



WHAT IS A REGULATORY QUICK GUIDE?

A quick guide gives regulated businesses a brief snapshot of an AML/CTF compliance topic, to help you make sure you are meeting your obligations and protecting your business and the community from serious and organised crime.

International Funds Transfer Instructions (IFTIs) reporting

In the course of our regulatory activity, AUSTRAC has identified that IFTI reporting is a key area of vulnerability for businesses.

Reporting to AUSTRAC is a core obligation and you must have appropriate end-to-end reconciliation, assurance and oversight processes to ensure all reports are submitted to AUSTRAC within the required timeframes.

IFTI reporting must include processes to ensure that

- ✓ all source systems that process IFTIs are identified, including payment systems or arrangements that process instructions through SWIFT messages and through non-SWIFT instructions
- ✓ IFTIs to or from all ordering institutions are identified and reported
- ✓ all information required by the Rules is included in IFTI reports, including payer names.

Impact of IT system changes

You must ensure that IT system changes and upgrades do not disrupt AML/CTF processes. To prevent this, you need to implement appropriate end-to-end reconciliation, assurance and oversight processes and include AML/CTF sign off for changes that may impact AML/CTF compliance. You should ensure you document all processes in your AML/CTF program to support these processes and protect against human or technological errors.

What is effective IFTI reporting?

- ✓ the reporting function is appropriately resourced
- ✓ assurance processes exist to ensure the completeness and accuracy of reports
- ✓ processes are in place to regularly audit and review reporting practices, both manual and automated
- ✓ systems are tested prior to implementation to ensure that they are working as required, and there will be no disruptions to reporting
- ✓ where non-compliance or system issues are identified, they are appropriately escalated and remediated in a timely manner
- ✓ systemic non-compliance, pending system upgrades and other barriers to effective reporting are not tolerated
- ✓ records relating to reporting are kept in order to meet anti-money laundering and counter-terrorism financing (AML/CTF) obligations.

Looking for more guidance?



For tips on understanding your AML/CTF obligations take a look at our regulatory quick guides at austrac.gov.au/reg-quickguides

For more information about your reporting obligations, visit austrac.gov.au/reporting