

Report on Outstanding Issues Resolution that BIC Bank Lao Co.,Ltd implemented on AML/CFT:

No.	Recommendation and outstanding issues	Implementation Outcome		Definitions
		Rectified	Pending	
1	Annual plan for AML/CFT implementation	✓		AMLCO is the one who worked on the annual plan to be referenced for work implementation, in the plan consisting of outstanding issues resolution, annual staff training, budget and system development. (Appendix 1)
2	Assignment on AMLCO to monitoring AML/CFT work	✓		By refer to the recommendation from AMLIO, Bank has assigned a team to monitoring on AML work implementation comprising of CEO is act as a chairman, with members are Internal Auditor, Compliance, Branches & Service Units Head to make it efficiency and independent (Appendix 2)
3	Internal assessment on AML/CFT implementation specifically to show on the strength, weakness and outstanding issues from time to time.	✓		So far Bank has been inspected and assessed by AMLIO in annually and rectified the issues as per recommendation together with reporting
4	More attention on staffs training with various topic, focus on each risk areas that tends to be used by criminal on money laundering	✓		Bank is realizing the important on staffs training about AML/CFT, especially emphasis to Operations Department because they are the front door to confront with the risk more than other areas, together with giving exam function in every year, for the contents and questions we have updated from the current situations and also give the certificate to whom that pass the exam (Appendix 3)
5	More attention on AML/CFT implementation, especially KYC/CDD on risk customers and others	✓		We have specially focus on KYC/CDD because it is the first step of risk screening and every department especially Operations and Credit department staffs are emphasized on doing KYC/CDD. Moreover, Bank has strictly form to fill and screening system such as: <ul style="list-style-type: none"> - Dow Jones System - AML System (Appendix 4)

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6	More reporting on STR regularly	✓		Bank has submitted CTR every month in regularly including of STR and PEP (if any) to AMLIO as well as supporting of risk customer information to AMLIO in every time of enquiry.
7	More attention on risk customers review	✓		For KYC/CDD, Bank has based on the customer risk rating for reviewing by refer to Provision on Know Your Customer no. 01/amllo dated 15/01/2016 and Bank's AML Manual no. 002/bic dated 31/01/2018.
8	Once completed on tasks related with AML/CFT, Bank should record it in letters and submit to AMLIO to be aware and follow up	✓		In every time of reporting Bank has properly recorded both of original and copy. Beside that Bank also submitted the document to AMLIO either in hard copy and via online website 'www.amllo.gov.la'



No	Findings from AMLIO	BCEL's Corrective Action	Started Date/Expected Deadline
1	1.1 AML Section should be separated and established as an independent division, directly overseen and supervised by a Deputy Managing Director.	BCEL is carrying out the feasibility study on establishment of the Anti-Money Laundering Division.	Expected to be done by the end of 2020
	1.2 BCEL should employ or increase number of transaction analysis officers.	BCEL has taken the advice into account and proposed this requirement into the 2020 annual recruitment plan of the bank. Recently, this plan has been approved.	Expected to be done by the end of 2020
2	BCEL should strengthen confidentiality controls in order to avoid data leakage especially in case of notification or request letter regarding account freezing from AMLIO to BCEL. In addition to this, BCEL has hierarchical approval procedure in account freezing whereas number of accounts is soar so that BCEL should shorten its current procedure.	Internal consultation meetings on the issue mentioned were taken place a few times in order to find possible solutions to shorten the procedure, minimize duplication to avoid confidential information leakage. According the meeting minute, the Risk Management and Anti-Money Laundering Division will be responsible for account freezing cases related to money laundering and financing terrorist. The division will carry out analysis, reporting to the management in charge and other concerning procedure.	Expected to be done by the end of 2020
3	AML Section should monitor and conduct audit/review on AML-CFT implementation of divisions, centers, branches and services unison regular basis. .	Practice and implementation of work related to AML-CFT of officers and their division/branches are monitored. These have been put into Audit Check List of the Internal Audit Division to conduct review on quarterly and annual basis on behalf of the Risk Management and Anti-Money Laundering Division.	Implemented from Q4/2019
4	BCEL is required to report to AMLIO if there are any changes regarding organization structure and staffing.	This report has been sent to AMLIO by November 2019 (Report no.302/BCEL, dated 19 Nov 2019). Should any changes occur, we will report to AMLIO accordingly.	Implemented from Q4/2019
5	Pay more attention on tracking customers' transactions. Entity	- BCEL issued a notice to staffs relating to services to pay more attention on AML-CFT	Implemented from Q4/2019

	customers and individual customers are required to utilize and maintain accounts suit to their profiles. For instance, entities must not utilize individual account for their business.	<p>implementation especially conducting KYC/CDD prior to open a new account for customer and also monitoring account usage of customers.</p> <ul style="list-style-type: none"> - BCEL issued a notification to some of our customers who have behavior against the suggestion of AMLIO. - For the equality and effectiveness, BCEL sent the request letter No. 001/BCEL, dated on 2nd January 2020, to AMLIO to collaborate with concerning authorities to conduct feasibility study on creating decree/order/regulation related to this issue so that other financial institution in Laos have follow. - - 	
6	Work or any implementation related to AML-CFT should be reported to AMLIO on annual basis.	The 2019 annual report on AML-CFT implementation of BCEL was completed and submitted to AMLIO, the report No.009/BCEL, dated on 20 th January 2020.	The report was sent to AMLIO on 20 th Jan 2020
7	In relation to training on AML-CFT for BCEL employees, it should encompass various topics and appropriate to each functions that possibly enrich knowledge of employees. Additionally, after each training or dissemination workshop, evaluation sheet should be provide in order to test understanding of attendants.	<ol style="list-style-type: none"> 1. For officers working for AML Section: <ul style="list-style-type: none"> - Two officers will study and take exam to earn the Certificate on Anti-Money Laundering Specialist (CAMS). - One officer will study and take exam for Advanced Certificate, CAMS-Risk Management. - One officer will study and take exam for Advanced Certificate, CAMS-Audit. - 2. Annual training or dissemination workshop on AML-CFT is taken place regularly, and the assessment report was submitted to AMLIO as suggested. 	Expected to be done by the end of 2020
8	AML Section should get involved in new product and service development procedures of BCEL to ensure that ML-FT risks has	<p>Some applicable content of AML-CFT regulation and procedure has been incorporated into the regulation on new product and services development of BCEL.</p> <p>In addition, establishment of</p>	Implemented from Q4/2019

	<p>been addressed and mitigate effectively.</p>	<p>committees related to business function especially the one concerning customers services and external third parties will include officers from Risk Management and Anti-Money Laundering Division. The representatives from the division will work on risk management.</p>	
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