

# MLROs Toolkit Event

8<sup>th</sup> -9<sup>th</sup> October 2009

Prospero House

A Presentation by [aml-cft-compliance.co.uk](http://aml-cft-compliance.co.uk)

Principal: Simon Davis

# Acquisitive Crime versus Crime per se

Terrorist Suspect + Finances = Terrorist Act

Criminal + Crime = Finance

# Demystifying Terrorist Financing

Where can an MLRO direct their efforts in the  
Identification of a Potential Threat

Is there a need to spend key company finances in this arena?

Compliance by you or dominance by the Regulating Industry?

# Self Help – A traditional approach

New client /customer relationship

Due diligence

Really knowing the Client

Establishing what products are to be accessed

Is the MLRO driving the strategy?

Look at how YOU in your PRIVATE life would act.

# Geographic Threats

Is there a particular demographic group that your company or an individual product services?

Is there an International Regional Dispute that could affect your clients / business community?

Could a quite innocent change of United Kingdom Legislation affect your clients?

# Some practical and thought provoking examples

- CHARITIES
- CHARITY OFFICIALS
- CHARITABLE DONATIONS
- GIFT AID
- WHERE, WHEN AND HOW REGISTERED
- AIMS AND OBJECTIVES
- CASH GATHERING CAPABILITY
- TURNOVER
- RELIGION OF OFFICIALS
- BRITISH BY BIRTH

# THE INTERNATIONAL COMMUNITY

- Somalia
- Ethiopia
- Eritrea
- Afghanistan
- Iraq
- Iran
- Sri Lanka
- Economic or Political Immigrant
- PEP or Diaspora
- Regional Conflict
- War
- Religious Divide
- Ethnic Divide
- Clan based Culture
- Separatist Movement

# Terrorist Groups

A key activator that drives the response of the United Kingdom and indeed the wider effort concerns

## **PROSCRIPTION**

But in all reality is not the greater emerging threat from someone still remaining under the radar?

# PROSCRIBED GROUPS

## Local activity

LTTE

Hamas

AL – Shabab

Kurdish Separatists

Hizbollah Military Wing

## Internationally Active

Al-Qa'ida

- **Armed Islamic Group (Groupe Islamique Armée) (GIA):**

The aim of the GIA is to create an Islamic state in Algeria using all necessary means, including violence.

# An Example

**GIA**

- Still alive? Yes
- Still active? Yes
- Effective fundraiser? Certainly
- Crime preferred? Paper / Credit card
- Cash repatriated? You bet.

# A BETTER EXAMPLE?

## LTTE

- Regional Threat?      Not advertised
- Fundraising Capability      Very, very effective
- Preferred Methods      Crime / Credit Card
- Longevity of Group      Forever

# KEY POINTS

- Only you know your business, the customer base, the product, the risks to Money Laundering.
- Are you aware of the Regional Disputes that could affect you clients?
- Are you actively researching the social side to your clients?
- Are you actively aware of the support your client could give to a Terrorist or Separatist Group?
- Are you seeking out examples from the MLRO Community which could affect you?
- Are you making a greater effort to understand how money can be gathered and then forwarded?

# Questions and Good Answers

E-Mail: [aml-cft-compliance.co.uk](mailto:aml-cft-compliance.co.uk)  
**Principal: Simon Davis**

[wambuadavis@  
rocketmail.com](mailto:wambuadavis@rocketmail.com)

wambuadavis@  
aol.co.uk

sjdavis1@  
tiscali.co.uk

**‘Offering sensible solutions to anti-money laundering, Combating the Financing of Terrorism and Compliance Issues’.**

**Review, Strategy, Delivery and Mentoring.**

**Office: +44 (0) 1707 268974**

**Mobile: +44 (0) 7967 211 350**