

ICA Certificate in Managing Sanctions Risk



Syllabus

Understanding Sanctions

- Definitions:
 - What are sanctions?
 - What are they designed to achieve?
 - Why are sanctions important?
- Measures:
 - Financial
 - Non-financial
- Programmes:
 - Regime-based
 - Activity-based
 - Comprehensive

- PATRIOT Act
- FinCEN special measures
- Focus on the UK:
 - HMT Regime, FCO and BIS
 - FCA, JMLSG
 - Export controls
- Impact of other bodies
- External influences

Defining a Sanctions Governance Framework

- Defining roles and responsibilities
- The importance of (group) policies and procedures
- Culture of compliance
- CDD:
 - Individuals and entities
 - Proliferation and dual use goods
- Recognising techniques for evasion:
 - Wire transfers
 - Stripping
 - U-turns
 - Shell companies
 - Correspondent banking: know your customer's customer

The International Context

- FATF
- UN (Security Council)
- EU Policy and Regulation
- National governments:
 - Primary legislation
 - Implementing departments, enforcement agencies and regulatory bodies
- Focus on the US:
 - OFAC

Sanctions Lists and Screening

- Screening systems and controls
- Who should be screened?
- Individuals
 - Entities
 - Identifying UBOs
 - Suppliers
 - Targeting terrorism (FATF Rec 6)
- Who/what else should be screened?
 - Payments and transactions
 - Goods and services
 - Countries, jurisdictions, regions
 - Sensitive words, dual-use goods and noise words
- External watch lists
- Internal watch lists
- Calibration:
 - Fuzzy logic
 - False positives
- Quality assurance and testing

Managing Alert Investigations

- The importance of good CDD and the role of the Relationship Manager
- Identifying and evaluating sensitive sanctioned countries
- How to discount customer alerts
- How to discount payment alerts
- Dealing with matches:
 - Escalating true matches
 - Responding to information requests
 - Freezing assets
 - Interdictions
- Responding to a breach
- Quality assurance of alert investigations

The Cost of Getting it Wrong

- An examination of some of the key enforcement actions, particularly driven by the US, in order to draw out common themes, for example:
 - Banks: BNP Paribas; Commerzbank;
 - Non-banks: Online Micro; Innospec

The Challenges of Change

- An examination of the constantly evolving sanctions environment:
 - Ukraine/Russia
 - Burma/Myanmar
- North Korea

