FINANCIAL ACTION TASK FORCE
GROUPE D'ACTION FINANCIÈRE

THE WORLD BANK

# **The on-site visit:**
# Planning and Organisation

# Overview

- Purpose of the onsite visit
- Role of the lead agency
- The agenda
- Preparing for the meetings
- The onsite - What to expect?
- What to expect at the end of the onsite
- Timelines for the process

# Purpose of the onsite visit

**For the assessors:**

- Assess effectiveness
- Clarify remaining technical compliance issues
- Obtain any missing information

**For the assessed country:**

- Demonstrate that your AML/CFT system is effective and technically compliant with the FATF Recommendations. This the chance to make your case!

# Role of the lead agency (1/2)

- Coordinate the process domestically
- Be the primary point of contact
- Finalise the agenda with the Secretariat
- Arrange the logistics for the onsite visit
- Follow up on requests from the assessors for additional information or meetings
- Gather information from other agencies and forward it to the assessors
- Ensure the quality & consistency of your national response

# Role of the lead agency (2/2)

- Work with your country's main point of contact throughout the process
  - Requests are coming from the assessors
  - Deadlines are tight
  - Provide information promptly and in the format requested
- Do not contact the Secretariat or assessment team directly
- If requested by the team, the main point of contact may be present during onsite meetings

# The agenda (1/3)

- Your lead agency will work with Secretariat to refine the agenda, in line with the team's needs
- Agenda will be finalised 2 weeks before the onsite
- Length of time needed with each agency depends on results of the scoping exercise
- Accommodate any requests arising from the additional focus

# The agenda (2/3)

- Average length of onsite is 10 business days (or more). Structure of the initial draft agenda:
  - 1/2 day assessment team coordination meeting
  - High-level policy meeting with key agencies
  - 7-8 days of meetings:
    - Individual agencies (state, provincial, municipal?)
    - Private sector representatives
    - Follow-up meetings with certain agencies
  - 1-2 days for the team to work alone on report
  - Short wrap-up meeting with authorities

# Preparing for the meetings (1/5)

- Get the right people in the room
  - For competent authorities – Operational level staff who are able to answer technical questions about how AML/CFT policies are being implemented in practice & some policy people
  - For private sector – Operational level compliance officers, front-line staff & policy people

# Preparing for the meetings (2/5)

- Provide a list of all participants (name, position, agency) for each meeting (preferably in advance)
- Provide useful background information to the team in writing in advance
- Choose your most articulate speaker to make the initial presentation

# Preparing for the meetings (3/5)

- Know how your system works in practice and be able to explain it clearly and simply
- Diagrams can be helpful to show how processes work and how information flows
- Understand your statistics
- Figure out how to deal with classified information and intelligence
- Provide as much of this information to the team in advance as possible

# Preparing for the meetings (4/5)

- Be armed with both quantitative and qualitative information. Statistics are not everything.
- What are your greatest success stories? Have specific examples demonstrating how the system works, and be prepared to share these with the team.
- Any well-known failures? What were the lessons learned & steps taken to keep it from happening again

# Preparing for meetings (5/5)

- Specific considerations when conducting assessments in another language:
  - Agree a Glossary of terms and ensure that all of your interpreters & translators use them consistently
  - Try to conduct all meetings in the language of the assessment
  - If that is not possible:
    - Try to arrange simultaneous translation for meetings
    - Consecutive translation cuts your meeting time in half

# The onsite - What to expect? (1/3)

- Assessors will be well-prepared and seeking detailed answers
- Questions will be probing and focused on:
  - Areas where higher ML/TF risks are identified
  - Why the country is performing well or poorly?
  - How can effectiveness be improved?
  - Aspects that will help the assessors reach a judgment on each Core Issue
  - Additional relevant issues considered to be core to the effectiveness outcome

# The onsite - What to expect? (2/3)

- The Methodology is not a script of assessor questions. Core Issues are framed as questions BUT:
  - They are not mandatory questions to be asked
  - They are mandatory questions to be answered
- The degree of detail & time spent on each Core Issue depends on the degree of risk & materiality associated with that issue in the country

# The onsite – What to expect? (3/3)

- Team may split to cover different issues
- New meetings may have to be arranged on short notice
- Hard work (7-8 hours of meetings per day, short lunch breaks, limited hospitality events)
- This may mean working different hours from what you are used to

# Conduct of the meetings? (1/2)

- Will likely be a lead assessor at each meeting
- Avoid long introductory speeches or PowerPoint presentations. Team will usually want to jump straight to questions. Some exceptions
- Do not let the schedule fall behind

# Conduct of the meetings (2/2)

- Be clear and concise. Do not get defensive.
- Tell the story by giving concrete examples and explaining the context
- Stay focused on the priority issues
- When providing documentation during the on-site visit:
  - Give paper copies (enough for everyone on the assessment team)
  - Also give electronic copies

# What to expect at the end of the onsite

- Short wrap-up meeting (about 1 hour)
- Only key authorities need to be present
- Team provides a short written summary of their key findings (1-2 pages)
  – High level impressions only (no ratings)
  – May request further information
- Identify the priority areas where you will need to focus going forward

# 3. APG procedures – ME timeline

1. Preparation for the on-site visit, including:
   – *Member* : TC questionnaire (6 months)
   – *Secretariat*: global survey on member's international cooperation (6 months)
   – *Member*: information on effectiveness (4 months)
   – *Assessment team*: draft of TC analysis (3 months)
   – *Assessment team*: specific areas of focus (2 months)
   – *Member*: draft on-site schedule ( 1 month)

# 3. APG procedures – ME timeline

Cont.

2. The on-site visit of the assessment team, including:
   - Meetings with government and private sector
   - Focus on effectiveness
   - Team provides a written summary of key findings

(2 weeks)

# 3. APG procedures – ME timeline

Cont.

3. After the on-site visit, including:

- *Assessment team*: prepare 1st draft MER (6 weeks)
- *Member*: comments on 1st draft (4 weeks)
- *Assessment team*:
  revise, complete 2nd draft MER (2 weeks)
- *APG members/other assessor bodies*:
  quality & consistency review (2 weeks)
- *Assessment team and member*: 3rd draft MER
- *Assessment team and member* – Face-to-Face, then…
- (at least 8 weeks before annual meeting)

# 3. APG procedures – ME timeline

Cont.

4. Interaction before the APG plenary discussion, between *member*, *assessment team* , *reviewers* and *secretariat*, including:

   – Final draft circulated to APG members and members 5 weeks prior to annual meeting

   – Identifying potential priority issues for plenary consideration (3 weeks to provide comments)

   – Key issues circulated at least one week before annual meeting

# 2. APG procedures – ME timeline

5. Plenary discussion, including:
   – Listing priority and substantive issues
   – Plenary discussion and adoption
   (approximately 3 – 5 hours)
6. Publication and other procedures, including:
   – Amending adopted MER as required
   – Circulating adopted MER for ex-post review
   (2 weeks)
   – Publish, if no new issues (6 weeks)