



Mexico City, Mexico
October 3-5, 2018

12th meeting of the **INTOSAI Working Group on**

**Fight against Corruption
and Money Laundering (WGFACML)**

WGFAACML Secretariat



Guideline on
“Fighting Against Money Laundering”
Goal 1 – Objective 1 – 4th Guideline



Background

Task assigned during the 10th WGFACML Meeting, Bonn:
To prepare a guideline entitled
“Fighting Against Money Laundering”

Members:

- Poland (Subgroup Leader)
- Germany
- Iraq
- Tanzania
- Zambia



Objectives

- To state the role of SAI in fighting against money laundering.
- To develop practical guidance on auditing and evaluating the public institutions engaged in fighting against money laundering.
- To provide the practical tool for SAI auditors on how to deal with money laundering cases (gathering, securing, evaluating audit evidence and/or being expert witness in court)

The guideline will support the auditor in understanding a specific subject matter and the application of the relevant ISSAIs



The need for this project:

As a result of the review of existing ISSAIs and INTOSAI GOVs, to develop and maintain expertise in the various fields of public-sector auditing (auditing of anti-money laundering system). Money laundering is linked with corruption, fraud and shadow economy. Efficient fighting of money laundering helps to enhance accountability and transparency, as well as reducing fraud.



Purpose

To provide user-friendly guideline that explains the key steps of **international fight against money laundering**, identifies potential audit areas for SAIs, and provides a usable guidance for SAI auditors in their audits of anti-money laundering activities.

The work performed will help address priorities 2.1 and 2.2 in the 2017-2019 Strategic Development Plan. This project can be classified among priority 2 projects.



Features

- Real examples
- Real audit plan
- Real SAI support



Categories of Auditing Covered

This guideline aims to aid SAI auditors when conducting evaluations of issues about or related to money laundering **from point of legality** but **also efficiency**. Therefore, it applies to **financial**, as well as **compliance** audit engagements in combination with elements of **performance** audit.



Work Assignment ¹/₃:

SAI of Poland

- Introduction
- Objective
- Definitions
- Background
- Money laundering as an organizational pathology
- The definition of money laundering
- Steps of money laundering
- The scale of problem



Work Assignment 2/3:

SAI of Tanzania

- Overview of key anti-money laundering stakeholders
- Financial Intelligence Unit (Domestic and International)
- Obligated institution
- Cooperating Units
- The Role of SAI in Fighting Against Money Laundering



Work Assignment 3/3:

SAI of Zambia and SAI of Iraq

- Audit Risk Analysis
- Audit Risk Management
- The scope of SAI audit of FIU activities
- The scope of SAI audit of other AML organizations



Timeline

Stage		Due process milestones			
1.	Project proposal	Start Date	End Date	Expected Time in Total	Comments
		September 14, 2017	September, 30 2017	16 days	
		N.B. Allow three months between end date of stage 1 and start date of stage 2 for FIPP approval of the project proposal			
2.	Exposure draft	Start Date	End Date	Expected Time in Total	Comments
		February 1, 2018	May 30, 2018	4 months	
	N.B. Allow three months between end date above and start date below for FIPP approval of the exposure draft				
	Exposure period	Start Date	End Date	Time in Total (not negotiable)	Comments
		September 1, 2018	November 30, 2019	90 Days	
3	Endorsement version	Start Date	End Date	Expected Time in Total	Comments
		February 1, 2019	March 30, 2019	2 months	
		N.B. Allow three months between end date of stage 3 and start date of stage 4 for FIPP approval			
4.	Final pronouncement, including translation into all official INTOSAI languages*	Start Date	End Date	Expected Time in Total	Comments
		July 1, 2019	September 30, 2019	3 months	



Timeline... contd.

Project Proposal is prepared

Tasks are shared among SAIs

Exposure Draft:

1 February 2018 – 30 May 2018

Endorsement Version:

1 February 2019 – 30 March 2019



Timeline... contd.

A meeting of the subgroup is scheduled to be held this month in Prague, Czech Republic.

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Thank you.

WGFACML Secretariat

