

# Government of Nepal

## AML/CFT Training/Workshop/Seminar Course of Study and Contents

Action related to: AML/CFT National Strategy and Action Plan (2076-81)

Approved by: National Coordination Committee

S.N.	Type of Course	Minimum areas of coverage	Targeted Audience
1.	General Understanding of AML/CFT	<p><b>Name of Course:</b> Overview of AML/CFT and International Requirement of Compliance</p> <p><b>Duration of Course:</b> One day or Four Sessions</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• Concept of AML/CFT                             <ul style="list-style-type: none"> <li>○ Basic concept</li> <li>○ Reporting of TTR\STR</li> <li>○ Beneficial owner</li> </ul> </li> <li>• FATF and related international organizations</li> <li>• Global best practices</li> <li>• AML-CFT Nepalese legal regime</li> <li>• Nepalese AML-CFT Regime</li> <li>• Different AML-CFT related stakeholders and competent authorities                             <ul style="list-style-type: none"> <li>○ Work Area and Role</li> <li>○ Policies and guidelines</li> </ul> </li> <li>• Role of Agencies and Reporting Agencies</li> <li>• Prospects and challenges</li> </ul>	<p><b>Targeted participants:</b> General peoples, government employees, and employees of AML-CFT stakeholders and competent authorities</p>
2.	Mutual Evaluation	<p><b>Name of Course:</b> Advance Level Course FATF Recommendations 2012 and Assessment Methodology 2013 and Mutual Evaluation</p> <p><b>Duration of Course:</b> 2-3 days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• Review of Nepal's Two previous ME reports</li> <li>• General overview of FATF Recommendations 2012, Assessment Methodology 2013 and APG Third Round Mutual Evaluation Procedures 2019</li> <li>• FATF 40 recommendations based on agency specific requirement and compliance</li> <li>• Assessment Criteria                             <ul style="list-style-type: none"> <li>○ Technical assessment</li> <li>○ Effectiveness assessment</li> </ul> </li> <li>• Assessment process and templates</li> <li>• Roles of different agencies</li> <li>• Strategy of ME preparation, discussion, and defense</li> <li>• Post ME preparation and challenges</li> </ul>	<p><b>Primary:</b> Officials assigned for mutual evaluation and working in the core agencies i.e. MoLJPA, FIU, Regulators, DMLI, MoF and OPMCM</p> <p><b>Secondary:</b> High level government officials and mid-to senior level officials of government and related agencies</p>
3.	Risk Assessment	<p><b>Name of Course:</b> Advance Level Course AML/CFT Risk Assessment</p> <p><b>Duration of Course:</b> Two days</p>	<p><b>Primary:</b> Officials assigned for risk assessment functions (agencies specific and</p>



