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# 'WHAT'S GOING ON?': THE WORLD—AND BSA/AML—IN A POST-BIN LADEN CONTEXT

Marking a milestone, and looking towards 9/11's tenth anniversary

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It is so hard to accept that it has almost been 10 years since 9/11.

Those of us in the AML community realize that the day changed all of society, with the loss of life, change in travel protocols, and our overall sense of fear. We also specifically saw a shift in financial laws, regulations, and policy. As I have noted many times in this blog, the private sector has not wavered from the joint goal with our government partners, of stemming money laundering, reporting suspicious activity, and deterring terrorist financing.

However, now that Osama Bin Laden has been justly terminated, what is next, or as Marvin Gaye once sang, "What's Going On?"

Marking a milestone

This week, I was honored to be presenting at the West Coast AML Forum or WCAML at their 19th Annual program, when we all applauded the great work of the Navy Seals (and the brave men and women in the government who have worked tirelessly since 9/11 to investigate terrorist financing and all aspects of financial crime) in bringing an end to an individual that clearly had no regard for human life.

The conferees, while pleased that this goal was finally achieved, continued to work throughout the forum. We all must, to gather as much new information from trends, case studies, and enforcement actions that can enhance our compliance programs.

In fact, a common theme for the audience, as they discussed the intersection of AML and fraud was captured in what

came to be known as the three "C's"-communication, coordination, and cooperation. But it has a broader application.

What's next, in the world, and in Washington?

So as we move past the big news-"what's going on?" Terrorists will always need monies so the appropriate question is what adjustments need to be made?

Initial reactions may change over time, but I have already heard and seen commentators point to the use of "hawalas" (an informal value transfer system well-known to the AML community) as enabling Bin Laden to stay in relative security in his compound in Pakistan.

As a result, one can expect new guidance from the U.S. and other governments on how to determine and report suspicious activity connected to these centuries old financial systems. Tapping banking sector representatives for their input is also essential.

As for new laws or regulations, I also have seen congressional representatives question whether the PATRIOT Act should be revisited. This, of course, could include anything, from increasing criminal penalties to modifying or dramatically changing areas unrelated to banking, such as the defense or intelligence agencies.

No matter what direction policymakers take, it is sad to note that the current hostile political environment provides no guarantee of common sense or inclusive debate-something that did exist immediately after 9/11.

What can bankers do?

For the financial sector's part, we will continue to look to our government partners to understand how Al Qaida will react to the death of Bin Laden and several other leaders in terms of moving or acquiring funds to advance their horrific crimes. With the success associated with sanctions and the related reporting requirements, it is obvious that those requirements will remain the priority of the U.S. Treasury and Justice Departments and the regulators.

It seems to me that now is an optimal time for renewed efforts at private-public information sharing, as I have long advocated and participated in for many years.

Let us not pursue a new direction in terrorist financing detection without a clear consensus from all those expected to assist in this effort.

As 9/11/11 nears, what have we learned and what's coming?

It can sometimes be too forced to find something positive out of a tragic situation. As the anniversary of Sept. 11, 2011, approaches (and there will be many folks much brighter than me opining on this), it is appropriate for those of us in the AML community to be comforted that we are part of an extended family that knows its compliance, reporting, and training are all pursued for a greater good. We are also a stronger partner with colleagues in the U.S. and beyond than we once were.

The audience at WCAML, comprised of law enforcement and the financial community knows this fact all too well-and that is what's going on and we are the better for it.

- About John Byrne, CAMS  
Byrne is Executive Vice-President of the Association of Certified Anti-Money Laundering Specialists (ACAMS). He has written extensively on AML issues for 25 years and has appeared on television and testified before many congressional committees on AML-related policy issues. Prior to joining ACAMS, John was the Global Regulatory Relations Executive at Bank of America. Previous to that, he worked for the American Bankers Association for 22 years and was responsible for ABA's lobbying, regulatory, and educational efforts on money laundering, and other compliance issues. He received the ABA's Distinguished Services Award and was also the first private sector recipient of the "Director's Medal for Exceptional Service" from the Treasury Department's Financial Crimes Enforcement Network (FinCEN). Byrne can be e-mailed at [jbyrne@acams.org](mailto:jbyrne@acams.org).

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