

GUIDANCE NOTES – UPDATE

MLAC – 10 FEBRUARY 2006

Joint Money Laundering Steering Group guidance

1. On 1 February the Joint Money Laundering Steering Group (JMLSG) published revised guidance for the financial sector on anti-money laundering/counter terrorist finance (AML/CTF). The guidance has been a major piece of work for the authorities, as well as for the JMLSG. Treasury has taken a coordinating role in regards to feeding back public sector comments to the JMLSG. The guidance will be a significant contribution to the AML/CTF regime.
2. Final approval of the guidance by MLAC is required before the matter is put to Ministers for formal Treasury approval. Lucy Makinson's letter of 1 February refers. Given that the document has been available in draft for sometime now, it is hoped that MLAC sign-off will take place at the meeting, and that Ministerial approval will follow very shortly afterwards.

Auditing Practices Board

3. Treasury, Home Office and NCIS have been recently working with the Auditing Practices Board (APB) on its guidance. Members may recall that this guidance was put to them at the meeting held on 2 December 2004 and that no comments were made. The guidance has been revised in light of recent changes to legislation and Ministerial approval will be sought after the JMLSG guidance has gone through. Members will be advised of the process for achieving this in due course.

**HM Treasury
7 February 2006**