

FINANCIAL TRAINING COURSE/SEMINAR SERIES – SPRING 2003
NEW WINDSOR SERIES

HOW TO COMBAT MONEY LAUNDERING, FINANCIAL CRIME AND THE ABUSE OF ELECTRONIC PAYMENTS –

a practical guide for finance policy-makers and regulators

The independent world forum for
finance policy-makers and financial supervisors

4-day intensive
residential programme

14-17 April 2003

Venue:
Cumberland Lodge
The Great Park
Windsor

LIMITED PLACES AVAILABLE*

Register now before March 31 deadline

UPDATED

Course director:

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* Places are allocated on a first-come, first served basis, so register now!



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Dear Delegate,

HOW TO COMBAT MONEY LAUNDERING, FINANCIAL CRIME AND THE ABUSE OF ELECTRONIC PAYMENTS: *a practical guide for official policy-makers*

Increasingly, policy-makers and financial supervisors recognise that the ability to protect the financial and payment system from abuse is among their most important duties. International pressure to clamp down on money launderers, criminals and terrorist funding makes this task both more pressing, and more complex.

Even the most sophisticated institutions realise the need to upgrade skills and techniques in this area. They also need to share and disseminate knowledge and best practice.

To this end, this Central Banking Training Course/Seminar investigates what financial policy-makers (as banking supervisors, and as overseers of national payment systems) can do to prevent the misuse of their banking/financial/payments system for money laundering or other criminal purposes (in particular the financing of terrorism). It is a practical course, intended to provide possible solutions that can be applied to concrete circumstances.

The seminar meets in roundtable format to allow an international group of delegates maximum opportunities to learn from each other. The elite panel of speakers comprises leading regulators, academics and practitioners. All discussions are held in small groups to encourage lively and informal debate.

Key sessions examine:

- the changing international standards for best practice in this area;
- the key steps involved in upgrading and reforming national anti-money-laundering systems;
- the practical and technical difficulties involved in preventing the misuse of electronic payments;
- and the most effective models for international cooperation between regulators and judicial and investigative authorities around the world.

Each topic allows participating supervisors and central bankers an opportunity to “benchmark” their work against best practice internationally and to exchange views with their peers in an informal setting.

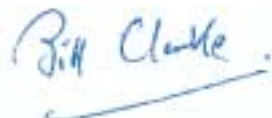
For financial regulators - whose failures hit the headlines, but whose successes can go unrecognised - this process is invaluable. Participants learn from “tried and tested” solutions developed in other jurisdictions. Of course, policy solutions have to be adapted to specific circumstances and financial/banking systems as well as the cultural environment of individual countries. There is no room for “one size fits all” solutions. But equally, there is no excuse for delay or inaction.

Since 1999, over 450 supervisors and central bankers have attended roundtable seminars hosted by *Central Banking Publications Ltd*, publishers of *The Financial Regulator* journal.

For more information about the programme, please take a few moments to look at the detailed course contents presented on the pages which follow.

I look forward to welcoming you to Windsor.

Yours sincerely,



William Clarke CBE PhD

Chairman, Central Banking Publications

MONDAY 14th APRIL

CHANGED INTERNATIONAL PRIORITIES

**OPENING RECEPTION AND LUNCH AT
CUMBERLAND LODGE, WINDSOR GREAT PARK**

New priorities in the fight against money laundering

The Financial Action Task Force on money laundering (FATF) plays a pivotal role in developing global standards for national authorities to follow. As these standards develop and the role of the FATF changes, it is imperative that both FATF members and non-members understand how policy is shifting. As well as setting standards the FATF also determines how, in practical terms, they should be implemented on the ground, and the extent to which countries can adapt standards to prevailing legal and practical conditions. This session examines the FATF's work, the new recommendations on terrorist financing, and the forthcoming review of the 40 recommendations themselves.

Role of international organisations

Jean-François Thony

*Counsel, International Monetary Fund
Court of Appeals of Versailles, France*

Alongside the FATF, other international organisations, in particular the International Monetary Fund, are now taking a lead role in assessing whether national authorities have effective defences in place. This session examines how the Fund approaches its assessments of member countries anti-money-laundering systems, and what metrics it uses to judge whether they are working successfully. The speaker will also examine common problems uncovered in the Fund's assessments so far, and consider the resources, including technical assistance, which are available to help remedy them.

