Welcome

Sheila Duignan
Partner, Business Risk Services, Grant Thornton
Agenda

7.00pm  Welcome
Sheila Duignan, Grant Thornton

7.05pm  Guest Speaker
Elaine Duignan, Central Bank of Ireland

7.25pm  Guest Speaker
Kevin Nolan, Wells Fargo Bank International UC

7.45pm  Panel Discussion
• Elaine Duignan, Central Bank of Ireland
• Kevin Nolan, Wells Fargo Bank International UC
• Helen Hegarty, Central Bank of Ireland
• Vicki Williams, Perfect Card
4th Anti-Money Laundering Directive ("4AMLD")

Elaine Duignan– Anti-Money Laundering Division, Central Bank of Ireland

23rd February 2017
4th Anti-Money Laundering Directive (4AMLD)

- Published on 5th June 2015 as Directive (EU) 2015/849
- Member States required to transpose to national law by 26th June 2017
- Department of Justice transposing
- Department of Finance/Central Bank input
Overview of 4AMLD

• Repeals the 3rd Anti-Money Laundering Directive
• Aligns EU AML/CFT legislation with 2012 FATF Recommendations
• This new AML package includes the Funds Transfer Regulation (FTR)
4AMLD – Enhancement of the AML Framework

- The risk-based approach approach to AML/CFT is central to 4AMLD
- It enhances the risk-based approach of 3AMLD
- Supervisors mandated to apply risk-based supervision
- National Risk Assessment
- Supranational Risk Assessment
Changes to AML compliance measures

- Risk Assessment and Risk Management
- Politically Exposed Persons (PEPs)
- Beneficial Ownership
- Customer Due Diligence (CDD)
- Country of Equivalence regime
- Policies and Procedures
**RISK**

- Supranational and National
- **Article 8** - Firms obligations
- Identify and assess - proportionate to nature and size
- Risk Factors and Risk Variables outlined
- Review risk assessment in accordance with procedures
- Risk assessments documented
Thank you
Welcome
ACAMS Ireland Chapter Event
Anti-Money Laundering and Counter Terrorist Financing in 2017
23rd February 2017
Anti-Money Laundering and Counter Terrorist Financing in 2017

Kevin Nolan
ACAMS Irish Chapter
Overview

- Big Year For Ireland on AML/CTF
- Big Year for the EU on AML/CTF
- Conclusion
Big Year for Ireland on AML/CTF

• The new Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill 2016 will transpose most of the provisions of the 4th EU Money Laundering Directive.
  – The 2016 Bill will amend the Criminal Justice Act 2010 and will also align Ireland's approach with the recommendations of FATF.
  – Ireland has followed its previous approach to incorporating AML/CTF requirements from the EU by incorporating directly what is contained in the Fourth AML Directive with little changes.

• The EU 4th AML Directive is intended to strengthen laws in the EU to combat money laundering and terrorist financing. It aims to:
  – Standardise CDD requirements throughout EU;
  – simplify the identification of Ultimate Beneficial Owners;
  – clarify Home and Host Regulator responsibilities; and
  – provide consistent approach to Data Protection rules for AML/CFT.
Ireland’s First National Risk Assessment (NRA) was jointly published in October 2016 by the Department of Finance and the Department of Justice and Equality.

The NRA will provide entities within the Irish AML/CFT ecosystem (consisting of the legislative, regulatory, supervisory and industry structures and overall environment) additional guidance regarding the ML/TF Risks that may be considered (and some indication of their potential weighting) when carrying out ML/TF Risk Assessments for their respective entities.

That the NRA was produced by a national steering committee chaired by the Department of Finance with representatives of relevant competent authorities and state bodies highlights the commitment of various government departments in working together for AML/CFT and Tax-related matters (a direct consequence of Panama Papers leak).
Big Year for Ireland on AML/CTF

- Results of the 2016 FATF Mutual Evaluation Review of Ireland
  - Ireland’s mutual evaluation took place in October of 2016.
  - Plenary Session in June 2017 prior to publication of final MER report.
- Change to STR/SAR filing regime in Ireland
- Move towards electronic filing of STRs/SARs with the Garda Bureau of Fraud Investigation via goAML system.
  - System launch is expected for May 2017.
- Filing of hard copy STRs/SARs with the Revenue Commissioners of Ireland shall continue.
- Designated entities should incorporate changes into Processes & Procedures and ensure that they are able to access goAML following launch.
Big Year for Ireland on AML/CTF

  - Registration of Beneficial Owners by entities in Ireland.
  - Further clarification from in January 2017 Department of Finance has shed some light on the application of the New Regulation on Beneficial Ownership.
    - The guidance note does not provide clarity as to whether the central register of beneficial ownership will be public or not.
  - We are likely to see a lot more discussion on the Regulations in 2017.
Big year for the EU on AML/CTF

• Brexit will shake up AML and CTF efforts in EU in regards to future AML Directives and EU-wide exercises to combat ML and TF.

• Brexit must be handled with care in light of the sensitive position of Ireland and Northern Ireland borders.

• The current political environment of the United States will further add complications regarding the EU’s AML and CTF efforts and will require close monitoring.

• Outside of the US and Brexit there remains a number of jurisdictions, both traditional and recent, that continue to merit enhanced scrutiny and/or management for AML/CTF and Financial Sanctions purposes e.g. North Korea or Russia.
Big year for the EU on AML/CTF

- The EU 4th AML Directive will be transposed by member states into Local legislation from June 2017.

- Divergences will likely be seen between members states in incorporating the EU 4th AML Directive which will add to the complicated nature of managing AML and CTF efforts across the EU by obliged entities.

- The draft amendments (the “Fifth Directive”) are currently being finalised and this will add further confusion to legislators, regulators and organisations alike.
Big year for the EU on AML/CTF

• Debate regarding access to Public Registers and Data Protection will continue in 2017.

• Care needs to be taken in balancing AML and CTF efforts under EU AML Directives to that of the requirements of the forthcoming EU General Data Projection Regulation.

• Erring on the side of caution should be expected when dealing with data protection and AML/CTF issues.
Conclusion

• 2017 will see significant changes in the local and international legal, regulatory and political environments that will affect AML/CTF efforts.

• Organisations and individuals need to be proactive in following the ever evolving landscape on AML/CTF in order to keep up with trends.

• There is an increasing expectation on Senior Management of entities to be adequately informed and engaged with the management of ML and TF risks within their respective organisations.

• There will be a growth in the need for suitable AML/CTF professionals and ACAMS can assist.
Ireland Chapter

Keep up to date on our Chapter Website:

http://www.acams.org/acams-chapters/ireland/

Contact ACAMS Ireland Chapter at: irelandchapter@acams.org
Panel Discussion
Thank You