

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE
AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

Question No. 120

Senator Ludwig asked the following question at the hearing on 31 October 2005:

(FATF Rec 15)

- a) Does AUSTRAC issue guidelines as to best practice in this area?
 - (i) If not, why not?
- b) Does AUSTRAC assess financial institutions to identify whether they have these practices in place?
 - (i) If not, why not?
- c) Of the financial institutions that AUSTRAC monitors:
 - (i) How many has AUSTRAC assessed to check these practices are in place?
 - (ii) How many were fully compliant with the AUSTRAC guidelines?

The answer to the honourable senator's question is as follows:

- a) No.
 - (i) Under the *Financial Transaction Reports Act 1988 (Cth)* (FTR Act) there is a focus on transaction reporting, account opening and verification. Guidelines that have been issued by AUSTRAC reflect this focus. AUSTRAC provides an eLearning application which provides information to cash dealers on the broader anti-money laundering environment.
- b) While the FTR Act does not currently require financial institutions to develop anti-money laundering programs, nor does the FTR Act authorise AUSTRAC to assess such programs, AUSTRAC conducts an Identifying Cash Dealer Annual Compliance Report (ICD ACR) program.
 - (i) N/A.
- c)
 - (i) Not applicable, based on the above responses.
 - (ii) Not applicable, based on the above responses.