



# Finance Policies & Procedures

## Money Laundering Policy

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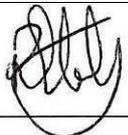
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## 1 REVISION HISTORY

Revision	Date	By	Change
0	18.11.11	I Barry	
1	25.09.15	R Sloley	Updated

## 2 APPROVALS

Name / Role	Signature and Date
Robert Sloley, Finance Director	25.09.15
	

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## Money Laundering Policy

### 3 SCOPE

This policy applies to all CABI employees.

### 4 INTRODUCTION

The legislative requirements concerning anti-money laundering procedures are lengthy and complex. This Policy has been written so as to enable CABI to meet the legal requirements in a way which is proportionate to the low risk to CABI of contravening the legislation.

CABI has its headquarters in the UK and therefore is guided by specific UK legislation. However the principles contained in this policy apply to all the regions in which CABI operates. The purpose of this policy is to make staff aware of current UK legislation, their responsibilities and the consequences of non-compliance with this policy. CABI offices outside the UK should follow any relevant legislation applicable in their host countries. Where local laws conflict with this policy, instances must be notified to the Finance Director (Robert Sloley).

Due to the nature of our products and services, it is unlikely that attempts would be made to launder funds through CABI, but staff should be alert to the possibility. Whilst the risk to CABI of contravening the legislation is low, it is however extremely important that all employees are familiar with their legal responsibilities: serious criminal sanctions may be imposed for breaches of the legislation.

This Policy sets out how any concerns should be raised.

### 5 WHAT IS MONEY LAUNDERING?

Money laundering is often described as:

- Concealing, disguising, converting, transferring or removing criminal property
- Entering into or becoming concerned in an arrangement which a staff member knows or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person
- Acquiring, using or possessing criminal property
- Becoming concerned in an arrangement facilitating concealment, removal from the jurisdiction, transfer to nominees or any other retention or control of terrorist property.

These are the primary money laundering offences and are thus prohibited acts under the UK law.

Potentially any member of staff could be caught by the money laundering laws if they suspect money laundering and either become involved with it in some way and / or fail to act to prevent it.

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## **6 PREVENTION**

The prime method of fighting money laundering is for CABI to know its customers, collaborators or agents and those with whom it does business, taking into account a number of factors, including:

- verification of the identity of individuals and businesses
- establishing the motivation for seeking a business relationship
- the nature, scale and complexity of the business
- the diversity of the operations including geographical diversity
- the customer, product and activity profile
- the distribution channels
- the volume and size of the transactions
- the degree of risk associated with each operation.

With a good knowledge of our customers, collaborators and agents, CABI should be able to identify unusual or suspicious behaviour including false identities, unusual transactions, changing behaviour or other indicators that might suggest laundering is occurring.

## **7 CLIENT IDENTIFICATION PROCEDURE**

Steps must be taken to ensure that CABI holds appropriate information to demonstrate that we know all our customers, collaborators or agents and are dealing with properly authorised representatives. In most cases we have been dealing with the same third parties for a number of years and we should therefore have sufficient information about them. For new relationships, information should be requested such as previous audited accounts, company registration and VAT (or equivalent) details, bank and trade references, etc. to verify that their business is legitimate and solvent.

## **8 RECORD KEEPING PROCEDURE**

Although there is no specific legal requirement that activities of customers, donors or collaborators be monitored, there is an expectation that where unusual events cannot be rationally explained, monitoring activity and transactions helps give greater assurance that CABI is not being used for the purposes of financial crime.

Details of all relevant client identification evidence and business transactions should be kept for at least 5 years from the completion of the transactions. This is so that they may be used as evidence in any subsequent investigation by the authorities into money laundering.

## 9 REPORTING PROCEDURE

Where a member of staff knows or suspect that money laundering activity is taking or has taken place their concerns should be raised the line manager in the first instance. If such action would be inappropriate, concerns should be reported upwards to one of the following persons:

- Head of Department or Regional Director
- Finance Director or other member of EMT.

Ultimately, all instances of money laundering should be reported 'upward' to a member of EMT who then has the responsibility of keeping other EMT members informed.

In some exceptional circumstances it may be appropriate to raise the matter directly with the Chair of the Governing Board (Mr Philip Walters) or the Chair of Executive Council (Dr Lutz Peter- Berg).

If a member of staff have any personal interest in the matter, this should be disclosed at the outset.

Once a member of staff has reported the matter, they should **not** make any further enquiries. Also members of staff should not voice any suspicions to the person(s) whom they suspect of money laundering; otherwise they may commit a criminal offence of alerting a potential criminal or "tipping off".

## 10 THE INVESTIGATION PROCESS

Suspected transactions must be investigated in an independent, open-minded and professional manner avoiding any appearance of alerting those involved. The investigation process will vary according to the circumstances of each case and may involve analysis of the following, for example:

- transaction patterns and volumes
- length of business relationship
- number of one-off transactions
- identification evidence held

The investigation and reporting process should be in accordance with the procedure specified in the Fraud policy.

[Fraud Policy](#)

## 11 CONCLUSION

CABI views money laundering very seriously. All instances will be investigated rigorously and promptly and appropriate action will be taken.