



**Australian Government**

# **FNSAML812 Design and assess controls to monitor money laundering and terrorism financing risk**

**Release: 1**

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## Modification History

| Release   | Comments                                                                              |
|-----------|---------------------------------------------------------------------------------------|
| Release 1 | This version first released with FNS Financial Services Training Package Version 4.0. |

## Application

This unit describes the skills and knowledge required to design and implement procedural controls to proactively identify money laundering (ML) and terrorism financing (TF) risks for an organisation. It covers developing risk analysis criteria to assess an organisation's risk exposure and then designing, implementing and monitoring controls that are flexible and responsive to changes in ML and TF typologies.

The unit applies to individuals who lead and review organisation wide activities, exercise significant autonomy, responsibility and accountability and contribute to the goals and operations of the organisation. They will typically have responsibility for the establishment and review of significant programs in the organisation. They use cognitive and creative skills to review, critically analyse, consolidate and synthesise knowledge, generate ideas and provide solutions to complex problems.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

## Unit Sector

Anti-money laundering and counter terrorism financing

## Elements and Performance Criteria

| ELEMENT                                                      | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                       |
|--------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i>Elements describe the essential outcomes.</i>             | <i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>                                                                                                                                                                                                                     |
| 1. Analyse requirements and develop risk evaluation criteria | 1.1 Analyse all stages of risk assessment process, including identification, assessment, evaluation, mitigation and monitoring, related to organisational requirements<br>1.2 Analyse relevant industry related typologies including those issued by Australian Transaction Reports and Analysis Centre (AUSTRAC) annually |

| ELEMENT                                           | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                   | <p>1.3 Evaluate and select risk management tools for organisation</p> <p>1.4 Develop risk criteria to evaluate risk based on organisation's vulnerability to ML and TF</p> <p>1.5 Formulate and document risk management methodologies, including assessing risk appetite and holistic organisational ML and TF risk review processes</p>                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 2. Assess organisation's current exposure         | <p>2.1 Analyse risk exposure in organisation's operations, including products offered, clients, systems, channels of access and geographical sphere</p> <p>2.2 Analyse vulnerability of organisation to ML and TF risks</p> <p>2.3 Evaluate overall level of risk posed to organisation and confirm that level is within stated risk appetite tolerance</p>                                                                                                                                                                                                                                                                                                                                                                                                |
| 3. Design and implement controls                  | <p>3.1 Evaluate risk mitigation controls already in place and assess if proportionate to nature, size and complexity of organisation</p> <p>3.2 Determine risks with ineffective and insufficient controls</p> <p>3.3 Discuss risk management deficiencies with relevant stakeholders and identify required controls</p> <p>3.4 Allocate responsibility for managing controls to senior managers in organisation</p> <p>3.5 Work with stakeholders to implement controls where required</p>                                                                                                                                                                                                                                                                |
| 4. Monitor and maintain effectiveness of controls | <p>4.1 Review organisation's overall risk assessment addressing methodology, and changes in organisation and regulatory landscape</p> <p>4.2 Implement processes to regularly monitor and assess effectiveness of mitigation controls</p> <p>4.3 Analyse deficiencies and work with stakeholders to ensure remediation</p> <p>4.4 Report deficiencies to relevant internal stakeholders, including management, Board, and audit and risk manager</p> <p>4.5 Report significant breaches to relevant authorities, including AUSTRAC</p> <p>4.6 Monitor implementation of improvements and changes to mitigation controls</p> <p>4.7 Research and analyse changes to industry and environment that may increase risk and necessitate changes to controls</p> |

## Foundation Skills

*This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.*

| Skill              | Description                                                                                                                                                                                                                                                                                                                                                                                                           |
|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Reading            | <ul style="list-style-type: none"> <li>Identifies, critically analyses and evaluates complex documentation from a variety of sources to determine requirements</li> </ul>                                                                                                                                                                                                                                             |
| Writing            | <ul style="list-style-type: none"> <li>Uses clear and concise language and appropriate terminology to convey complex information and provide detailed instructions</li> <li>Prepares logically organised documents using appropriate formats for audience and purpose</li> </ul>                                                                                                                                      |
| Oral communication | <ul style="list-style-type: none"> <li>Uses language and features appropriate to context and audience to present, report and discuss complex information</li> </ul>                                                                                                                                                                                                                                                   |
| Numeracy           | <ul style="list-style-type: none"> <li>Collates, interprets and analyses financial and statistical information to determine and assess requirements</li> </ul>                                                                                                                                                                                                                                                        |
| Self-management    | <ul style="list-style-type: none"> <li>Works autonomously and in teams, making decisions to achieve and improve organisational goals and operations</li> <li>Selects and uses appropriate communication methods and practices to provide information and recommendations</li> <li>Accepts responsibility for planning and sequencing complex tasks and workload</li> </ul>                                            |
| Problem solving    | <ul style="list-style-type: none"> <li>Systematically gathers and analyses relevant information, reviews data and evaluates options in order to inform decisions about complex organisational programs</li> <li>Uses analytical thinking techniques to identify or predict issues and generate possible solutions</li> <li>Analyses, assesses and interprets data to identify problems and improve systems</li> </ul> |
| Technology         | <ul style="list-style-type: none"> <li>Uses digital systems and technologies to enter, store or access information</li> </ul>                                                                                                                                                                                                                                                                                         |

## Unit Mapping Information

Supersedes and is equivalent to FNSAML802 Design and assess controls to monitor money laundering and terrorism financing risk.

## Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>