

Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) AML reforms

Deloitte view on some of the key issues and impacts for the Cash Services sector

These issues are in addition to the general comments included in our alert issued on Thursday 13 July 2006.



1. The concept of Approved Cash Carrier (FTR Act 5.8)

and the associated significant cash transaction reporting exemption (FTR ACT 5.7) does not exist in the proposed regime. Reporting of all transactions that meet the 'Threshold Transaction' definition will be required, other than where any exemption is approved.

2. AML/CTF program

All Reporting Entities must develop and implement an AML/CTF program that is designed to identify, mitigate and manage money laundering and terrorist financing risks. The draft AML/CTF Rules describe the components of the program. This obligation will exist irrespective of any Threshold Transaction reporting exemptions that may be approved.

3. 3rd Parties & Identification

While 3rd parties will be allowed to undertake some of the initial Customer Due Diligence on behalf of a Reporting Entity, there has also been a significant change in that:

- Third Party or outsourcing arrangements for the provision of cash services will need careful review, as the ultimate obligation will rest with the Reporting Entity)
- cash services provided as agent of other parties (e.g. commercial deposit processing on behalf of banks) will also require careful review as those other parties will require the cash services provider to comply with their AML/CTF policies and procedures.

Deloitte and AML

Deloitte Forensic are able to offer a unique combination of expertise, relevant experience and value through a globally proven methodology and tools for assessing and communicating the business impact of AML/CTF regulations and laws.

We currently consult extensively across the financial services sector in Australia and have a team determined to provide organisations with the benefit of pragmatic and cost efficient advice to ensure that all work performed considers the interrelationship between commercial and risk management imperatives and organisational culture.

Further information

Full material regarding the revised AML/CTF reforms can be downloaded by clicking [here](#).

For further information regarding the proposed changes to Australia's AML/CTF regime and how it will impact on your organisation, please contact the [Deloitte AML team](#).

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