

MENA FINANCIAL CRIME COMPLIANCE GROUP

Engaging with multi-stakeholders to find solutions to promote best AML/CTF practices.



MENA FCCG COLLABORATES WITH THE GENERAL SECURITY OF LEBANON: THE FIRST PUBLIC-PRIVATE COMPLIANCE INITIATIVE IN THE MENA REGION.

In an effort to address global and neighboring threats, the General Security of Lebanon (GSL) continually strives to uncover terror cells, drain the flow of terror funding, and secure national borders. Expanding its regional repute, the Directorate of the Lebanese General Security has become the first security agency to collaborate with MENA Financial Crime Compliance Group (MENA FCCG), a group of leading financial institutions from the region, in an effort to further intensify its ability to detect, disrupt and prevent financial crime.

Worldwide there are a handful of countries that have instigated dialogues on tackling money-laundering and terror financing risks between governments, law enforcement agencies, central banks and financial institutions. The inclination towards jointly understanding and reporting financial threats stems from global organizations like the Financial Action Task Force (FATF), which have recommended the establishment of public-private partnerships. Significantly, Anti-Corruption summits have resulted in the establishment of public-private commitments such as the Financial Information-Sharing Partnerships (FISP). Since its formation in May 2016, only six FISPs were established: in



the United States, the United Kingdom, Canada, Australia, Singapore and Hong Kong.

A PIONEERING INITIATIVE IN MENA'S COMPLIANCE PUBLIC-PRIVATE COMMUNITY:

MENA FCCG, with support from its Strategic Partners; the Union of Arab Banks and Thomson Reuters, has collaborated with the General Security of Lebanon in this event that bridges their mutual determination to combat Money Laundering and Terror Financing. The event took place on January 11th, 2018 in the GSL directorate's headquarters in Beirut, Lebanon where high ranking generals, lieutenants, regulators and regional & international compliance experts from the financial sector united.

Discussion topics covered latest trends in illicit financial activity, profiling and detection of perpetrators, management of large data, and monitoring and reporting of suspicious transactions.

Dr. Muhammad Baasiri, Vice Governor of the Central Bank of Lebanon and Chairman of the US-MENA Private Sector Dialogue Initiative highlighted the significance of the event stating: "this events builds upon Lebanon's commitment towards ensuring the Lebanese banking sector remains one of the most pristine and sound financial systems in the world including the implementation of rigid international standards, abidance to global regulations, and involvement in key AML/CFT initiatives."

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BRIDGING THE GAP BETWEEN LAW ENFORCEMENT AGENCIES AND BANKS:

During the event, MENA FCCG extended its outreach to the intelligence community by delivering intensive sessions aimed at strengthening the operational and technical skills of the Lebanese AML/CTF taskforce.

An appreciation award from the General Security of Lebanon was presented to Mr. Wissam H. Fattouh, Chairman of MENA FCCG and the Secretary General of the Union of Arab Banks who proudly asserted: "To effectively track and seal the routes by which terrorists raise, move, store and use money...it is empirical for both sectors to forge alliances that cover all angles of this complex spectrum. MENA FCCG is an ideal partner as it transcends wide relations from its strategic partners and insight of its banking members."

LEVERAGING MENA FCCG'S EXTENSIVE PARTNERSHIPS:

On top of accessing the Union Arab Banks' global affiliations with the World Bank, the OECD, the UN Security Council, the US Federal Reserve only to name of few, MENA FCCG is comprised of 12 coveted Arab banks originating from the UAE, Bahrain, Kuwait, Qatar, Jordan, Egypt, Oman and Lebanon, with a combined branch network covering North America, Europe, Asia and Africa.

For this historic occasion, the Group tapped into its resources to summon the

expertise of Mr. Chahdan Jbeily, General Manager Bank Audi, Mrs. Samar Baasiri, ACAMS Board Member & Chief Compliance Officer BankMed, Mr. David Shepherd Market Development Lead Risk MENA Thomson Reuters and Mr. Ibrahim Eladawai Senior Compliance Consultant, Thomson Reuters.

Nadim Najjar, Managing Director MENA at Thomson Reuters said: "Our collaboration with MENA FCCG helps promote international best practice across regional markets. These joint efforts will facilitate the development of a sound and vibrant regulatory and compliance community in MENA. Thomson Reuters is a key contributor to the growth of MENA markets through enhancing transparency, offering quality content, helping companies function better, and assisting professionals make informed business decisions. Our commitment to this region dates back to 1856 starting with news and expanding to comprehensive news and data coverage."

TYOLOGIES OF RISKS TO SPOT FINANCIAL CRIME:

In most, if not all financial markets the threat of financial crime continues to grow so does the expectation of banks to detect and deter illicit flows. A task that is increasingly challenging particularly as it relates to tackling terror finance.

According to Mr. Antoine Hobeiche, MENA FCCG's Advisor and Managing Partner of React-Adapt-Lead Consulting "criminals increasingly rely on a web of resources with a wide range of shared information; enabling them to make collective and timely decisions. In essence,

criminals and terrorist can remain one step ahead as they prefer to operate in coordinated clans, while law enforcement agencies and financial institutions work in silos, either due to legislations, regulations, managerial red tape or simply due to a lack of synchronization."

In order to address these concerns, among MENA FCCG's objectives is to facilitate discussions from both sectors to weave links between related efforts such as customs and trade finance, criminal profiling and risk assessments, travel patterns and financial activity.

MENA FCCG CALLS FOR A COLLECTIVE IMPACT:

The Group's Deputy Chair and founding member, Mr. Michael Matossian announced MENA FCCG's plans to peruse its collaboration with other government and intelligence agencies and has commended the Directorate of the General Security of Lebanon for taking the lead in the region. "It is only by joining forces that we can triumph over a pervasive and organized opponent. We hope that Lebanon sets the stage for other Arab countries to schedule similar discussions bringing together law enforcement agencies and representatives of the financial sector. If summoned, MENA FCCG remains at their disposal"

In the coming month, MENA FCCG will participate in the 12th MENA Regulatory Summit which will be held in Manama, Bahrain where it will continue to spread the compliance culture across the region.

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