WEDNESDAY 16th APRIL

PROTECTING THE PAYMENT SYSTEM

Protecting the international payment system

Stefan Gannon,

General Counsel, Hong Kong Monetary Authority

Recent policy proposals have focused on the possibilities for abuse of the international payment system, and in particular on putting in place effective controls on electronic payments and wire transfers. For central banks, which oversee and operate national and cross-border payments, this raises profound issues. Requirements that originators are identified, and the requirements of new US legislation like the PATRIOT Act may force systems and procedures to be redesigned. How can financial market authorities react? Stefan Gannon, from the Hong Kong Monetary Authority, considers the key issues at stake.

Roundtable - Implications for payment system oversight

The workshop looks at some of the wider issues raised for payment system design, comparing different national approaches and examining in turn the key risks which are present in this area.

Commercial banking perspective

Sally Scutt,

Deputy Chief Executive, British Bankers Association

The first line of defence against money laundering or the financing of terrorism must be the individual financial institutions who are in direct contact with customers. Many global financial institutions are undertaking root-and-branch reform of their procedures, especially with regard to certain firms and transactions – including private banking, correspondent banking relationships and shell banks – perceived as high risk. This session considers the new safeguards which these international institutions have put in place, how this affects their foreign branches and subsidiaries, and how much of this experience is more widely applicable.

How to manage on-site AML audits of financial institutions

Andrew Clark,

Partner, PricewaterhouseCoopers

Following the introduction of the eight new FATF recommendations on combating terrorist financing, and new legislation such as the USA PATRIOT Act, the number of real practical difficulties for financial institutions seeking to fulfil their obligations is increasing. It is important for financial market authorities to be aware of some of the practical problem areas with the existing anti-money-laundering regime, which will be covered by this session. Rather than relying on auditors, financial institutions, central banks and supervisory agencies will, increasingly, have to be proactive in their oversight of financial institutions, and employ technological solutions to combat money laundering and the financing of terrorism. What will this involve?

THURSDAY 17th APRIL

LEGAL ISSUES IN ANTI-MONEY-LAUNDERING

Asset freezing – US and UK approaches

Richard Newcomb, *(invited)*

Director, US Office of Foreign Assets Control, Dept. of the Treasury

Khawar Qureshi

*Barrister and Treasury Counsel,
Serle Court, Lincoln's Inn*

At the core of an effective anti-money-laundering regime is the ability of responsible authorities to act to identify, report, freeze and confiscate assets identified as suspicious. This session examines some of the issues arising from these obligations. How do US and UK authorities approach them? The US Office of Foreign Assets Control (OFAC) plays a lead international role in this process. This examines the legal and practical challenges which result from efforts to freeze suspect funds, and the scope for international cooperation and coordination.

Anti-corruption offences

Charles Proctor

Partner, Tite and Lewis Solicitors

Under the OECD convention on combating bribery of foreign public officials in international business transactions it is now, in many countries, an offence to bribe an official or director of an overseas government or company, even if all of the relevant actions occur outside this country. The convention also places on banks (and, therefore, their regulators) an obligation to look out for monetary transfers which may represent the proceeds of corruption. How can these responsibilities be discharged?

International cooperation

Speaker to be confirmed

Cooperation between national regulators and investigators is essential in the fight against terrorist funding and money laundering. What is the role of financial intelligence units? How is the balance between formal and informal cooperation best maintained? This session will address how networks of investigators, judicial authorities, regulatory agencies and law enforcement agencies can best cooperate internationally.

**Other training courses in
TRAINING COURSE / SEMINAR SERIES, Spring 2003**

**HOW TO PROVIDE LEADERSHIP AND MANAGE ORGANISATIONAL
CHANGE IN CENTRAL BANKS AND REGULATORY AGENCIES**

What is the most difficult challenge facing central bankers and regulators today? Deciding interest rates? Wrestling with thorny regulatory issues? Or is it the challenge of providing effective leadership to an institution in the midst of rapid organisational restructuring and change?

All public institutions, or those answerable to parliaments and heads of state, must be accountable, cost-effective and able to meet rigorous and measurable tests of performance. All come under the intense scrutiny of the press and the public. How the leaders of these institutions should meet these multiple challenges is the issue addressed by this new training course/seminar offered by Central Banking Publications.

This ambitious but practical training course aims to equip delegates with many of the essential tools that can use to they can use in practice in their institutions.

