

Directions

A SWOT analysis can be used to help identify the strengths, weaknesses, opportunities and threats existing in a business that will affect the implementation of your AML/CTF program.

Strengths and weaknesses tend to be associated with factors occurring inside the organisation, for example:

- Some areas of your business may already have risk management and compliance processes in place (a strength).
- No staff may have formal training in AML/CTF procedures (a weakness).

Opportunities and threats tend to be associated with factors occurring outside the organisation, for example:

- Your business may currently be in the process of developing a new financial product for a new customer market that incorporates a number of designated services and will need to be AML/CTF compliant. This is an opportunity to integrate AML/CTF processes into the service provision of the product from its inception and to include specific AML/CTF topics into the staff training on the new product (an opportunity).
- Conducting business in an overseas jurisdiction may offer the opportunity of growing your business, but if the jurisdiction's AML/CTF laws are not equivalent to Australia's, conducting business there may present a higher risk of ML/TF activities being attempted through the designated services your business offers (a threat).

You can use the example of the AML/CTF program SWOT analysis worksheet on the next page and modify it at your discretion. The worksheet is divided into four sections, with strengths and weaknesses above opportunities and threats.

Your analysis is to understand how well your strengths balance or address your weaknesses and your opportunities balance or address your threats.

AML/CTF program implementation SWOT analysis		
Internal factors	Strengths	Weaknesses
	For example: What risk management capabilities, resources, assets and people do you have? What is your experience, knowledge and data? Are you innovative? Do you have excellent risk management processes, systems, IT and communications? Does your business offer the required risk-based culture, attitude and level of behaviour?	For example: What could you improve? What should you avoid? Do you have gaps in risk management capabilities? Do you know any ML/TF vulnerability? Are there timescale and deadline pressures? Are there negative effects on core activities? Are your processes and systems weakened?
External factors	Opportunities	Threats
	For example: Where are the opportunities for implementing and improving your AML/CTF program? What are the business benefits of implementing an effective AML/CTF program of which you are aware? Is there an opportunity for technology development and innovation? Is there an opportunity for business and product development?	For example: What obstacles do you face? Could any of your ML/TF or compliance weaknesses threaten your business? Are there any IT developments you are not dealing with properly? Are there factors that would make it difficult to sustain AML/CTF capabilities?

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