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		<p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• Review of Nepal's previous National Risk Assessment and Self Evaluation Reports.</li> <li>• General Overview of Risk, Risk Assessment and Risk Based Approach</li> <li>• Scope of Risk Assessment: product, service, geography, delivery channels etc</li> <li>• Methodology of Risk Assessment (Agencies specific and NRA specific) and Templates</li> <li>• Assessment process</li> <li>• Roles of agencies</li> <li>• Concussion and follow up</li> </ul>	<p>NRA)  <b>Secondary:</b> All related agencies employees working in AML/CFT compliance, policy, and operational</p>
4.	Preventive measures	<p><b>Name of Course:</b> Preventive Measures to be adopted on AML-CFT</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• AML/CFT governance and building blocks</li> <li>• FATF Recommendations 9-23</li> <li>• Efficient and updated systems for <ul style="list-style-type: none"> <li>○ Risk assessment</li> <li>○ KYC\CDD</li> <li>○ Beneficial Owner (BO)</li> <li>○ Risk management</li> <li>○ Monitoring</li> <li>○ TTR\STR reporting</li> <li>○ Targeted financial sanction including proliferation financing implantation</li> </ul> </li> <li>• Role of reporting entities and regulators</li> <li>• Typologies and emerging issues including TBML, revenue evasion, corruption, smuggling, hundi and capture of changing risks and contexts</li> <li>• Terrorist financing</li> <li>• Targeted sanctions on TF &amp; proliferation financing</li> <li>• Risk based approach in line with changing dimension</li> <li>• Effectiveness at visible level</li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>• Reporting entities</li> </ul> <p><b>Secondary:</b></p> <ul style="list-style-type: none"> <li>• Regulatory authorities</li> <li>• FIU</li> <li>• Investigation authorities including revenue administration</li> <li>• Prosecutorial authorities</li> <li>• Other related</li> </ul>
5.	Regulation/supervision	<p><b>Name of Course:</b> Regulations and Supervision of Reporting Entities regarding AML-CFT</p> <p><b>Duration of Course:</b> 2-3 days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• Overview of risk areas identified by National Risk Assessment (NRA)</li> <li>• Regulatory authorities dimension <ul style="list-style-type: none"> <li>○ Prudential or/and AML/CFT</li> </ul> </li> <li>• Updated building blocks test for preventive measures including targeted financial sanctions <ul style="list-style-type: none"> <li>○ Off-site/on-site</li> </ul> </li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>• Regulatory authorities</li> </ul> <p><b>Secondary:</b></p> <ul style="list-style-type: none"> <li>• FIU</li> <li>• Investigation authorities including revenue authorities</li> <li>• Prosecutorial authorities</li> </ul>

S.N.	Type of Course	Minimum areas of coverage	Targeted Audience
		<ul style="list-style-type: none"> <li>• Functional test including IT for AML/CFT</li> <li>• Risk based approach to supervision (both onsite and offsite) and Template of supervision</li> <li>• Risk based supervisory strategy</li> <li>• Capturing FIU/investigative feedbacks</li> <li>• Trade Based Money Laundering (TBML), revenue evasion, corruption, smuggling, hundi and changing risks and contexts</li> <li>• Mapping the level of effectiveness and relative sanctions</li> </ul>	
6.	FIU	<p><b>Name of Course:</b> Financial Information Unit and AML-CFT stakeholders</p> <p><b>Duration of Course:</b> Three days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• FIU: nature, type and objectives</li> <li>• Scope of functions</li> <li>• Operational analysis (including risk based approach to TTR\STR analysis)</li> <li>• Strategic analysis</li> <li>• Feed backs and end-user's game</li> <li>• Domestic co-operation with REs, Regulatory authorities, LEAs</li> <li>• International Co-operation (MoU and EGMONT group)</li> <li>• goAML</li> <li>• Challenges and Way forward</li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>• FIU</li> </ul> <p><b>Secondary:</b></p> <ul style="list-style-type: none"> <li>• Investigation authorities including revenue administration including revenue authorities</li> <li>• Prosecutorial authorities</li> <li>• Regulatory authorities</li> </ul>
7.	Investigation, prosecution & adjudication	<p><b>Name of Course:</b> Investigation, prosecution &amp; adjudication of AML-CFT Predicate Offence</p> <p><b>Duration of Course:</b> Four days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• Scope of investigation</li> <li>• Criminalization</li> <li>• Scope of financial investigation</li> <li>• ML investigation, types</li> <li>• TF investigation, types</li> <li>• Information/evidence chain</li> <li>• Typologies</li> <li>• TBML, revenue evasion, corruption, smuggling, hundi and capture of changing risks and contexts</li> <li>• Use of intelligence</li> <li>• Parallel/joint investigation (internal/external)</li> <li>• Special investigation techniques</li> <li>• Use of MLA &amp; other international cooperation</li> <li>• Coordination/partnership with FIU, counterparts and other related agencies</li> <li>• Prosecutorial authorities</li> <li>• Developing feedback mechanisms among different agencies involved</li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>• DMLI &amp; all investigation authorities including revenue administration</li> <li>• Prosecutorial authorities</li> <li>• Judicial authorities</li> </ul> <p><b>Secondary:</b></p> <ul style="list-style-type: none"> <li>• FIU</li> <li>• Regulatory authorities</li> </ul>

