AML/CTF REFORMS (AUSTRALIA) – GATEKEEPER PROFESSIONALS

ARCTIC INTELLIGENCE | Compliance. The smart way.

Sectors

- Accounting Professionals
- Legal Professionals
- Conveyancers
- Real Estate Professionals
- Dealers in Precious Metals, Stones and Products

Eligibility Criteria

- Businesses with <15 employees meet the eligibility criteria to use the Starter Kits as provided
- Businesses with >15 employees may also use the Starter Kits but are expected to tailor them to suit the specific risks in your business

Visit AUSTRAC's website for details of Reform Guidance and Program Starter Kits by Industry

Steps

1. Customise your AML Program using the Starter Kit
2. Use your AML Program
3. Maintain and review your AML Program

Guidance Materials

Starter Kit Documents and Traceability Matrix to AML Accelerate

Risk Assessment

Risk Assessment

Sections

Starter Kit Reference	AML Accelerate Reference
Risk ratings overview (methodology)	AML Accelerate Methodology (more detailed)
Money laundering: Inherent risk	Environmental Risk -> Money Laundering Risk
Terrorism financing: Inherent risk	Environmental Risk -> Terrorism Financing Risk
Proliferation financing: Inherent risk	Environmental Risk -> Proliferation Financing Risk
Not included in the starter kit	Environmental Risk -> Sanctions Risk
Designated services: Inherent risk	Product and Service Risk (expanded risk indicators)
Designated services: Risk factors	Product and Service Risk (expanded risk indicators)
Designated services: Other (vary by sector)	Product and Service Risk (expanded risk indicators)
Clients: Inherent risk	Customer Risk (expanded risk indicators)
Clients: Risk factors	Customer Risk (expanded risk indicators)
Not included in the starter kit	Business Risk (Employee, Outsourcing and Operational Risk)
Delivery channels: Inherent risk	Channel Risk (expanded risk indicators)
Delivery channels: Risk factors	Channel Risk (expanded risk indicators)
Countries: Risk factors (1 suggested source)	Country Risk (10+ sources used), updated quarterly
Common ML/TF methods	-
Indicators of unusual or criminal behaviour	-
- Client behaviour	Customer Risk
- Client profile	Customer Risk
- Unusual transactions and behaviours	Customer Risk
- Foreign jurisidction indicators	Customer Risk
- Terrorism financing indicators	Environmental Risk -> Terrorism Financing Risk
- Proliferation financing indicators	Environmental Risk -> Proliferation Financing Risk
Risk assessment sources	Appendices

Policy Document

Policy Document

Starter Kit Reference	AML Accelerate Reference
Part 1: Personnel	
Key AML/CTF Roles	AML Policy (Chapter 5)
Personnel Due Diligence	AML Policy (Chapter 15)
Personnel Training	AML Policy (Chapter 14)
Part 2: Clients	
Initial Customer Due Diligence	AML Policy (Chapter 11)
Ongoing Customer Due Diligence	AML Policy (Chapter 11)
Pre-commencement Customer Due Diligence	Customer Due Diligence Standards (Chapter 22)
Escalation and Enhanced Customer Due Diligence	Customer Due Diligence Standards (Chapter 15)
Reporting	AML Policy (Chapter 16)
Tipping Off	AML Policy (Chapter 18)
Offboarding	Customer Due Diligence Standards (Chapter 21)
Part 3: Maintain AML/CTF Program	
Maintain the AML/CTF Program	AML Policy (3.6)
Periodic Effectiveness Checks	AML Policy (Chapter 20)
Independent Evaluations	AML Policy (Chapter 21)
Record Keeping	AML Policy (Chapter 17)
AUSTRAC enrolment	AML Policy (3.5)

Process Document

Process Document

Sections

Starter Kit Reference	AML Accelerate Reference
Client risk rating and ongoing CDD	AML Operating Manual (7.3)
Statutory declaration process	AML Operating Manual (7.2.5)
Verification of nature and purpose of relationship	AML Operating Manual (7.1 and 7.2)
Source of funds and source of wealth check process	AML Operating Manual (7.4.3)
Sanctions check process	AML Operating Manual (7.3.7 and 7.3.8)
Politically exposed persons check process	AML Operating Manual (7.3.4 and 7.3.5)
Adverse media check process	AML Operating Manual (7.4.4)
Identify personnel process	AML Operating Manual (5.2.1)
Beneficial ownership process	AML Operating Manual (7.3.3)
Annual report to the governing body process	AML Operating Manual (8.2.10)
Update country risk and risk ratings process	AML Operating Manual (2.1.5)
Updating inherent risk and risk ratings process	AML Operating Manual (7.3.2)
AUSTRAC communications process	AML Operating Manual (4.7.6)
Independent evaluation process	AML Operating Manual (11.1.1)
Annual compliance report process	AML Operating Manual (8.2.10)
AUSTRAC enrolment process	AML Operating Manual (4.5)
Escalation to AML/CTF compliance officer process	AML Operating Manual (4.7)

AML Accelerate

Select Country & Industry + Context Info. + ML/TF Risk Assessment

- Environmental Risk – ML, TF, PF and Sanctions (plus governance)
- Business Risk – Operational, Outsourcing and Employee Risk
- Customer Risk – Customer Types, PEP, Location and Occupation
- Products and Services Risk – 5-6 starter kits indicators, plus more
- Channel Risk – face-to-face and non-face-to-face-channels
- Country Risk – 10+ sources, updated at least quarterly

+ AML Policy + Customer Due Diligence Standards + AML Operating Manual + Issues, Events and Compliance Calendar