

# ICA Specialist Certificate in Money Laundering Risk in Correspondent Banking

## Syllabus

### Essential AML Concepts

- What is money laundering?
- Terrorist financing
- Identifying suspicious activity
- Customer due diligence (CDD)
- The risk-based approach

### Fundamentals of Correspondent Banking

- What is correspondent banking?
- Key terms in correspondent banking
- Types of correspondent activity
- What is 'Risk' in the context of correspondent banking?
- A brief note on customers and clients
- Evolution of correspondent banking
- The shape of the broader financial sector
- A word on post-crisis banking relationships and new trends on correspondent banks

### Regulatory Frameworks

- Regulatory trends and developments
- International standards
- USA PATRIOT Act
- Sources of information
- EU Anti-Money Laundering Directives and correspondent banking



## Money Laundering Risks Inherent in Correspondent Banking

- Examining risk
- Fundamentals of risk management
- Risk management in correspondent banking
- Risk categories
- Risk-assessment methodology
- Risk indicators and risk assessment of correspondent banking relationships
- Risk Considerations
- Tax compliance risks
- Using the risk assessment results
- The importance of identifying, assessing and managing money laundering risks in correspondent banking

## Approaching Due Diligence in Correspondent Banking

- Due diligence as a control function
- Best practice in CDD
- Enhanced due diligence in correspondent banking relationships
- The Wolfsberg Questionnaires – Correspondent Banking Due Diligence Questionnaire (CBDDQ) and Financial Crime Compliance (FCCQ)
- Know your customer's business (KYCB)
- Terminating relationships
- The consequences of inadequate due diligence risk management and compliance capabilities

## Monitoring

- Transaction monitoring in correspondent banking
- Setting up an effective monitoring system
- Understanding of SWIFT message types
- Payment transparency
- Nesting
- Recognising suspicious transactions
- Identifying suspicious activity in correspondent banking
- Responding to suspicious transactions/account activity

## Sanctions

- Sanctions breaches and correspondent banking
- What are sanctions and who implements them?
- The respondent's AML/CFT
- Filters and evasive steps