



ILCC Financial Services Event

The Effectiveness, Burden and Unintended Consequences of AML – The Way Forward

Viewed From a Better Regulation Perspective, are current approaches to AML/CFT, including KYC, Fit for Purpose?

Money laundering is a serious crime that has many victims and governments must address it. It involves the proceeds of crime: people smuggling and human trafficking, sexual exploitation, drug trafficking, corruption, fraud, theft, environmental crime, tax crime, and many others. In the current approach, a major proportion of enforcement is “outsourced” to the private sector, via a compliance model. Currently, the global costs of compliance are estimated to be in the range of \$180 – 250 billion.

Anti-money laundering (AML) compliance, including enforcement, by banks and others obliged entities, have also, however, triggered major negative unintended social and economic consequences. While this compliance-led approach does act as a disincentive to attempts to launder money, banks and other obliged entities bear real-world unintended costs and increased risks of failure to comply. At the same time, reportedly less than 1% of illicit laundered funds are being recovered. It seems that questions must be raised about the effectiveness of the current methods.

Please join us to hear a variety of perspectives on this important issue.

Richard Meads (Business Decisions Ltd.) has worked with various Brussels think tanks on regulatory impact assessment (RIA) of EU legislation. He was part of the original team that successfully advocated for its introduction via the Amsterdam Treaty. Since 1995, he has also contributed to the development of the OECD’s global Better Regulation policy, including requirements for regulators to consider risk-risk set out in 2012. He specialises in Better Regulation, regulatory effectiveness/efficiency and the use of *ex ante* and *ex post* evaluations. He also works to highlight occurrence of risk-risk in

regulation. Risk-risk is an established concept whereby regulation designed to mitigate one risk inadvertently creates new ones.

Programme

18.00	Registration
18.30	Welcome and Introduction by ILCC Chairman, Joe Huggard
18.35	Keynote Speaker Richard Meads, Business Decisions Limited
19.00	Contributions and comments from panellists <ul style="list-style-type: none">• Brian Hayes, Chief Executive Officer, Banking and Payments Federation Ireland and former minister in Irish Government• Yann Power, Independent Director, Governance & Compliance Coach in the Fund Industry and member of various ILA & ALFI working groups• Representative of the Luxembourg Banking Community (TBC)
19.30	Panel discussion and exchanges
19.50	Questions from the floor
20.10	Moderator's summation
20.15	Conclusion and networking cocktail
Date	February 10th
Location	Auditorium, Banque de Luxembourg, 14, Bd Royal, 2449 Ville-Haute Luxembourg

Registration

There is no charge for admission but for security reasons, prior registration necessary by filling out this forms

<https://forms.gle/6akutuAVm8pvScQi9>

The venue is courtesy of the Banque de Luxembourg.

The cocktail is being sponsored by The Huggard Consulting Group.