

Specification of Competency Standards
for the Banking Industry
Unit of Competency

Functional Area - 5. Internal Control and Compliance
(Key Function – 5.5 Anti-Money Laundering / Counter- Financing of Terrorism (AML/CFT) / Sanctions)

Title	Develop anti-money laundering, counter-financing of terrorism and sanctions related framework, programme and policies of the bank
Code	109347L6
Range	Development of bank-wide anti-money laundering, counter-financing of terrorism and sanctions policies, guidelines, procedures and programmes. The policies, guidelines, procedures and programmes should cover AML/CFT/Sanctions activities of any kinds and can be applied to different businesses / operations of the bank.
Level	6
Credit	4 (For Reference Only)
Competency	<p>Performance Requirements</p> <p>1. Knowledge in the Subject Area</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Understand the background of AML/CFT/Sanctions and apply the knowledge to conduct research on the macro-economic environment and development of banking industry in order to project the trends in related activities; • Possess knowledge in the global development of AML/CFT/Sanctions and based on that to analyse related legislations and rules proposed by different regulators or international bodies in order to identify the implications on the bank's strategies and activities. <p>2. Applications</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Examine the past cases on money laundering, terrorism financing and violation of sanctions and evaluate against the existing operations and procedures of the bank in order to identify high risk areas; • Assess the probability and possible consequences of money laundering, terrorism financing and violation of sanctions on different operations of the bank in order to develop suitable combating policies and control; • Develop policies and requirements on sales process (e.g. know your client and risk assessment procedures) in compliance with regulatory standards; • Keep updated with the latest development in money laundering, terrorism financing and violation of sanctions prevention and update the policies as necessary. <p>3. Professional Behaviour and Attitude</p> <p>Be able to:</p> <ul style="list-style-type: none"> • Define clearly the roles and responsibilities of different individuals during the process of money laundering, terrorism financing and violation of sanctions prevention and develop communication strategies to ensure staff's understanding on their roles; • Develop the reporting system and template on AML/CFT/Sanctions and develop a culture which encourage reporting of suspicious activities; • Review operations and activities of the bank in order to detect non-compliance of AML/CFT/Sanctions policies and regulations.
Assessment Criteria	<p>The integral outcome requirements of this UoC are:</p> <ul style="list-style-type: none"> • Development of AML/CFT/Sanctions policies to specify guidelines for handling suspicious activities and protecting the interests and reputation of the bank based on

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	consolidated findings from researches on macro-economic development, banking development and current situations of the bank (e.g. procedures, operations, risks); <ul style="list-style-type: none">• Development of measures (e.g. manpower planning, reporting systems, communication strategies etc.) to facilitate implementation of policies based on critical analyses on the process of AML/CFT/ Violation of Sanctions, features of suspicious activities, regulatory requirements and the bank's operations and activities, etc.
Remark	