

Managing the Bank's AML Risk Exposure

A clearly articulated statement of risk appetite and the deliberate use of a well-designed risk appetite framework to underpin decision-making are essential to the successful management of a financial institution's AML/CFT risk. As a key business integrity governance tool and a crucial component of sound AML/CFT risk management a risk appetite framework provides a context for such traditional risk management tools as risk policies, limits and management information based on clear risk metrics. It should therefore not surprise that establishing and maintaining an effective AML risk appetite framework continues to receive a great deal of attention from the regulatory community.

Workshop Overview

Developing a risk appetite framework requires significant time and intellectual resources of the firm's leadership. Firms that have made the most progress report a substantial element of "learning by doing" in an iterative manner over time to embed the concepts of risk appetite into their decision-making processes. The objective of this workshop is to set the stage and develop a clearly defined road map and set of tools to guide the process through its different stages of maturity. The workshop is facilitated by an experienced all-round international banker and is supported by PowerPoint presentations, interactive discussions and sharing of experiences.

Target Audience

Given the strategic implications of the topic this workshop is intended for the bank's executive leadership, i.e. Managing and Supervisory Boards and other designated Management Team members, preferably in a joint session.

Objectives

In a general context, participants will enhance their awareness of their leadership role both at an individual level as well as collectively in managing the firm's AML/CFT exposure.

Specifically, regarding AML Risk Appetite, participants will:

- ▶ Be able to explain how a AML/CFT Risk Appetite Framework will strengthen the firm's AML/CFT defence;
- ▶ Establish the parameters of the Group's AML/CFT Risk Appetite Framework and broadly assess its impact on the bank's business strategy;
- ▶ Agree the process for formalising, communicating and monitoring the AML/CFT Risk Appetite Framework;
- ▶ Agree next steps, timelines and assign responsibilities;

Training Methodology

Supported by PowerPoint slides and short assignments the facilitator will challenge the group to engage in discussions in order to:

- ▶ Articulate a collective management vision with respect to an AML/CFT Risk Appetite;
- ▶ Act as a team in cascading this vision to the staff.

Course Material

It is not anticipated that participants will receive any course material for this workshop.

Investment

Time: the workshop requires participants to commit four hours of their time.

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i-KYC is a leading AML advisory and training firm whose partners and consultants are experienced all-round international bankers and business integrity experts. With its products and services i-KYC supports the full spectrum of the financial sector, from supervisory authorities to financial institutions and AML enforcement agencies such as Financial Intelligence Units.