
Overview

This standard is about developing an Anti-money Laundering and Countering Terrorist Financing policy for your organisation, which is realistic and achievable and is consistent with regulations and legislation. You must identify how different staff in your organisation will comply, typically in the form of guidance materials, and the policies required – including client confidentiality, responsibility and accountability, training, monitoring and evaluation. You must help your colleagues to understand and support the policy, adjusting plans when necessary, and identifying areas for improvement. You must also determine how your organisation will deal with non-compliance.

Performance criteria

You must be able to:

1. identify the relevant authorities and the measures for Money Laundering and Terrorist Financing prevention with which your organisation must comply
2. define clearly the responsibilities and accountabilities of staff and senior management in your organisation for Money Laundering and Terrorist Financing prevention
3. determine how client confidentiality will be protected within the constraints of Money Laundering and Terrorist Financing reporting requirements
4. determine how the acceptance of business complies with customer due diligence and risk assessment procedures
5. determine the practical actions to implement an Anti-money Laundering and Countering Terrorist Financing policy
6. develop appropriate Anti-money Laundering and Countering Terrorist Financing policy and procedures which is based on accurate research and is compliant with all relevant legal and regulatory requirements, whilst taking into account any organisational constraints including existing and anticipated resources and meets the needs of the intended audience
7. ensure that the policy is underpinned by the organisation's strategy
8. confirm the policy includes mechanisms for raising and proving dispensations and waivers
9. identify and implement methods and measures for monitoring and evaluating compliance with Anti-money Laundering and Countering Terrorist Financing policies
10. confirm that your organisation's strategic plans are consistent with the Anti-money Laundering and Countering Terrorist Financing policy
11. determine how your organisation will deal with non-compliance
12. agree realistic and achievable targets and timescales for implementation
13. review the policy following implementation and amend accordingly

Knowledge and understanding

You need to know and understand:

1. how to formulate a robust Anti-money Laundering and Countering Terrorist Financing policy and procedures, and why it is important to do so
2. where to find information that can help inform the Anti-money Laundering and Countering Terrorist Financing policy
3. the responsibilities of senior management and the board for Anti-money Laundering and Countering Terrorist Financing
4. measures and methods for monitoring and evaluating performance against plans
5. where to find information that can aid monitoring and evaluation
6. the importance of monitoring compliance with the policies and procedures and reporting regularly on the organisation's performance with regard to Anti-money Laundering and Countering Terrorist Financing
7. the importance of developing strategic plans which support the Anti-money Laundering and Countering Terrorist Financing policy
8. how to recognise failures to comply with the Anti-money Laundering and Countering Terrorist Financing policy and take appropriate remedial action
9. dispensation and waivers in relation to Anti-money Laundering and Countering Terrorist Financing
10. why it is important to regularly review the policy
11. your organisation's requirements relating to the application of codes, laws regulatory requirements and guidance, and potential conflicts with other regulatory regimes, as they impact on your activities

Glossary

Anti-money laundering and counter terrorist financing measures

This encompasses all required policies, procedures and systems as well as the requirement for regulated organisations to apply enhanced customer due diligence and enhanced ongoing monitoring on a risk-sensitive basis in certain defined situations and any other situations which present a higher risk of Money Laundering or Terrorist Financing.

Relevant authorities

This should be extended to all jurisdictions which have control over the organisations, including regulatory, statutory, legal, investing, licensing, issuing and supervisory authorities.

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