



SOUTH AFRICAN RESERVE BANK

Agenda

Financial Crime 1:

Enhancing Supervision to Combat Financial Crime
in an Increasingly Fragile World

August 19-23, 2024

Cape Town, South Africa



PROGRAM DESCRIPTION

This Financial Crime (FC) Programme for Sub-Saharan African (SSA) Region is conducted in collaboration with the South African Reserve Bank (SARB) is aimed to enhance the supervisory skills of supervisors across the SSA in combatting crime, including money laundering, financing of terrorism, market abuse, fraud and cybercrime (together “FC”) in the financial services. The program covers a range of financial crimes typologies, regulatory powers and supervisory approaches to FC. The program further dwells on the cross-border implications of FC and the need for international cooperation amongst supervisors to support prevention of FC.

PROGRAM OBJECTIVES

The Participants attending this program will achieve the following objectives from the program:

- a better understanding of FC risk facing financial institutions (Fis)
- best practices for Fis to adopt to combat TC
- best practices for supervisors on how to assess FI's FC Programs,
- a detailed understanding of global FC regulatory requirements for FIs
- impact of FC on financial inclusion
- Inter-agency and cross border collaboration for effective enforcement and
- learning to supervise FIs more effectively to help in the fight against all types of FC.

METHODOLOGY

The Toronto Centre uses a highly interactive approach teaching using case studies, lectures, simulations and exercises and participants must work in group activities on issues raised in the case studies and lectures. In a simulated environment, the participants will be able to (i) practise using processes to identifying FC; (ii) co-ordinate with supervisors, central banks and with other authorities nationally and internationally to tackle financial crimes; and (iii) deal with topical issues such cyber risks & crimes. At the end of the Program, participants will have a solid understanding of FC and how to be better prepared in tackling such issue, in accordance with international best practices.

WHO SHOULD ATTEND?

The program is designed for middle and senior level officials (minimum 3 years of experience) involved directly or indirectly in regulatory, supervisory and enforcement functions that regulate and supervise financial services industry. Previous experience in dealing with FC would be helpful but not required as a prerequisite to take the Program.

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Day 1, Monday, August 19

09:00	Registration, Welcome and Opening Remarks <i>Program Director: Floris Fleermuys, Agency Representative</i> Group Photo
09:30	Session 1: Context for Change <i>Program Director: Floris Fleermuys</i>
10:15	BREAK
10:30	Session 2: Introduction - What is Financial Crime and Risks posed by Financial Crime? <i>Program Leader: Nicolas Burbidge</i> <ul style="list-style-type: none">• What is financial crime (FC)?• How is ML connected to FC?• Main types of FC risks & FC typologies and emerging crimes• How does FC risk impact risk-based supervision?• What are the core components of an effective compliance program to mitigate FC risks?• Financial action task force (FATF) recommendations for ML
12:00	BREAK

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13:00	Session 2: Group Activity- Financial Crime Case Study: Former Bank Executive Pleads Guilty to Stealing from the Bank <i>Program Leader: Nicolas Burbidge</i>
14:00	BREAK
14:15	Session 3: Money-Laundering, Terrorism Financing and Sanctions <i>Program Leader: Mercy Buku</i> <ul style="list-style-type: none">• Key AML principles• What is terrorist financing (TF)?• Financial action task force (FATF) recommendations for TF• Risks posed by money laundering and terrorism financing to financial services• What are sanctions? Assessing sanctions compliance effectiveness
15:00	Session 3: Group Activity: Money Laundering & Terrorist Financing & Proliferation Financing/ Sanctions Case Study: Conducting Financial Crime supervisory reviews <i>Program Leader: Mercy Buku</i>
16:15	Session 4: Action Planning: Review of the tools and methodology <i>Program Director: Floris Fleermuys</i> <ul style="list-style-type: none">• Overview of the Action Planning methodology• Its application as an effective supervisory tool• To ensure participants can develop Financial Crime action plans and supervisory strategies over the course of the week
17:00	DEBRIEF – END OF DAY EVALUATION

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Day 2, Tuesday, August 20

09:00	Summary of Previous Day – Ideas I will use <i>Program Director: Floris Fleermuys</i>
09:15	Session 4 (Continues): Action Planning & Stakeholder Management <i>Program Director: Floris Fleermuys</i> <ul style="list-style-type: none">• Identifying Key Stakeholders• Analyze, Communicate & Persuade• Develop Management Strategy• The 4-Box tool• Group Action Plan Activity
10:15	BREAK
10:30	Session 5: Bribery and Corruption <i>Program Leader: Mercy Buku</i> <ul style="list-style-type: none">• Bribery & Corruption FI Fines• Vulnerability of financial services to bribery and corruption• International regulatory landscape to address bribery and corruption• FATF Recommendations to combat corruption• Role of supervisors to ensure compliance by entities
12:00	BREAK

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13:00	<p>Session 5: Group Activity: Bribery and Corruption Case Studies: <i>Program Leader: Mercy Buku</i></p> <ul style="list-style-type: none">• Hiring Practices-Case Study I• Stakeholders-Case Study II
14:15	<p>BREAK</p>
14:30	<p>Session 6: Fraud <i>Program Leader: Nicholas Burbidge</i></p> <ul style="list-style-type: none">• Fraud – What is it and what types of financial frauds?• Key Sub-Categories of Fraud as part of FC – Cyber, White-Collar Crime, Market Abuse• Role of supervisors to ensure compliance by entities• How to Assess Fraud Management Practices?
15:30	<p>Session 6: Group Activity: Fraud Case Study: Proactive SAR Review Leads to Guilty Plea In Structuring, Bank Fraud Case <i>Program Leader: Nicholas Burbidge</i></p>
16:30	<p>Session 7: Action Planning: Group Activity <i>Program Director: Floris Fleermuys</i> Participant to work on their Group Activity</p>
17:00	<p>DEBRIEF – END OF DAY EVALUATION</p>
17:30	<p>WELCOMING - SOCIAL NETWORKING EVENT (CAPE TOWN INTERNATIONAL CONVENTION CENTRE)</p>

