



Australian Government

FNSAML802 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 2.0.

Application

This unit describes the skills and knowledge required to design and implement procedural controls to proactively identify money laundering and terrorism financing risks for an organisation. It covers developing risk analysis criteria to assess an organisation's risk exposure and the design, implementation and monitoring of controls which must be flexible and responsive to changes in money laundering and terrorism financing typologies.

It 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 within 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 Review all stages of the risk assessment process, including identification, assessment, evaluation, mitigation and monitoring, related to organisational requirements 1.2 Analyse relevant industry related typologies including those issued by Australian Transaction Reports and Analysis Centre

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

ELEMENT	PERFORMANCE CRITERIA
	that may increase risk and necessitate changes to controls

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1, 1.2, 2.1-2.3, 3.1, 3.2, 4.1, 4.7	Sources, critically analyses and evaluates complex documentation from a variety of sources to determine requirements
Writing	1.4, 1.5, 4.4, 4.5	- Uses clear and concise language and appropriate terminology to convey information and provide detailed instructions - Prepares logically organised documents using appropriate formats for the audience and purpose
Oral Communication	3.3, 4.3, 4.4	Uses language and features appropriate to context and audience to present, report and discuss complex information
Numeracy	1.4, 1.5, 2.2, 4.2-4.6	Collates, interprets and analyses financial and statistical information to determine and assess requirements
Navigate the world of work	2.1-2.3, 3.1, 3.4, 3.5, 4.5	- Works autonomously and in teams, making decisions to achieve and improve organisational goals and operations - Monitors and reviews the organisation's policies, procedures and adherence to legislative requirements
Interact with others	3.3, 4.2-4.4	Selects and uses appropriate communication methods and practices to provide information and recommendations
Get the work done	1.1-1.5, 2.1-2.3, 3.2, 4.1-4.2, 4.6, 4.7	- Accepts responsibility for planning and sequencing complex tasks and workload - Systematically gathers and analyses relevant information, reviews data and evaluates options in order to inform decisions about complex organisational programs - Uses formal analytical thinking techniques to identify or predict issues and generate possible solutions - Uses digital systems and technologies to enter, store or

		access information
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSAML802 Design and assess controls to monitor money-laundering and terrorism financing risk	Not applicable	New unit	No equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

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

Assessment Requirements for FNSAML802 Design and assess controls to monitor money laundering and terrorism financing risk

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 2.0.

Performance Evidence

Evidence of the ability to:

- document risk assessment criteria for an organisation
- design and implement risk assessment controls for an organisation
- monitor and report on the effectiveness of controls implemented.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- explain a range of risk criteria relevant to the evaluation of anti-money laundering and counter terrorism financing (AML/CTF) processes
- explain money laundering and terrorism financing (ML/TF) risk assessment process, including identification, assessment, evaluation, mitigation and monitoring
- compare and contrast ML/TF risk management tools used in organisations
- discuss organisational processes and procedures for implementing ML/TF risk mitigation controls
- outline the key features and requirements of the legislative, regulatory and industry requirements for AML/CTF.
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Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the AML/CTF field and include access to:

- relevant legislation, regulations, standards and codes
- relevant organisational records, policies and procedures
- organisational reporting system for suspicious transactions or case study scenarios.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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