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ICA International Diploma in Anti Money Laundering Syllabus

Module 1: Anti Money Laundering (AML) and Counter Terrorist Financing (CTF) in Context

Unit 1: Money Laundering and Terrorist Financing – Definitions and Nature

- Introduction
- How is money laundered?
- Limitations of the staged interpretation of money laundering

Unit 2: The International Context

- International and regional bodies
- The Financial Action Task Force (FATF)
- The European Commission and Council
- The International Monetary Fund
- The United Nations system
- The Organisation for Economic Development (OECD)
- The Egmont Group of Financial Intelligence Units – a semi-governmental organisation
- Non-governmental organisations (NGOs)
- The interface between money laundering and corruption

Unit 3: Anti Money Laundering and Counter Terrorist Financing Frameworks

- Domestic anti money laundering (AML/CTF) models
- The UK model: primary legislation
- Secondary legislation and regulation: The UK model
- The Jersey strategy on money laundering and terrorist financing
- The Guernsey strategy on money laundering and terrorist financing
- Alternative national AML/CTF models

Unit 4: Vulnerabilities of Products and Services

- Retail banking services
- Lending and credit
- Cyber laundering, electronic payment systems and emerging technologies
- 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

Module 2: Terrorist Financing

Unit 5: Terrorist Financing and Proliferation Financing

- The international strategy on terrorist financing
- The EU strategy on terrorist financing
- The USA PATRIOT Act and US extraterritoriality
- The UK's counter terrorist financing strategy
- Characteristics of terrorist financing
- Moving terrorist funds
- Proliferation financing



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Unit 6: Complying with Sanctions Regimes and Freezing Requirements

- What are sanctions?
- Why are sanctions relevant to the financial sector?
- Global sanctions framework
- European Union (EU) 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

Module 3: Designing a Comprehensive AML/CTF Risk-based Approach for a Financial Services Business

Unit 7: Concepts of Risk Management

- Key concepts of risk assessment
- The identification risks
- Counter the risk of terrorism financing
- Identifying and assessing risk
- The creation of a control library
- Measuring the effectiveness of controls
- Additional review activities
- Deliverables from the risk-based approach

Unit 8: Implementing an AML/CTF Risk-based Approach for a Financial Services Business

- The international standards and requirements
- Determining a risk-based strategy and approach
- Determining an AML/CTF strategy
- Identifying and managing specific money laundering risks
- Understanding the inter-related business risks
- Ongoing review of the risk-based approach to AML/CTF

Module 4: Risk-based Customer Due Diligence (CDD), Customer Risk Profiling and On-going Monitoring

Unit 9: Customer Due Diligence (CDD)

- Customer Due Diligence (CDD) – What is it?
- Taking a risk-based approach to CDD
- The value of CDD information
- Transparency and beneficial ownership requirements
- Managing high-risk situations
- Managing high-risk situations: Politically Exposed Persons (PEPs)
- Managing high-risk situations – correspondent banking
- Simplified due diligence (SDD) in lower-risk situations
- Assessing money laundering risk in all other circumstances
- The CDD information to be collected and verified
- Relying on third parties and accepting introduced business
- Customer reviews and updating CDD
- Compliance monitoring of the CDD process
- Retaining customer records

Unit 10: Escalation and Exit Strategies

- Exits and escalations: an introduction
- Escalation
- Exiting relationships



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Module 5: Governance and Leadership

Unit 11: The AML/CTF Governance Framework

- Managing AML/CTF compliance risks
- Defining roles and responsibilities
- The Money Laundering Reporting Officer (MLRO)

Unit 12: Management Issues for an AML/CTF Policy

- Formulating a risk-based strategy and policy
- The need for a group-wide programme
- The content of a policy
- Defining and determining the risk-based approach for CDD policies
- Senior management buy-in to the policy
- Implementing and communicating internal AML/CTF compliance arrangement
- Other AML/CTF issues to consider

Unit 13: Culture and Training

- Introduction
- Creating an effective AML/CTF compliance culture
- Common cultural barriers
- Staff awareness and training
- Competency testing

Module 6: Suspicious Activity Reports/ Suspicious Transaction Reports and Dealing with the Authorities

Unit 14: Transaction and Activity Monitoring

- Requirements of the international standards
- Monitoring wire transfers
- Transaction records
- Strategic transaction monitoring and filtering programme
- Identifying key risks
- Risk-based transaction monitoring

Unit 15: Recognition, Handling and Reporting Transactions

- The legal obligation to report
- The mandatory reporting requirement
- Currency transaction reporting
- Designing an effective internal reporting system
- The MLRO evaluation process
- Making a SAR/STR to law enforcement

Unit 16: Post-Reporting Considerations

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

Unit 17: Dealing with the Authorities

- Introduction
- Law enforcement consent
- Managing document retention
- The withholding of consent by law enforcement
- Responding to informal requests for additional information
- Monitoring/Production and other Court Orders
- Legal Professional Privilege (LPP)
- Restraint orders
- Confiscation orders
- Civil asset recovery