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Day 3, Wednesday, August 21

09:00	Summary of Previous Day – Ideas I will use <i>Program Director: Floris Fleermuys</i>
09:15	Session 8: Cyber Risks and Crimes <i>Program Leader: Mercy Buku</i> <ul style="list-style-type: none">• Vulnerability of financial services to cyber breaches• What is Cybercrime? and Types of Cybercrime• Cyber risk management and role of technology• Virtual assets services threats and vulnerabilities (transaction monitoring and reporting)• Role of supervisors to ensure compliance by entities
10:15	BREAK
10:30	Session 8: Group Activity: Cyber Crime Case Study: Colonial Pipeline <i>Program Leader: Mercy Buku</i>
12:00	BREAK
13:00	Session 9: White Collar Crimes <i>Program Leader: Nicholas Burbidge</i> <ul style="list-style-type: none">• What is a white-collar crime?• Variety of white-collar crimes:• White Collar Crime Example from FIU SAR (Suspicious Activity Reports)• What are the Challenges in Prosecuting White Collar Criminals?

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	<ul style="list-style-type: none">• Regulatory powers and supervisory approaches to deal with cases of white-collar crime
14:00	BREAK
14:15	Session 9: Group Activity: White Collar Crimes Case Study: Bernie Madoff Ponzi Scandal <i>Program Leader: Nicholas Burbidge</i>
15:30	Session 10: Action Planning: Final Presentations <i>Program Director: Floris Fleermuys</i> Each Group to make their presentations
17:00	DEBRIEF – END OF DAY EVALUATION

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Day 4, Thursday, August 22

09:00	Summary of Previous Day – Ideas I will use <i>Program Director: Floris Fleermuys</i>
09:15	Session 11: Market Abuse <i>Program Leader: Mercy Buku</i> <ul style="list-style-type: none">• Vulnerability of securities markets to Insider dealing and market manipulation• Market abuse <i>surveillance</i> – role of RegTech and SupTech• Organisational measures to prevent market abuse• Enforcement powers and supervisory actions on instances of market abuse
10:15	BREAK
10:30	Session 11: Group Activity: Market Abuse Case Study: FTX & Sam Bankman-Fried <i>Program Leader: Mercy Buku</i>
12:00	BREAK
13:00	Session 12: Governance Framework to prevent Financial Crime <i>Program Leader: Nicholas Burbidge</i> <ul style="list-style-type: none">• What to expect from institutions board, senior management and Compliance Function?• Core Components of an Effective Compliance Program to mitigate FC Risks• Tone from the Top (Board and Senior Management)• Why Strong Board Oversight for FC is important?

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14:15	BREAK
14:30	Session 12: Group Activity: Governance Framework Case Study: Key components of the FC program <i>Program Leader: Nicholas Burbidge</i>
15:45	Session 13: Action Planning: Wrap-up Session: Group Activity <i>Program Director: Floris Fleermuys</i> <ul style="list-style-type: none">• Action Plans, Key takeaways and Way Forward on using Action Planning to address deficiencies
17:00	DEBRIEF – END OF DAY EVALUATION

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Day 5, Friday, August 23

09:00	Summary of Previous Day – Ideas I will use <i>Program Director: Floris Fleermuys</i>
09:15	Session 14: Inter-agency, Cross Border Collaboration, Public/Private Partnerships (PPP) <i>Program Manager: Mercy Buku</i> <ul style="list-style-type: none">• Role of regulatory agencies• International Co-operation Guidance – Egmont• Tracing, Freezing and recovery of assets• Public Private Partnerships (FFIS guidance)
10:15	BREAK
10:30	Session 14: Group Activity: Inter-agency, Cross Border Collaboration, Public/Private Partnerships (PPP) Case Study: Public Private Partnerships (PPP) in fighting FC <i>Program Leaders: Mercy Buku</i> <ul style="list-style-type: none">• The role of the supervisor in PPPs• Sharing Financial intelligence cross agency cooperation
12:00	BREAK

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13:00	<p>Session 15: Financial Inclusion and Gender Equality</p> <p><i>Program Leaders: Mercy Buku</i></p> <ul style="list-style-type: none">• Impact of financial crime on financial inclusion and gender equality• Benefits of financial inclusion & gender equality• Enhancing gender equality in accessing financial services - mobile money• Key Aspects of the Risk-Based Approach• Regulatory measures to enhance financial inclusion
14:15	<p>BREAK</p>
14:30	<p>SESSION 15: GROUP ACTIVITY: FINANCIAL INCLUSION AND GENDER EQUALITY CASE STUDY: FINANCIAL INCLUSION MEASURES IMPLEMENTED</p> <p><i>Program Director: Floris Fleermuys</i></p>
16:00	<p>CLOSING CEREMONY AND AWARD OF CERTIFICATES</p> <p><i>Program Director: Floris Fleermuys</i></p> <p><i>Agency Representative</i></p>
17:00	<p>END OF PROGRAM EVALUATION</p>