Australian Government
AUSTRAC

FIGHTING FINANCIAL CRIME TOGETHER

Money laundering and terrorism financing through REMITTANCE SERVICE PROVIDERS

Understand the myths and facts relating to **money laundering, terrorism financing, and proliferation financing** in your sector.

MYTH	VS	FACT
Remittance services are **low risk** for money laundering.		Criminals **exploit remittance services** because there are high transaction volumes, the possibility of anonymity and the ability to easily move funds across borders.
I don't need to **identify a customer** unless the transaction is over a certain amount.		You must complete **initial customer due diligence** before providing a designated service to a customer. There's no transaction value to trigger customer due diligence.
Regular customers or people from my community are unlikely to be money launderers.		**Criminals exploit trusted relationships** with staff to launder money. Monitor for unusual transactions and customer behaviour that may be suspicious.
Small value transactions aren't suspicious.		Criminals use **small transactions** to fund serious crimes like terrorism and child exploitation. Criminals also split transactions into smaller payments to avoid reporting thresholds.
My customer will get **in trouble** if I submit a suspicious matter report (SMR) to AUSTRAC.		Submitting an SMR doesn't mean the customer has done anything wrong. AUSTRAC and our partners **analyse reports with other intelligence**, to identify financial crime.
The reports I send to AUSTRAC **aren't used**.		**Your reports help** build a clearer picture for AUSTRAC and law enforcement. This helps to disrupt serious crime and protect your community.

Criminals target remittance businesses that don't safeguard against the misuse of their services. Understanding these myths and facts can protect your business from criminal exploitation.

Find out more: austrac.gov.au