

AML/CFT • LUXEMBOURG

AML/CFT Training for Boards of Directors

▲ 8 chapters

▲ 60 min • 35 slides

▲ Oversight, challenge and documentation at Board level

8 CHAPTERS

▲ Training programme

1 Introduction and the Board's Role

1.1 Why this training is critical

1.3 The Board's role in Luxembourg

- Oversight and risk appetite approval
- Validation of policies

1.2 Objectives of the 60 minutes

- Incident monitoring
- Allocation of resources

2 Luxembourg AML/CFT Framework and Risks

2.1 The Luxembourg AML/CFT framework

- Law of 12 November 2004
- CSSF, CRF/FIU, AED, CAA, RBE

2.3 Money laundering, terrorist financing, sanctions

2.2 Luxembourg ML/TF risks – NRA 2025

2.4 Risk-based approach and risk appetite

3 Governance and Proof of Oversight

3.1 Board, senior management, RR and RC

- Independence, competence and availability
- Direct access to the Board

3.3 Three lines of defence

3.2 RR / RC / MLRO: frequent mistakes

3.4 Board documentation: proof of oversight

4 Due Diligence and Key Risk Areas

4.1 Customer due diligence

- Beneficial owners and complex structures
- PEPs, relatives and close associates

4.3 Transaction monitoring

4.2 Enhanced and simplified due diligence

- High-risk countries and geographic exposure
- Financial sanctions and asset freezing

4.4 Suspicious transaction / activity reports

5 Delegation, Distribution and New Risks

5.1 Outsourcing and delegation

- Transfer agent, AIFM, registrar
- Compliance providers and KYC utilities

5.3 Crypto-assets, fintech and new risks

5.2 Distribution, intermediaries and investors

6 AML/CFT Reporting to the Board

6.1 The ideal Board reporting pack

- KYC overdue, PEPs, high-risk clients
- Sanctions hits, STRs, incidents, audit issues

6.2 KPIs and KRIs the Board should require

- % incomplete files, alerts beyond SLA
- Overdue periodic reviews and exceptions

7 Luxembourg Case Studies

7.1 Case study 1 – Onboarding a complex investor

- Debrief: structure, UBO, source of funds and wealth

7.2 Case study 2 – Sanctions / PEP / atypical alert

- Debrief: chronology, evidence and closure rationale

8 Inspections, EU AML Package and Action Plan

8.1 CSSF inspections: how to prepare

8.3 EU AML Package: AMLR from 10 July 2027

8.5 Conclusion – 5 decisions to take

8.2 Sanctions and liability

8.4 Board checklist – 20 annual controls

BOARD COMMITMENT

Ask the right questions, detect weak signals, require the right evidence.