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ICA International Advanced Certificate in Anti Money Laundering Syllabus

Module 1: What are the Money Laundering, Terrorist Financing and Sanctions Risks that must be Managed?

- What is money laundering?
 - What role can the financial sector play?
 - How is money laundered?
 - A modern assessment of money laundering
 - The money laundering offences
 - The links between money laundering and corruption
 - Money laundering and tax evasion
 - Why is money laundering prevention important?
- Terrorist financing
 - What is terrorist financing?
 - How is terrorism financed?
 - What is an alternative remittance system?
- Financial and economic sanctions
 - What are sanctions?
 - Why are sanctions important?
 - United Nations Sanctions Framework
 - Regional sanctions
 - US (OFAC) regime
 - Country restrictions
 - Local sanctions laws
 - The cost of getting it wrong
- Proliferation finance
 - Dual-use items
 - The risks arising from proliferation financing

Module 2: The International Bodies and Standard Setters

- The role of the international bodies
- Key international organisations
 - The International Monetary Fund
 - United Nations Global Programme against Money Laundering
 - The World Bank
 - The Financial Action Task Force
 - The Basel Committee on Banking Supervision
 - The European Commission and Council
 - The Egmont Group
 - The Wolfsberg Group
 - Transparency International
- The work of the international bodies and its relevance for AML practitioners
 - FATF mutual evaluations
 - Typologies and guidance
 - The focus of transparency



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Module 3: National Legal and Regulatory Frameworks

- The impact of the FATF standards and recommendations on domestic frameworks
- US primary legislation and regulation
 - Bank Secrecy Act 1970
 - The PATRIOT Act
 - Other related AML/CTF legislation
 - Key US regulatory and law enforcement authorities
 - Lessons from enforcement actions
- United Kingdom
 - Primary legislation: The Proceeds of Crime Act 2002
 - Secondary legislation: The Money Laundering Regulations 2007
 - Industry and professional guidance
 - Financial Conduct Authority supervisory rules and enforcement
 - Key UK law enforcement authorities
 - The UK as a high-risk jurisdiction
- Examples of other jurisdictions
 - Singapore
 - Hong Kong
 - India
 - United Arab Emirates

Module 4: Taking an AML/CTF Risk-based Approach and Managing the Risks

- What is an AML/CTF risk-based approach?
 - FATF guidance on the risk-based approach
 - National risk assessments
- Determining the risks
 - Business risk assessments: organisations and operational risks
 - Assessing sector risk
 - Assessing product and service risk
 - Customer risk
 - Geographical risk
 - Delivery channel risk
- Management of AML/CTF risks
 - Implementing a risk-based approach
- Anti money laundering roles and responsibilities within a financial services business
 - The role of senior management
 - The role of the money laundering reporting officer
 - The MLCO/MLRO's role in money laundering risk assessment
 - Managing relationships with law enforcement agencies and regulators
- Escalation to senior management
- Exiting relationships



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Module 5: Initial and 'Ongoing' Customer Due Diligence (CDD)

- What is CDD?
 - The basic international standard
 - Who is the customer and what is meant by the identification of beneficial owners?
- The risk-based approach to CDD
 - The requirements of the international standards
 - Practical application of the risk-based approach to CDD
 - Risk-based CDD requirements for existing customers
- Lower risk situations and simplified due diligence
 - Exceptions made to guard against financial exclusion
- Higher-risk situations and enhanced due diligence
 - When is enhanced due diligence required?
 - What is enhanced due diligence?
 - Mandatory high-risk customers: PEPs
 - Mandatory high-risk relationships: correspondent banking
 - Other examples of high-risk situations
 - Unacceptable relationships
- The practical application of CDD
 - Interpretation of the key CDD terminology
 - CDD for specific risk situations
- Identifying and verifying identity
 - Who must be identified and why?
 - Electronic verification of identity
 - Identifying and verifying the identity of corporate entities
 - Beneficial ownership and complex structures
 - Relying on third parties and accepting introduced business
- The extent of additional information to be collected
- 'Ongoing CDD' and monitoring relationships
 - Trigger event monitoring
 - The challenges to be overcome
- Testing the CDD process

Module 6: Monitoring Activity and Transactions

- The developing standards for monitoring transactions and activity
 - Customer profiling and using CDD information for monitoring purposes
 - Transaction records
 - Monitoring processes adding value to the AML/CTF regime
- Risk-based transaction monitoring and filtering framework
 - Transaction monitoring programmes
 - Automated transaction monitoring systems
 - Escalation processes
 - MI and exception reporting
- Wire transfer requirements of the International Standards
 - The EU Wire Transfer Regulation
- Sanctions lists and screening
 - Who should be screened?
 - Screening systems and controls

Module 7: Recognising and Reporting Suspicions

- The international requirements
- Currency transaction reporting
 - The US dual reporting requirements
- What is meant by suspicion and reasonable grounds to suspect?
 - The subjective test of suspicion
 - Reasonable grounds to suspect; the objective test of suspicion
- Setting reporting rules and parameters
 - The issues for consideration
 - Cross-border reporting obligations
 - What constitutes suspicious activity?
- The SAR/STR process and its documentation
 - Acknowledging an SAR/STR
 - Reasons for reporting
 - Making enquiries
 - The MLCO/MLRO evaluation process
 - Avoiding tipping off
- Balancing the needs of law enforcement with breach of customer confidentiality
 - The interface with data protection requirements



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Module 8: The Vulnerabilities of Specific Services and Products

- Banking services
 - Retail banking services
 - Private banking
- Correspondent banking
- Lending and credit
 - Credit/charge cards and stored-value cards
 - Consumer finance
 - Mortgage lending
- International trade and trade finance
 - Letters of credit
- Foreign exchange and money transfer services
 - Foreign exchange bureaux
 - Money services businesses including alternative remittance systems
- Trust and corporate service providers
 - Corporate service providers
 - Trustee services
 - Tax evasion through offshore trusts and companies
- Insurance
 - Life insurance
 - General insurance
- The gaming sector
- Internet payment systems and virtual currencies
 - Risk factors within internet service providers
 - Digital virtual currencies