



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 1.2 Analyse relevant industry related typologies including those issued by Australian Transaction Reports and Analysis Centre (AUSTRAC) annually

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

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	Identifies, critically analyses and evaluates complex documentation from a variety of sources to determine requirements
Writing	- Uses clear and concise language and appropriate terminology to convey complex information and provide detailed instructions - Prepares logically organised documents using appropriate formats for audience and purpose
Oral communication	Uses language and features appropriate to context and audience to present, report and discuss complex information
Numeracy	Collates, interprets and analyses financial and statistical information to determine and assess requirements
Self-management	- Works autonomously and in teams, making decisions to achieve and improve organisational goals and operations - Selects and uses appropriate communication methods and practices to provide information and recommendations - Accepts responsibility for planning and sequencing complex tasks and workload
Problem solving	- Systematically gathers and analyses relevant information, reviews data and evaluates options in order to inform decisions about complex organisational programs - Uses analytical thinking techniques to identify or predict issues and generate possible solutions - Analyses, assesses and interprets data to identify problems and improve systems
Technology	Uses digital systems and technologies to enter, store or access information

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>

Assessment Requirements for FNSAML812 Design and assess controls to monitor money laundering and terrorism financing risk

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- design and assess at least one procedural control to monitor money laundering (ML) and terrorism financing (TF) risks in an organisation.

In the course of the above, the candidate must:

- design and implement the control to address the ML/TF risk
- develop and document risk assessment criteria for the organisation
- assess organisation's current exposure to ML/TF risk
- monitor and report on effectiveness of implemented procedural control.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- risk analysis criteria relevant to evaluation of anti-money laundering and counter terrorism financing (AMLCTF) processes
- money laundering and terrorism financing (ML/TF) risk assessment process, including identification, assessment, evaluation, mitigation and monitoring
- ML/TF risk management tools used in organisations and their effectiveness
- organisational processes and procedures for implementing and monitoring ML/TF risk mitigation controls
- regulatory and industry requirements for AML/CTF
- tools and techniques that support effective stakeholder management
- methodologies for data interpretation and analysis
- organisational operations, product knowledge, clientele, systems, channels of access and geographical sphere.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- regulations, standards and codes required to design and assess controls to monitor ML/TF risk
- organisational records, policies and procedures required for the performance evidence
- 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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