

Term of the Month

Delisting

The process of removing a sanctions target from a list after the restrictions imposed on them have been removed.

News Update

IntelleWings will be coming up with The Masterclass Series II, aimed at enriching your comprehension of the IW screening system and its functionalities. This Masterclass will cover the following topics

- Customer Onboarding (UI and File Based Option) on September 13
- Sanctions Workflow and Settings on September 27
- Case Manager (Alert and Case Life Cycle) & Reports, Support Tickets on October 11
- Risk-Based Assessment, Department Level Access on October 25

Prepare to embark on an engaging journey of knowledge and expertise. Stay tuned for insightful sessions, live demonstrations, and interactive Q&A opportunities to elevate your understanding of our screening system.

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News from the **AML world**

[UAE to Set Up Anti-Money Laundering Bodies Amid Scrutiny](#)

The UAE will establish specialized judicial bodies to prosecute money laundering and financial crimes, responding to increased monitoring by the global watchdog, the FATF (Financial Action Task Force). The move follows the FATF's 2022 'grey list' inclusion due to illicit finance concerns. The decision is aimed at boosting investor confidence and protecting the national economy. The UAE, a significant global business hub, seeks to address shortcomings in its efforts against economic and financial crimes. This step aligns with efforts to combat money laundering and encourage legitimate business activities.

[UAE becomes observer in Asian money laundering group](#)

The UAE has achieved observer status in the Asia/Pacific Group on Money Laundering, aiming to enhance compliance efforts after being added to the Financial Action Task Force's 'grey list' in 2022. The UAE's participation in the group's forum will aid its fight against money laundering, terrorism financing, and proliferation. While the UAE has taken steps to address deficiencies, it remains on the FATF's 'grey list'. Observing this group aligns with the UAE's commitment to improving its anti-money laundering measures and overall financial integrity.

[Worldwide: U.S. Government Issues Africa Gold Advisory](#)

U.S (United States). government departments issued an "Africa Gold Advisory" on June 27, highlighting risks associated with transactions in the African gold sector. Concerns include money laundering, terrorism financing, armed conflict, and environmental abuses. The advisory urges careful due diligence and adherence to guidelines from organizations like the Organization for Economic Cooperation and Development (OECD), FinCEN, and FATF. U.S. businesses, especially precious metal dealers and financial institutions, should consult experienced counsel due to regulatory obligations.

[Bipartisan U.S. Senators Unveil Crypto Anti-Money Laundering Bill to Stop Illicit Transfers](#)

U.S. Senators are introducing bipartisan legislation to subject decentralized finance services to AML and sanctions compliance, as well as modernize key Treasury Department authorities. The Crypto-Asset National Security Enhancement and Enforcement (CANSEE) Act targets money laundering and sanctions evasion involving DeFi, aiming to close avenues for illicit activities. The legislation also extends compliance obligations to crypto kiosks to prevent money laundering through such platforms. The Act updates the Treasury Department's authority to address money laundering threats, encompassing new technologies and transactions outside the banking sector.

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[Spain starts the legislative procedure to implement the fifth money laundering directive](#)

Spain is set to enact new money laundering laws by implementing the Fifth Money Laundering Directive from the EU. Proposed legislation includes registering cryptocurrencies with a financial regulator and incorporating crowdfunding and crowdlending platforms, Real Estate Investment Trusts, crypto currency providers, security fund management firms, and external experts. Real estate developers will be subject to these directives if their annual income exceeds €120,000 or monthly income is equal to or higher than €10,000. A central register for UBOs will be established, and legal entities must retain UBO information for 10 years.

[United States Senate to vote on Anti Money Laundering Act](#)

The US Senate is poised to vote on the AML Act of 2020 as an amendment to the National Defence Appropriations Act. If enacted, the bill would abolish anonymous "shell companies" in the US, which enable concealing the true beneficiaries and fund sources. These entities then operate under false identities, opening bank accounts and conducting business. The US has been deemed one of the easiest places to form shell companies, with only 25% of providers compliant with AML standards in a prior experiment. The broad coalition supporting this bill includes law enforcement, religious leaders, and the Trump administration.

