

ICA Essentials: Managing Sanctions Risk

Sanctions and sanctions compliance present unique challenges and risks to a business. Requirements are continually changing in response to changing geopolitical events. Therefore, developing up-to-date, foundational understanding of the threat together with current best practice can help you ensure that your firm complies with international requirements.

What will you learn?

Defining sanctions

- What are sanctions, what are they designed to achieve, and why are they important?
- Financial and non-financial measures.
- Programmes: Regime-based, activity-based and comprehensive.

The international context of sanctions

- Who are the international government bodies and what is their influence on the international sanctions landscape? (Including FATF, UN, EU, national governments, with a focus on the US/ UK).
- Impact of other bodies and external influences to sanctions implementation.

Building a sanctions governance framework

- Defining roles and responsibilities within your organisation and how group policies and procedures can underpin effective sanctions compliance.
- How can an effective CDD process on individuals, entities and correspondent banks enable you to comply with sanctions law?
- Recognising sanctions evasion techniques, including wire transfers, stripping, and shell companies.

Sanctions list and screening

- Who and what should be screened? External and internal watch lists.
- How to calibrate your sanctions screening tools to consider fuzzy logic and minimise your false positives?
- The importance of an effective quality assurance process and how it can ensure your sanctions procedures are as effective as possible.
- Consider what sensitive words, dual-use goods, countries, jurisdictions, regions, payments and transactions may result in triggers.

What will you learn?

Managing sanctions alerts

- The importance of good CDD and the role of the Relationship Manager.
- How to identify and evaluate sensitive sanctioned countries?
- What skills are required by the modern day compliance officer to discount customer and payment alerts?
- How to respond to a breach.

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.
- An opportunity to discuss real case studies such as BNP, Paribas and HSBC, and consider how such breaches can be avoided in the future.

The challenge of change

- An examination of the constantly evolving sanctions environment. We will consider how political developments, such as recent developments in the relationship between the US and North Korea and Iran.
- What external resources are available for us to stay up to date with sanctions changes around the world?

Related Course: ICA Certificate in Managing Sanctions Risk

