

Foreign Account Tax Compliance Act / Common Reporting Standard

The enactment of the Foreign Account Tax Compliance Act (FATCA) by the US in 2010 exposes Foreign Financial Institutions (FFIs) to significant challenges. The introduction of Intergovernmental Agreements (IGAs) may help address legal hurdles (e.g. data privacy concerns) but at the same time adds to the complexity of the landscape. The OECD initiated Common Reporting Standard of 2014 attempts to provide clarity and reciprocity.

FFIs need to review their organisational oversight, processes and systems and train their staff to mitigate the risk of potentially severe penalties for non-compliance.

In terms of workflow, it seems sensible to align the FATCA/CRS and AML/KYC processes. But how well aware are your Customer Due Diligence analysts of the FATCA/CRS requirements and how is the FATCA information that is gathered validated?

Course Overview

Supported by subject matter experts this course provides bank staff with the knowledge and tools to address the obligations imposed by FATCA and the OECD's Common Reporting Standard (CRS).

Target Audience

This training targets Due Diligence analysts and customer facing staff dealing with retail and Private Banking customers. Compliance and Audit will also benefit from this training.

Objectives

At the end of the training, the participant will be able to:

- Explain the background of FATCA and CRS initiatives and how this impacts the bank;
- Apply the FATCA and relevant IGA(s) requirements with respect to identifying US indicia;
- Understand the benefits and limitations of applying AML/KYC processes to ensure FATCA compliance;
- Explain FATCA obligations towards the bank's clients.

Topics

- What is the purpose of the Foreign Account Tax Compliance Act and the Common Reporting Standard
- Structure of the law
- Types of financial institutions
- What is a "financial account"
- What information needs to be reported to the tax authorities

Training Methodology

A combination of PowerPoint presentations, discussions and analysing case studies will encourage participants to:

- ▶ Correctly identify and screen FATCA & CRS clients in the bank's portfolio
- ▶ Understand when and how to escalate issues that they cannot resolve by themselves
- ▶ Be responsive in addressing FATCA related client queries

Course Material

Aside from having access to and pre-reading the bank's FATCA procedures, it is not anticipated that participants will receive any course material.

Investment:

Time: the workshop requires participants to commit 3.5 hours of their time.

i-KYC

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