[Australia: AUSTRAC's latest enforcement against financial crime](#)

AUSTRAC has intensified cooperation with the UK's FCA and HMRC to combat money laundering and terrorism financing. The MOUs aim to enhance information sharing and regulatory collaboration. AUSTRAC also accepted an Enforceable Undertaking from PayPal Australia Pty Ltd to address reporting concerns. Its regulatory approach includes various tools, such as infringement notices and remedial directions. These initiatives underscore the commitment of both countries to safeguarding their financial systems from criminal exploitation and promoting compliance with anti-money laundering laws.

[South Africa: International Sanctions and The FATF Grey List: A South African Perspective](#)

After facing grey listing due to deficiencies in combating money laundering and terrorism financing, South Africa has taken steps to address these concerns. Despite its strong anti-money laundering laws, implementation and enforcement gaps were identified. The country made progress during the observation period, passing legislation and establishing institutions to strengthen its financial crime framework. Countries such as Mauritius provide examples of successfully overcoming such challenges. South Africa aims to

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cooperate with the Financial Action Task Force (FATF) to address these issues and remove itself from the grey list, improving its economy and reputation.

Regulatory Information from the **AML world**

Agents must keep Anti-Money Laundering practices in line as Britain leaves the EU

British AML remain uncertain due to ongoing UK-EU post-Brexit negotiations. Arla, the UK's largest body for real estate agents, advises agents to update their processes in anticipation of potential AML law changes. Current laws, including the Fifth Money Laundering Directive, apply until the Brexit transition period ends on January 1, 2021. Agents must register with HMRC for AML supervision, maintain comprehensive policies, appoint a Money Laundering Reporting Officer, and conduct AML risk assessments. Both the UK and the EU have expressed commitments to international financial service standards.

SRA to Increase its Focus on Money Laundering

The UK's Solicitors Regulation Authority is set to conduct spot checks on firms' AML policies to intensify its crackdown on corporate misconduct. Emulating the Financial Conduct Authority, the SRA plans to increase visits to high-risk firms every three years and sample low-risk firms. This policy shift is outlined in its draft business plan 2020/2021, which earmarks an increased budget allocation for AML efforts, from 2.5% to 3%. This change follows concerns over solicitors being exploited for money laundering in support of organized crime and terrorism. A 2019 review highlighted inadequate risk assessments and due diligence practices.

Ensuring Ultimate Security For Banks With Aml/Kyc Compliance

Financial institutions, especially banks, must regulate databases due to digital advancements, ensuring verified customer identities to counter identity theft, fraud, and money laundering risks. Robust KYC processes, aligned with AML regulations, prevent financial crimes. Three-step KYC involves Customer Identification Program, Customer Due Diligence, and ongoing monitoring. Enhanced Due Diligence targets high-risk profiles. Digital systems like e-KYC and Video KYC bolster security and compliance. Prioritizing AML/KYC safeguards institutions, builds trust, and upholds ethical financial standards in the modern era.

EBA publishes fourth Opinion on money laundering and terrorist financing risks across

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the EU

The European Banking Authority has released its fourth biennial Opinion on money laundering and terrorist financing (ML/TF) risks within the EU's financial sector. The Opinion highlights evolving risk factors, such as geopolitical events, legislative changes, and emerging threats like environmental crime and cybercrime. While awareness of ML/TF risks is growing across sectors, challenges remain in transaction monitoring and reporting. AML/CFT supervision is generally improving, but gaps persist in relation to risk levels. The EBA also emphasizes the need for enhanced cooperation between AML/CFT supervisors and other authorities, such as tax authorities, to combat financial crimes effectively.

Govt proposes Rome to be home of EU laundering authority

Rome has been selected by Premier Giorgia Meloni's government as Italy's nominee for hosting the new EU authority, the Anti-Money Laundering Agency (AMLA), to counter money laundering and terrorism financing. Rome's bid prevailed over competitors Milan, Bari, Turin, and Palermo. Mayor Roberto Gualtieri expressed gratitude for the government's support and highlighted Italy's strong legislation and anti-laundering system. If successful, AMLA's headquarters would be in Rome's EUR district, benefitting from the city's existing institutions engaged in similar efforts.

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