

## MENA FCCG MEETS THE WOLFSBERG GROUP IN PARIS: WORKING TOGETHER TOWARDS ACHIEVING AN OVERARCHING OBJECTIVE

The MENA Financial Crime Compliance Group (MENA FCCG) scheduled a meeting with the Wolfsberg Group in Paris, France to bring collective action in the fight against Money Laundering and Terror Financing. The meeting is a milestone in collaboration amongst the largest financial institutions across the globe and MENA.

### A HISTORIC ENCOUNTER BETWEEN THE BEACONS OF COMPLIANCE ADVOCACY:

The Wolfsberg Group is an association of thirteen of the most influential global financial institutions from North America, Europe and Asia. Among its achievements, the Group publishes and updates a series of principles known as “*The Wolfsberg Standards*”, which are recognized and applied by the regulatory and financial community across the world.

The objective of this private event which took place December 7<sup>th</sup>, 2017 was to raise confidence in MENA’s Financial Sectors by sharing compliance best practices, whilst exchanging concerns with regards to correspondent banking relationships, and reinforcing the MENA banking sectors’ commitment to safeguarding credibility, integrity, and trust in the financial system.



The Wolfsberg Group members welcomed the collaboration with MENA FCCG, highlighting that in the past they had to manage communications with multiple parties from the Arab region while now, there is a cohesive co-ordination point with the MENA FCCG.

Mr. John Cusack, Co-Chair of the Wolfsberg Group, stated “The Wolfsberg Group Member Banks are committed to fighting financial crime, seeking to disrupt organized crime groups and terrorists from funding their illicit and harmful activities. These goals are shared by the MENA FCCG and we look forward to continued dialogue and cooperation in the future.”

Among the distinguished guests, MENA FCCG was honored to have the participation of the Chairman of the Union of Arab Banks (UAB), Mr. Mohammed Jarrah Al Sabbah and Dr. Mohammed Baasiri Deputy Governor of the Central

Bank of Lebanon (CBL) and the Chairman of the US-MENA Private Sector Dialogue initiative, as well as Ms. Carine Chartouni Executive Director and Head of Compliance at CBL.

According to Mr. Wissam H. Fattouh, Chairman of MENA FCCG and Secretary General of the Union of Arab Banks, “this event furthers the members’ abilities to help local banks to overcome challenges faced when transacting with international banks, as well as, to further develop strong relations with international correspondent banks, enabling them to align strategies and future efforts within the Arab region.”

### BRINGING COLLECTIVE ACTION IN THE FIGHT AGAINST FINANCIAL CRIME:

Established in 2016, MENA FCCG has quickly established itself as a vital medium for building and

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spreading a trustworthy compliance culture in the region. The MENA FCCG is an industry-driven, voluntary initiative, currently consisting of 12 proactive leading private financial institutions from eight Arab countries with UAB and Thomson Reuters as strategic partners.

UAB is the largest Arab Association of financial institutions in the world, while Thomson Reuters has a global network of more than 45,000 professionals across over 100 countries.

Leveraging the expertise, resources, and the network span of its members and strategic partners, MENA FCCG has published, to date, informative articles, conducted complimentary webinars and participated in various global events including the most recent conference on “Combating Terrorism and Enhancing Relations with Correspondent Banks” held at the US Federal Reserve Bank of New York in October 2017.

Mr. Che Sidanius, Global Head of Regulation and Advisory for Thomson Reuters stated “MENA FCCG is taking the mantle for the region and is a model that should be replicated in other Jurisdictions.”

### **BUILDING & SPREADING A COMPLIANCE CULTURE:**

At the close of MENA FCCG Plenary meeting on December 8<sup>th</sup> 2017, the Group’s Deputy Chair and founding member, Mr. Michael Matossian announced MENA FCCG’s ambitious 2018 calendar.

In collaboration with the Wolfsberg Group, MENA FCCG hopes to facilitate for smaller MENA Banks the completion of the Wolfsberg updated Due Diligence Questionnaire through a series of webinars and dedicated training sessions. The Wolfsberg updated Due Diligence questionnaire (CBDDQ) aims to set an enhanced standard for Correspondent Banking Due Diligence, that, if adopted across the industry, will create efficiencies, raise the bar on fighting financial crime, and make the international financial system stronger. As a result, costs of compliance could be trimmed, the speed of new on-boarding reduced but, more importantly, a transparent global standard established so that Correspondent Banks can operate, more than ever, on a more level playing field, mitigating de-risking.

The MENA FCCG also plans to extend its outreach to the public sector by launching a series of workshops and education sessions

designed to strengthen the operational and technical skills of governmental agencies, including but not limited to intelligence agencies and anti-money laundering and counter terror financing taskforces or units.

The significance of such initiatives are to enhance the communication and cooperation channels between the public and private sector, forging stronger vital alliances to share typologies and advance mutual efforts in combating financial crime.

On the regional front, MENA FCCG is planning to issue a MENA wide compliance survey to enable it to effectively define and respond to the pain points and challenges that smaller institutions are facing in implementing AML and Counter Terror Financing programs.

“In essence, the group represents a considerable portion of the Arab Financial Sector. Our aim is to support financial and governmental institutions to strengthen their compliance expertise with the objectives of aligning with international standards, engendering trust, and collectively making an impact on the fight against financial crime, within the financial sector and beyond” concluded Mr. Matossian.