

ICA Advanced Certificate in Managing Sanctions Risk

Please note this is a draft version of the syllabus and although we consider this an accurate representation of the content it is subject to minimal changes.

Global Sanctions Architecture – Political, Legal and Implementation Context

- Political Context - Sanctions as a Foreign Policy Tool
- Legal Context - The Collective Architecture of Financial Sanctions
- Sanctions Regimes – UN, OSCE, Arab league, EU and unilateral
- Implementation Context - Evolving Scope of Financial Tools in Responding to International Security Threats
 - Economic and Trade Sanctions
 - Financial Prohibitions
 - Asset Freezes
- Emerging Political Challenges and Questions of Legitimacy
 - General Insurance
 - Money services businesses (MSBs)
 - Non-financial professionals (lawyers and accountants)
 - Trusts and corporate services

Evolving Scope of Sanctions – a changing tool

- Human Rights – (Arab Spring, Libya, Egypt)
- Misappropriation of State Assets (case study Ukraine, Egypt)
- Chemical, Biological, Radiological and Nuclear sanctions (case study North Korea)
- Sanctioning of Terrorist Groups (case studies: Somalia piracy payments, ISIL territorial control, government versus terrorist actors i.e. Hamas/ Hezbollah)
- Russia Sectoral Sanctions – A New Type of Sanctions
- Case Study Russia/Crimea

Management of Global Exposure to Unilateral and Regional Sanctions

- Compliance with Foreign Unilateral Sanctions
- US extraterritoriality
 - US Person Consideration (US person recusal case study)
 - Non US bank use of US technology
 - US Federal versus US State based Sanctions
 - When a non-US person can become subject to US sanctions
 - SEC 219 Reporting on Iran and Syria
- Lessons from Recent Global Enforcement Cases.
- Global Divergence and opposing sanction obligations (Case studies: Cuba anti blocking; participation in foreign clearing networks; Israeli obligations; Russian counter measures).
- Group wide sanction sharing designation restrictions

Identifying Higher Risk Jurisdictions and Activities

- Identification of High Risk Jurisdictions
- Business Line and Customer Considerations
- Export and Trade Finance (grandfathering and prior contract)
- Dual use good requirements (Case Study - new Iran procurement)
- Customer Considerations [Case Study - Family members of Designated Party, joint Accounts]
- Insurance and Securities Considerations
- Maritime Sanctions Case Study
 - Maritime Insurance
 - Due Diligence re underwriting
 - Due Diligence when a claim arises
 - Salvage
 - Vessel
 - Cargo Insurance
 - Re-insurance
 - Towing fees/port fees
- Direct versus in-direct Exposure
- Being Prepared – Sanction Forecasting (Case Study – Russia)

- The MLCO/MLRO's role in money laundering risk assessment
- Managing relationships with law enforcement agencies and regulators
- Escalation to senior management
- Exiting relationships

Transparency, Control and Ownership

- Transparency of payments and interrelationships
- Control and Ownership Considerations
 - Control Test and Validation
 - Joint Venture exposure
 - Syndicate Lending
- Circumvention considerations
 - Iranian Shipping- case study
 - Iranian Banking – case study
- Inter-linkage with AML/CFT and PEPs approaches
- Top 10 Common Questions on Transparency, Control and Ownership

Licensing and Permissible Payments

- Navigating Licensing Frameworks
 - When to rely on General Licenses
 - How to deal with multiple licence processes etc.
- Factors influencing Licensing Decisions
- Supporting permitted activity i.e. humanitarian activity (case studies: Syria humanitarian payments, Iran business permitted under the nuclear deal)
- Getting Comfortable – Case Study on payment channels and due diligence

Developing the Control Framework

- Options for developing the control environment and screening assessment
- Screening Systems and Controls
 - What to screen, fuzzy matching thresholds
 - Dealing with non-exact matching
 - Personal name variations and ownership
 - Domestic versus non-domestic payments
- Screening Innovations
 - Role of Technology
 - Secondary screening Engines
- Case Study – Trade Finance Screening Managing Alert Investigations
- Top 10 Common Challenges in Screening

Incident Management and Holding of Sanction Funds

- Incident Management
- Reporting of Breaches
 - Voluntary Self Disclosure
 - How to report breaches and associated regulatory factors
 - What and when to report
 - Internal review and investigation
- Case Studies - Reporting of Cuban violation to OFAC, Reporting of Iranian violation to EU competent authority
- Freezing of Funds and Incoming Payments
- The holding of Sanctioned Funds – obligations, annual reporting responsibilities

Sanctions Lifting and Roll Back

- Political Process of Sanctions Lifting and Roll Back
- Legal nuances of Roll Back
 - Temporary lifting versus outright Roll Back
 - New or continued reporting obligations
 - Scope of Roll Back versus remaining prohibitions
- Case Studies – Myanmar, Cuba and Sudan
- Risk management in case of Snap Back
- Case Study – Iran
- Preparing for post sanctions re-engagement
 - Releasing funds previously frozen
 - Due diligence factors
 - Managing business opportunity risk
- Case Study – 2012 Libyan Central Bank Sanctions Lifting