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		<ul style="list-style-type: none"> <li>Judicial outlooks</li> <li>Challenges and way forward</li> </ul>	
8.	Assets recovery	<p><b>Name of Course:</b> Assets Seizing, Freezing, Confiscating and Managing relating to MLTF</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>Tracing proceeds of crimes and instrumentalities</li> <li>Identifying beneficial ownership</li> <li>Identifying the properties of corresponding value</li> <li>Freezing, seizing</li> <li>Claiming confiscation</li> <li>Assets calculation</li> <li>Recovering assets</li> <li>International cooperation/sharing (Mutual Legal Assistance)</li> <li>Managing the assets</li> <li>Challenges and Way forward</li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>Investigation authorities including revenue administration</li> <li>Prosecutorial authorities</li> <li>Judicial authorities</li> <li>CAMD</li> <li>MoF</li> </ul> <p><b>Secondary:</b></p> <ul style="list-style-type: none"> <li>FIU</li> <li>Other related</li> </ul>
9.	MLA/Extradition and other international cooperation	<p><b>Name of Course:</b> Mutual Legal Assistance, Extradition and Other International Co-operation</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>Scope and content of MLA and extradition treaties: locating AML/CFT related issues</li> <li>Process of MLA and extradition</li> <li>Legal and institutional managements</li> <li>Identification of MLA and other international cooperation during intelligence, investigative, prosecutorial, adjudication and assets recovery functions</li> <li>Institutional facilitation in MLA/extradition process</li> <li>Experiences of South Asian and other relevant countries</li> <li>Overview of Nepal's experience: possible issues of negotiation</li> <li>Financial intelligence sharing and its limits</li> <li>Remittance related offences and international cooperation</li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>MLACA/MoLJPA</li> <li>MoHA</li> <li>MoFA</li> <li>Investigation authorities including revenue administration</li> <li>Prosecutorial authorities</li> <li>Judicial authorities</li> <li>CAMD</li> </ul> <p><b>Secondary:</b></p> <ul style="list-style-type: none"> <li>FIU</li> <li>LEAs</li> <li>Regulatory authorities</li> <li>CAMD</li> <li>Other related</li> </ul>
10.	Beneficial ownership	<p><b>Name of Course:</b> Identification of Beneficial Ownership and its link of AML-CFT Investigation</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>Concept</li> <li>Types of entitlements</li> <li>Identification (domestic/foreign)</li> <li>ML/TF relation</li> <li>Management</li> <li>Information sharing mechanisms</li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>Legal persons/arrangement registration authorities</li> <li>Legal person/arrangements monitoring or licensing authorities</li> <li>Revenue authorities</li> <li>Regulators</li> </ul>

