
- CR360 does not assess product, delivery-channel, customer, transaction, ownership or behavioural risk.

Core methodology principle

CR360 is designed to be explainable before it is sophisticated. A user should be able to understand why a jurisdiction was classified without reverse-engineering a proprietary composite score.

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