

Specification of Competency Standards for the Retail Banking

Unit of Competency

Compliance and Risk Management > 4.1 Compliance

Title	Monitor controls on anti-money laundering activities
Code	107393L5
Range	Designing different systems to monitor activities within the bank for identifying money laundering activities. The system should cover money laundering activities of any kinds and can be applied to different businesses / operations of the bank
Level	5
Credit	4
Competency	<p>Performance Requirements</p> <ol style="list-style-type: none"> 1. Evaluate the risks of money laundering <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> • Evaluate regulations related to money laundering prevention and identify the implications to the bank's activities • Evaluate common means on money laundering in order to develop suitable controls for the bank 2. Design monitoring system for money laundering <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> • Review current controls on anti-money laundering in order to identify areas with weak controls and vulnerable to non-compliance behaviors • Determine key performance indicators and trigger events according to the risk tolerance of the bank in order to monitor risks in money laundering • Develop a mechanism to identify high-risk customers • Develop monitory system to measure and collect information regarding essential indicators as specified in the anti-money laundering framework • Set up monitoring policy to ensure that different activities are conducted in conformity with laws and regulations and services is not provided for transactions which are suspected to be associated with illegal activities • Evaluate the bank's performance in money laundering prevention and provide recommendations on improving the monitory system 3. Monitor the bank's activities and identify warning signals <ul style="list-style-type: none"> Be able to: <ul style="list-style-type: none"> • Determine the degree and frequency of monitoring in accordance with the risks and importance of different processes • Review operations and activities of the bank in order to detect non-compliance of anti-money laundering policies and regulations • Identify incidents of money laundering and conduct investigation in order to find out the causes for the failures and undertake remedial actions if necessary • Report any suspicious cases to management and present relevant information to facilitate their decision

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Assessment Criteria	The integral outcome requirements of this UoC are: <ul style="list-style-type: none">• Development of monitoring systems to ensure early identification of suspicious activities on money laundering. This should be based on analyses on relevant regulatory requirements, money laundering activities and operations of the bank.• Monitoring different activities of the bank to identify warning signals at a timely manner. These should be based on analysis on information collected from different sources and investigation.• Reporting of suspicious cases to management by extracting and presenting relevant information. These should be based on analysis on information collected from different sources and investigation.
Remark	