

Anti-Money Laundering: Practical Challenges for Implementation

Alison Bright
Group Anti-Money Laundering Officer
Australia and New Zealand Banking Group
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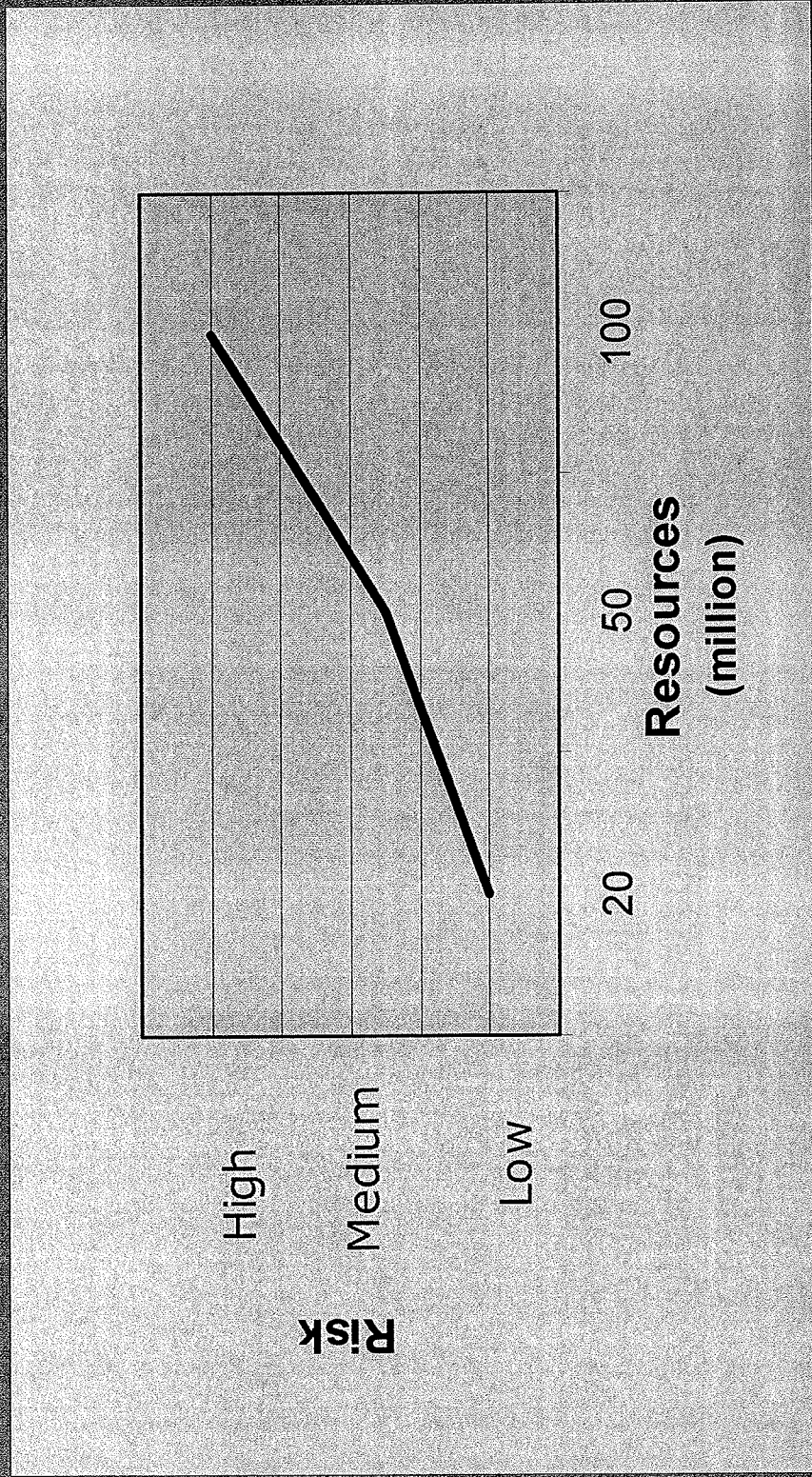
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Agenda

- What is a risk-based system?
- Risk assessment
- What are 'appropriate risk-based systems and controls'?
- Implementation challenges when establishing an Anti-Money Laundering (AML) program:
 - Customer Identification
 - Ongoing Due Diligence
 - Transaction Monitoring
 - Enhanced Due Diligence
 - Staff Training
 - Employee Due Diligence
- Strategies for the new AML regime

What is a risk-based system?



