

AML/CFT and Fraud Prevention

Self Assessment Questionnaire

To assist Authorised Firms in adopting appropriate practices to mitigate the risk of money laundering/terrorist financing and fraud we have developed a set of key questions covering senior management responsibilities, the role of the MLRO, MLRO reporting, adopting a risk-based approach, staff training, suspicious activities, customer identification and fraud prevention systems and controls.

The anti-money laundering and fraud prevention self assessment questionnaire is not a checklist and is neither exhaustive nor prescriptive. It is designed to prompt firms to focus on the key areas and to enable them to gauge if they are effectively managing their business risks and discharging their legal and regulatory obligations to prevent money laundering/ terrorist financing and fraud.

Included below each relevant question, is a self confidence scale scored from 1-10, with 1 representing the lowest confidence in your answer and 10 representing the highest level of confidence that your answer satisfactorily addresses the issues raised by the question. When you have answered each question, you may find it useful to score your confidence level against each of your answers. This will help you to determine which policies and procedures and systems and controls you need to improve to ensure that you have an effective AML/CFT and fraud prevention regime in place.

AML/CFT senior management responsibilities

Does the governing body of your firm take overall responsibility for anti money laundering (AML)/combating terrorist financing (CTF) systems and controls?
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1	2	3	4	5	6	7	8	9	10
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Does the governing body of your firm fully understand the legal and regulatory risks both to them personally and to the business, of becoming involved in financing money laundering and terrorism?

1	2	3	4	5	6	7	8	9	10
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Does the governing body of your firm receive regular management information which would enable it to make informed decisions on the money laundering and terrorist financing risks facing the firm to enable it to effectively discharge its governance responsibilities?

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Money Laundering Reporting Officer (MLRO)

Is the MLRO of your firm sufficiently senior and sufficiently experienced to effectively discharge his responsibilities and does he also understand his obligations under the Qatar AML/CFT criminal laws?

1	2	3	4	5	6	7	8	9	10
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Is the MLRO of your firm sufficiently independent from the business to prevent conflicts of interest arising?

1	2	3	4	5	6	7	8	9	10
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Has the MLRO of your firm put in place AML/CTF policies, procedures, systems and controls which are appropriate to the specific business which your firm conducts?

1	2	3	4	5	6	7	8	9	10
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Has the MLRO of your firm communicated the AML/CTF policies, procedures, systems and controls to all relevant staff and do they understand their individual responsibilities?

1	2	3	4	5	6	7	8	9	10
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Has the MLRO of your firm put in place appropriate monitoring systems to ensure ongoing compliance with AML/CTF requirements?

1	2	3	4	5	6	7	8	9	10
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MLRO Report

Is the MLRO using a standard report template?

1	2	3	4	5	6	7	8	9	10
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Is the content of the MLRO report sufficiently comprehensive and does it meet regulatory requirements?

1	2	3	4	5	6	7	8	9	10
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At what frequency is the report prepared and to whom is it submitted?

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Does the report satisfactorily advise the governing body of the key AML/CFT risks facing the firm?

1	2	3	4	5	6	7	8	9	10
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Does the report format require proactive action from the firm's governing body?

1	2	3	4	5	6	7	8	9	10
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Risk based approach

What AML/CFT risks are posed by the firm's business services and business model?

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How are customers risk profiled?

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What customer types require extra due diligence?

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What business service lines require extra due diligence?

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How does your firm record its risk assessments?

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How do your firm's procedures mitigate the identified risks?

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How often are your risk assessment and procedures reviewed?

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Customer due diligence

What customer information is appropriate for verifying identity?

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Does your firm have sufficiently flexible identification procedures to cater for all types of customers?

1	2	3	4	5	6	7	8	9	10
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What forms of identification will your firm not accept?

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What additional Know Your Customer (KYC) information is collected by your firm for higher risk business and how is this recorded?

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Do you have satisfactory procedures in place to deal with Politically Exposed Persons?

1	2	3	4	5	6	7	8	9	10
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If you have correspondent banking relationships, are you complying with the enhanced due diligence requirements as set out in Article 12 of the QFC Anti Money Laundering Regulations?

1	2	3	4	5	6	7	8	9	10
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Does your firm have appropriate procedures in place to ensure that it is not acting for a client who is on a terrorist sanction list or other black list or has a criminal record or known criminal connections?

1	2	3	4	5	6	7	8	9	10
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Are you confident that you are complying in full with the customer due diligence requirements as set out in Article 9 of the QFC Anti-Money Laundering Regulations and the relevant sections of the QFCRA Anti Money Laundering Rulebook?

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Training

Does your firm's training programme address the specific AML/CFT risks to the business?

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What specific training do staff need in relation to the policies and procedures which have been designed to mitigate the AML/CFT risks?

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Do new staff unfamiliar with AML/CFT issues, receive more intensive training?

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How is training tailored for different staff roles?

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How often is staff training provided?

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How are changes to procedures communicated to staff?

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How is the effectiveness of any training measured?

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Suspicious activity reporting

Do staff involved in customer activity understand what constitutes suspicious activity and their obligation to make internal reports to the MLRO of any suspicious activity?

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Do you have appropriate monitoring procedures in place to enable you to identify suspicious transactions or patterns of transactions?

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Do your procedures include a reporting mechanism required for making an internal report to the MLRO?

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Does the MLRO understand his regulatory obligations?

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Does the MLRO understand the circumstances under which a disclosure should be made to the Qatar Financial Information Unit (FIU)?

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Are staff aware of the personal criminal sanctions under the Qatar AML/CFT laws in respect of failing to make a suspicious activity report to the FIU?

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Does the firm operate an open culture where staff feel comfortable making a disclosure to the MLRO?

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Do staff understand the issues and potential consequences if they become involved in tipping off?

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Prevention of fraud

Who is responsible for the prevention of fraud?

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What is your fraud risk appetite?

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Do you have a comprehensive fraud prevention policy?

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Has the fraud prevention policy been communicated to all staff?

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How do you identify your key fraud risks and what are they?

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What are your key systems and controls for monitoring your fraud risks?

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Have you suffered any incidents of fraud recently?

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Have you quantified your fraud losses?

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Do you have whistle-blowing procedures in place and if so how successful have they been?

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Do you have a budget for the prevention of fraud?

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How do you monitor the effectiveness of your fraud prevention systems and controls?

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What fraud information is provided to the governing body of your firm?

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