Building a strong anti-money laundering culture

01 TONE FROM THE TOP

Setting the tone for a strong AML culture comes from the top – with C-suite leaders promoting a positive and consistent message. This starts with a clear risk appetite statement to set the expectations for the organisation and its commitment to AML.

02 LEADERSHIP ENGAGEMENT

Ultimate responsibility lies with your leadership team – so they must understand the money laundering and terrorist financing risks, and ensure robust structures for compliance. Board members also play a key role, by asking the right questions of management.

03 QUALITY MONITORING

Ongoing monitoring and compliance management is a requirement of the AML/CFT Act. Your monitoring and assurance framework should cover all AML activities and be fit-for-purpose, clearly articulated, and subject to independent review.

04 BALANCED INTERESTS

In pursuing markets or clients, risk personnel should be at the table to balance the business case against risk appetite tolerances. Employee incentives at all levels should reward behavior that supports a positive AML culture.

05 SUFFICIENT RESOURCING

It's essential to allocate sufficient resources to AML/CFT compliance – including technological resources, process management, and expert personnel. Resourcing should be regularly reviewed against your organisation's size, complexity and exposure to risk.

06 BUSINESS-AS-USUAL

Effective AML/CFT controls should be integrated into business processes, so that compliance becomes part of BAU. For example, it's more efficient to collect all relevant information from a customer at the on-boarding stage (rather than follow-up later).

07 TRAINING & COMMUNICATION

It's important that staff understand both the 'what' and the 'why' of compliance, especially regarding the activities they undertake. Communicating the real value of their work (case studies can be helpful here) will lead to enhanced compliance.

© 2016 KPMG, a New Zealand partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved. 01589