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ICA International Diploma in Anti Money Laundering Syllabus

Module 1: Anti Money Laundering (AML) and Countering the Financing of Terrorism CFT 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: The International Anti Money Laundering and Counter Terrorist Financing Framework

- Development of domestic anti money laundering and counter terrorist financing (AML/CFT) models
- The UK's AML/CFT legislation and strategy
- The UK Framework: primary legislation
- The UK Framework: secondary legislation and regulation
- The Jersey strategy on money laundering and terrorist financing
- The Guernsey strategy on money laundering and terrorist financing
- Alternative national AML/CFT models

Unit 4: Laundering the Proceeds of Tax Evasion

- The nature 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

Unit 5: Vulnerabilities of Products and Services

- The nature 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

Module 2: Terrorist Financing, Proliferation Financing and Sanctions

Unit 6: 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 7: 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 8: 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 9: Implementing an AML/CTF Risk-based Approach for a Financial Services Business

- The international standards and requirements
- Determining a risk-based strategy and approach
- Applying the risk-based strategy and approach
- Benefits of 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

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

Unit 10: 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 11: 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