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		<ul style="list-style-type: none"> <li>Supervision of beneficial owner identification mechanism in reporting entities</li> <li>Roles and responsibilities of all stakeholders</li> <li>Challenges and way forward.</li> </ul>	<b>Secondary:</b> <ul style="list-style-type: none"> <li>FIU</li> <li>LEAs</li> <li>Other related</li> </ul>
11.	Customs	<p><b>Name of Course:</b> Cross border trade and Custom Declaration</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>Declaration of cash and bearer negotiable instruments and related actions</li> <li>Identification of the flow of gold and precious metals/items</li> <li>Intelligence on cross-border movement of illicit goods or illicit means of movement</li> <li>Identification of goods of dual use</li> <li>Mandate of customs and potential ML/TF activities</li> <li>Informal Trade and its control</li> <li>TBML</li> <li>Challenges and way forward.</li> </ul>	<b>Primary:</b> <ul style="list-style-type: none"> <li>Customs</li> <li>Postal or courier service</li> <li>FIU</li> <li>Intelligence agency</li> </ul> <b>Secondary:</b> <ul style="list-style-type: none"> <li>Police</li> <li>Immigration</li> <li>DMLI</li> <li>Other related</li> </ul>
12.	Non-profit organization/sector	<p><b>Name of Course:</b> Non Profit Organizations (NPOs) and risk of Money Laundering and Terrorist Financing</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>International regime</li> <li>Transparency on source, activities and expenses</li> <li>Regulation/supervision</li> <li>Role of Social Welfare Council and other agencies</li> <li>Prevention of NPOs from being abused for TF or other criminal activities</li> <li>Risk Assessment and Risk Profile</li> <li>Due diligence of donors</li> <li>Domestic and international cooperation</li> </ul>	<b>Primary:</b> <ul style="list-style-type: none"> <li>NPO registration authorities</li> <li>NPOs supervisory authorities</li> <li>Revenue authorities</li> </ul> <b>Secondary:</b> <ul style="list-style-type: none"> <li>Regulatory authorities</li> <li>FIU</li> <li>LEAs</li> </ul>
13.	Combating Financing of Terrorism (CFT)	<p><b>Name of Course:</b> Combating Financing of Terrorism and Proliferation Financing</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>Terrorism</li> <li>Terrorism financing, its types</li> <li>Proliferation financing</li> <li>Legal regime</li> <li>Investigation modalities</li> <li>Emerging issues</li> <li>Typologies</li> <li>Coordination</li> <li>Awareness</li> <li>Challenges and Way Forward</li> </ul>	<b>Primary:</b> <ul style="list-style-type: none"> <li>MoHA</li> <li>Nepal Police</li> <li>Armed Police</li> <li>Nepal Army</li> <li>DMLI</li> </ul> <b>Secondary:</b> <ul style="list-style-type: none"> <li>Regulatory authorities</li> <li>FIU</li> <li>LEAs</li> </ul>
14	Legal	<p><b>Name of Course:</b> AML-CFT related Laws, its</p>	<b>Primary:</b>

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		<p>amendments and link up with all laws and byelaws</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• Predicate, financial and ML/TF criminality</li> <li>• International norms, conventional, protocols, standards, methodologies, emerging issues, etc.</li> <li>• Existing legal regime</li> <li>• Prosecutorial approach</li> <li>• Judicial approach</li> <li>• Legal drafting</li> <li>• Legal education</li> </ul>	<ul style="list-style-type: none"> <li>• Legal Drafters</li> <li>• Prosecutorial authorities</li> <li>• MoLJPA</li> <li>• MoF</li> <li>• OPMCM</li> <li>• FIU</li> <li>• DMLI</li> <li>• MoFa</li> </ul> <p><b>Secondary</b></p> <ul style="list-style-type: none"> <li>• Related agencies</li> <li>• Policy officials</li> <li>• Parliamentarians</li> </ul>
15	Policy	<p><b>Name of Course:</b> International AML-CFT regime and Domestic Legal regime.</p> <p><b>Duration of Course:</b> Two days</p> <p><b>Basic Course Contents:</b></p> <ul style="list-style-type: none"> <li>• Overview of AML/CFT systems</li> <li>• Objectives of AML/CFT systems</li> <li>• National/international context</li> <li>• Interrelation of AML/CFT systems with other systems</li> <li>• Emerging issues</li> <li>• National priority and commitment</li> <li>• Agency mobilization, coordination and review of operational coordination efficiency</li> <li>• Changing dimensions</li> <li>• Performance review and efficiency test metrics</li> <li>• Strategic reformations</li> <li>• Prospects and challenges</li> </ul>	<p><b>Primary:</b></p> <ul style="list-style-type: none"> <li>• Policy level bureaucrats and statement</li> </ul> <p><b>Secondary:</b></p> <ul style="list-style-type: none"> <li>• Heads of related agencies</li> <li>• Parliamentarians</li> <li>• MoF</li> <li>• MoLJPA</li> <li>• OPMCM</li> </ul>

- Concern Agencies will take the course as general guidelines and can expand its scope as per national context, risk, international standards, emerging issues and areas identified in the National AML/CFT Strategy and Action Plan 2019-2024.
- Concern Agencies will develop supplementary course on the issues and other relevant factors related with current trend and typologies of AML/CFT
- Concern Agencies will ensure that all the related officials are trained on their relative areas.
- Case studies will be the part of the course in all related areas and such methodologies shall be used.

