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ICA International Diploma in Anti Money Laundering Syllabus

Anti Money Laundering (AML) and Countering the Financing of Terrorism (CFT) in Context

Money Laundering and Terrorist Financing - Definitions and Nature

- The nature of money laundering and terrorist financing
- How is money laundered?
- The money laundering process
- The limitations of the three-stage interpretation of money laundering

The International Context

- International initiatives to counter money laundering and terrorist financing and developments
- The Financial Action Task Force (FATF)
- The European Union I
- The International Monetary Fund
- The United Nations
- The Organisation for Economic Development (OECD)
- The Egmont Group of Financial Intelligence Units – a semi-governmental organisation
- International and regional bodies
- The interface between money laundering and corruption

International Anti Money Laundering and Counter Terrorist Financing Frameworks

- Development of domestic anti money laundering and terrorist financing models
- AML legislation and strategy
- Tax evasion as a predicate offence for money laundering
- The USA PATRIOT Act and US extraterritoriality

- The UK Framework: Primary legislation
- The UK Framework: Secondary legislation and regulation
- The Jersey AML/CFT strategy
- The Guernsey AML/CFT strategy
- Alternative national AML/CFT models
- EU Member States AML models

Laundering the Proceeds of Tax Evasion

- Taxes payable and conflict of laws rules that determine where taxes are paid
- Typical onshore anti-tax avoidance provisions
- New disclosure requirements designed to identify tax evaders
- Criminal liability for laundering the proceeds of tax evasion

Vulnerabilities of Products and Services

- Vulnerabilities of specific products and services
- Retail banking services
- Lending and credit
- Cyber-laundering, electronic payment systems and emerging technologies
- Internet gambling and land based casinos
- International trade and trade finance
- Wealth management
- Investment management services and securities
- Stockbroking, investment management and fund products
- Retail investment funds
- Life insurance and pensions
- General Insurance
- Money services businesses
- Non-financial professionals (lawyers and accountants)
- Trusts and corporate services



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Terrorist Financing, Proliferation Financing and Sanctions

Terrorist Financing and Proliferation Financing

- The international strategy on terrorist financing
- The EU strategy on terrorist financing
- The UK's counter terrorist financing strategy and legislation
- Characteristics and sources of terrorist financing
- Moving terrorist funds
- Proliferation financing and dual-use goods

Complying with Sanctions and Freezing Requirements

- What are sanctions?
- Why are sanctions relevant to the financial sector?
- Global sanctions framework
- The FATF Standards 2012
- European Union sanctions regime
- UK financial sanctions regime
- US financial sanctions regime
- Complying with financial sanctions regimes
- Designing a compliance framework
- Sanctions lists and screening
- Quality assurance and testing
- Internal communications and training

Designing a Comprehensive Anti Money Laundering and Combating Terrorist Financing Framework for a Financial Services Business

Concepts of Risk Management

- Key concepts of risk assessment
- Identification of money laundering and terrorist financing risks
- Countering the risk of terrorism financing
- Identifying and assessing risk
- The creation of a control library
- Measuring the effectiveness of controls
- Deliverables from the risk assessment

Implementing an AML and CFT Risk- based Approach

- The international standards and requirements
- Determining a risk-based strategy and approach
- Designing an AML and CFT strategy
- Identifying and managing specific money laundering risks
- Understanding the interrelated business risks
- Continuous review of the risk-based approach to AML/CFT

Risk-based Customer Due Diligence, Customer Risk Profiling and Monitoring

Customer Due Diligence (CDD)

- What is CDD?
- Taking a risk-based approach to CDD
- The value of CDD information
- Transparency and beneficial ownership requirements
- Managing high-risk situations
- Politically exposed persons (PEPs)
- Correspondent banking relationships
- Simplified Due Diligence in lower-risk situations
- Assessing money laundering risk in all other circumstances
- The information to be collected and verified
- Relying on third parties and accepting introduced business
- Customer review and updating CDD
- Compliance monitoring of the CDD process
- Retaining customer records

Escalation and Exit Strategies

- Escalation and exit – context
- Responsibilities of senior management
- Exiting relationships
- Good practice in exiting customers



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Governance and Leadership

The AML/CFT Governance Framework

- Managing AML/CFT compliance risk
- Defining roles and responsibilities
- The role of senior management
- The role of the MLRO
- The multidisciplinary approach

Management issues for AML and CFT Policy

- Formulating a risk-based strategy and policy
- The need for a group-wide policy
- Content of a policy
- Defining and determining the risk-based approach for CDD policies
- Senior management commitment in to the policy
- Implementing and communicating AML and CFT compliance arrangements
- Drafting an AML/CFT handbook
- Other issues to consider

Culture and Training

- Creating an effective AML/CFT culture
- The importance of ethics and integrity
- Common cultural barriers
- Awareness and training
- Competence testing

Suspicious Activity/Suspicious Transaction Reporting and Dealing with the Authorities

Transaction Monitoring and Filtering Framework

- Requirements of the international standards
- Monitoring wire transfers
- Transaction records
- Strategic transaction monitoring and filtering programmes
- Identifying key risks
- Risk-based transaction monitoring
- Reviewing management information and key performance indicators

Recognition, Handling and Reporting Transactions

- The legal obligation to report
- The mandatory reporting requirement
- Currency transaction reporting
- Designing an effective internal reporting system
- The Nominated Officer's evaluation process
- Making a suspicious activity report to law enforcement

Post-reporting Considerations

- Tipping off – Handling the risk of committing the offence
- Constructive trusteeship
- Responding to discovery and enforcement orders
- Terminating relationships
- Managing media enquiries
- Subsequent customer review techniques

Dealing with the Authorities

- Obtaining NCA consent
- Responding to informal requests for additional information
- Monitoring Production Orders and other court orders
- Legal professional privilege
- Fraud and International Cooperation Notices
- Restraint Orders
- Confiscation Orders
- Civil asset recovery
- Managing document retention