For a detailed programme visit: www.centralbanking.co.uk/conferences

Previous attendees:

Central Bank of **Algeria**; National Bank of **Angola**; Central Bank of the Rep of **Armenia**; Central Bank of **Aruba**; Oesterreichische Nationalbank (**Austria**); Central Bank of the **Bahamas**; Central Bank of **Barbados**; National Bank of **Belgium**; Commission Bancaire et Financière (Belgium); **Bermuda** Monetary Authority; Bank of **Canada**; Bank of **Cape Verde**; **Eastern Caribbean** Central Bank; **Cayman Islands** Monetary Authority; Central Bank of **Chile**; Banco de la República, **Colombia**; Superintendencia General De Valores (**Costa Rica**), Consejo Nacional de Supervision del Sistema Financia (Costa Rica); **Croatian** National Bank; Central Bank of **Cyprus**; **Czech** National Bank; National Bank of **Denmark**; Bank of the **Dominican Republic**; Bank of **England**; Bank of **Estonia**; Bank of **Finland**; Financial Supervision Authority (Finland); Bank of **France**; Central Bank of **The Gambia**; **Deutsche Bundesbank**; Ministry of Finance (Germany); **European Central Bank**; Securities and Regulatory Commission (**Ghana**); Bank of Ghana; Bank of **Greece**; Bank of **Guatemala**; Central Bank of **Guyana**; Bank of **Haiti**; Securities and Futures Commission (**Hong Kong**); Hong Kong Monetary Authority; National Bank of **Hungary**; Central Bank of **Iceland**; Reserve Bank of India; Bank **Indonesia**; Central Bank of **Ireland**; Bank of **Israel**; Commissione Nazionale per le Società e la Borsa (**Italy**); Bank of **Italy**; Bank of **Jamaica**; Financial Services Commission (Jamaica); The Bank of **Japan**; Central Bank of **Kenya**; The Bank of **Korea**; Financial Supervisory Services (Korea); Central Bank of **Kuwait**; Bank of **Latvia**; Central Bank of **Lesotho**; Central Bank of **Libya**; Bank of **Lithuania**; Securities Commission (**Malaysia**); Central Bank of Malaysia; Labuan Offshore Financial Services Authority (Malaysia); Bank of **Mexico**; Central Bank of **Montenegro**; National Bank of **Moldova**; Central Bank of **Mozambique**; Bank of **Namibia**; **The Netherlands** Bank; Reserve Bank of **New Zealand**; Central Bank of **Nigeria**; Central Bank of **Norway**; Central Bank of **Oman**; State Bank of **Pakistan**; National Securities Commission (**Panama**); Central Bank of **Peru**; Central Bank of the **Philippines**; **Poland's** State Office for Insurance Supervision; National Bank of Poland; Bank of **Portugal**; **Saudi Arabian** Monetary Agency; Bank of **Sierra Leone**; The Monetary Authority of **Singapore**; National Bank of **Slovakia**; **South African** Reserve Bank; Comision Nacional del Mercado de Valores (**Spain**); Central Bank of **Sri Lanka**; Central Bank of **Swaziland**, Sveriges Riksbank (**Sweden**); **Swiss** National Bank; **BIS**; Central Bank of China (**Taiwan**); Bank of **Tanzania**; Bank of **Thailand**; Central Bank of **Trinidad and Tobago**; Capital Market Board (**Turkey**); Central Bank of the Rep of Turkey; Bank of **Uganda**; Central Bank of the **United Arab Emirates**; Bank **Indonesia** (USA); **Federal Reserve System** (USA); Central Bank of **Venezuela**; National Bank of **Yugoslavia**; Bank of **Zambia**; Reserve Bank of **Zimbabwe**

At Cumberland Lodge



Seminar rooms



Valley Gardens



Bedrooms

REGISTRATION FORM

TRAINING COURSE/SEMINAR SERIES, SPRING 2003

HOW TO COMBAT MONEY LAUNDERING, FINANCIAL CRIME AND THE ABUSE OF ELECTRONIC PAYMENTS – a practical guide for central banks and regulators

I would like to confirm my registration for *How to Combat Money Laundering, Financial Crime and the Abuse of Electronic Payments – a practical guide for central banks and regulators*

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Organisation

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Course Fee: £2,600 (VAT at 0% for delegates employed by government in furtherance of its sovereign activities.)

4 day (3 nights) residential course (11am 14th April - 4pm 17th April 2003)

Course fee includes en-suite accommodation, meals, refreshments, all course documentation and complimentary copies of the most recent issues of the *Central Banking* quarterly journal.

Accommodation is based on en-suite single bedrooms. Please tick here if you are happy to share a twin room with one other possible delegate of the same gender. In this case, we shall refund £120 to you from your fee.

We accept delegates on a "first-come, first-served" basis. A full refund will be given for cancellations received (in writing) up to 30 days before the event, but a handling fee of £70 will be deducted from the refund. Cancellations received 30 days or less, a 50% refund will apply. Cancellations received one week prior to the event are liable to pay the full registration fee. Disclaimer: Central Banking Publications Ltd reserves the right to change or cancel any part of this programme due to unforeseen circumstances.

Please complete and return this registration form with payment details to:

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