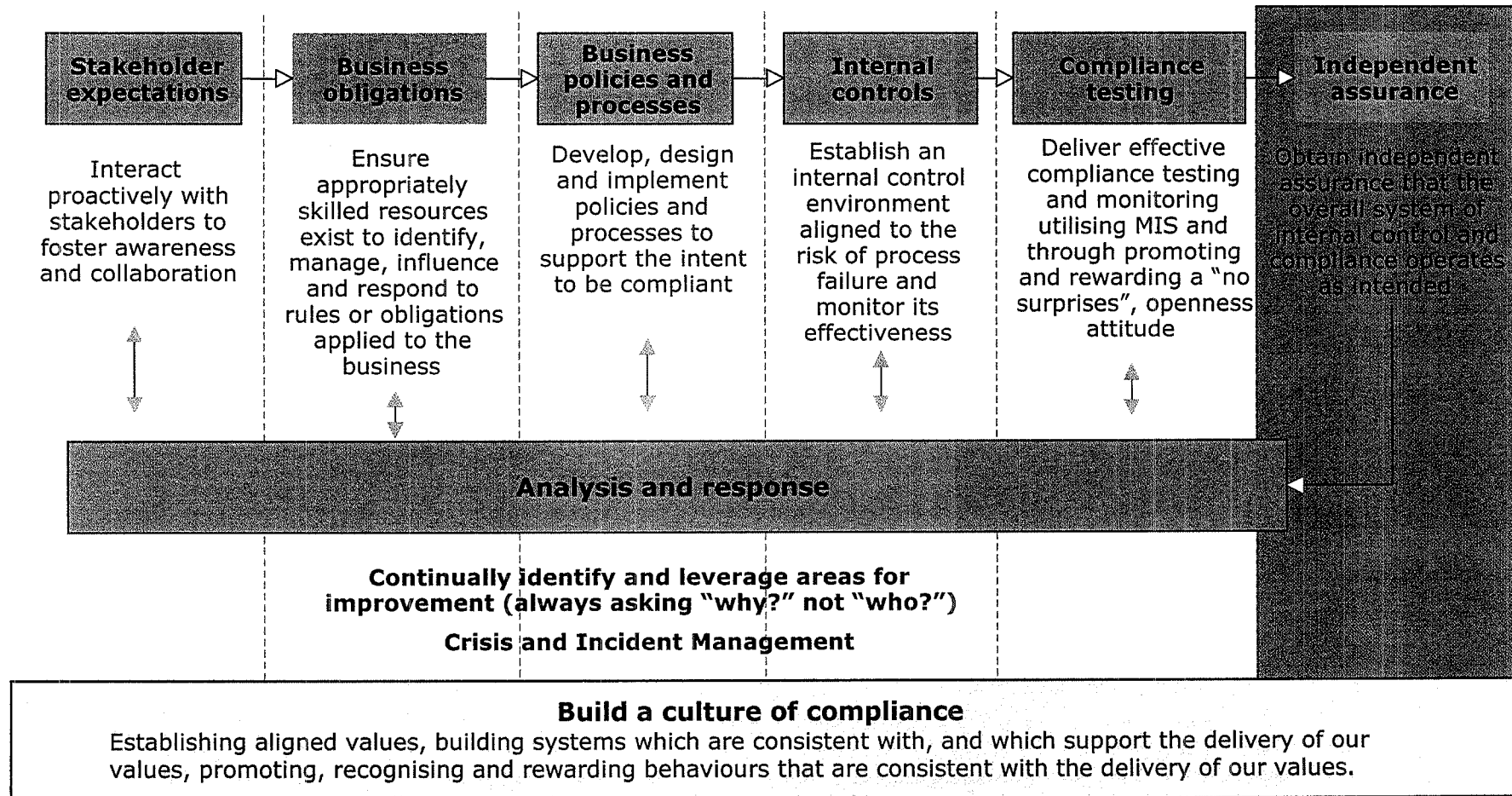
Risk assessment

- Risk identification:
 - Customer type
 - Type of designated service/product
 - Delivery method
 - Jurisdiction
- Risk measurement
- Sources
- Updating

Appropriate risk-based systems and controls

- Definition
- Appropriate vs Best Practice
- Sources
- Updating

Establishing an AML Program



Customer Identification

- Safe harbour – lower to medium risk
- Competitive issues
- Know Your Customer Information
- Updating
- Tipping off

Ongoing Due Diligence

- Collection of information
- Customer experience
- Fraud

Transaction Monitoring

- Role in the AML Program
- Selection of systems
- Feedback and fine tuning

Enhanced Due Diligence

- Timing
- Customer experience
- Tipping off

Staff Training

- General awareness
- Specialist training
- Procedural training

Employee Due Diligence

- Risk assessment
- Level of due diligence

Strategies for a new AML regime

- Sources
- Contact
- Regulator engagement

