



**Conference on Implementation & Compliance of Anti-Money Laundering
(AML) Standards - November 30, 2015**

Takeaways from Conference on Implementation & Compliance of Anti-Money Laundering (AML) Standards - November 30, 2015

1. Suspicious transaction identification procedures at the banks needs improvement. It needs to be recognized as an independent function manned by expert staff. Banks AML policies should include clear directions on criterion and minimum amounts of transactions to be reported under STR. Red flags need to be defined for identification and built up into the banks systems. It has to be an interdisciplinary function drawing expertise from all departments of the bank at regular intervals.
2. Reporting of suspicious transactions to FIU IND should include detailed comments regarding reasons of such classification and observations about the accounts. Without such detailed reasons, exercise of FIU IND to integrate and make meaningful use of such data is constrained.
3. The AML Policy of the bank has to cover entire gamut of functions of the bank. Training of the Front Line Staff for monitoring and oversight over transactions in the accounts is of primary importance. Structured exchange of information and free flow of system and human alerts observed need to be ensured by the bank management.
4. Well defined guidelines about accountability and ownership of functions needs to implement by the banks. The AML policy should provide protection to whistleblowers. Accountability and ownership should not become disincentive in identification of money laundering transactions.
5. Some foreign banks have implemented AML policies in a very holistic manner involving all functional departments whereas in many Indian banks such AML policies work in silos. Regular interbank exchange of information through training programs like the one organized

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