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
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 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 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 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 10: Escalation and Exit Strategies

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