

# Extension for international funds transfer instructions reporting

28 January 2010

AUSTRAC has announced an extension to the transition period for businesses required to report international funds transfer instructions (IFTIs) under Australia's anti-money laundering legislation.

Under the staggered implementation timeline for the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act), reporting entities had until 12 March 2010 to transition to new transaction reporting requirements.

Reporting entities that are cash dealers for the purposes of the *Financial Transaction Reports Act 1988* (FTR Act) are required to report transactions to AUSTRAC in the FTR Act format until such time as they transition to the new report formats under the AML/CTF Act.

AUSTRAC's Chief Executive Officer John Schmidt said that, during the transition testing phase for IFTIs, some issues have been identified with the AUSTRAC automated reporting system.

'Opportunities for enhancements to the new reporting forms for IFTIs have also been identified', said Mr Schmidt. 'These enhancements will better facilitate the automated transfer of information from financial institutions to AUSTRAC, reducing the compliance costs for industry.'

The extension means that full IFTI reporting under the AML/CTF Act will now be required to be implemented by 12 September 2010. AUSTRAC will be working closely with industry to facilitate the necessary changes.

Notwithstanding this extension, businesses which have successfully transitioned to the new AML/CTF reporting format will be able to continue to report in the new format.

'AUSTRAC will continue to receive IFTIs in the FTR Act format until the end of the transition period. As a result, its intelligence holdings will not be affected by the extension', said Mr Schmidt.

The transition date for Threshold Transaction Reports and Suspicious Matter Reports remains at 12 March 2010.

## **About AUSTRAC:**

The Australian Transaction Reports and Analysis Centre (AUSTRAC) is Australia's anti-money laundering and counter-terrorism financing regulator and specialist financial intelligence unit. AUSTRAC protects the integrity of the Australian financial system and assists in fighting global crime by providing financial intelligence to law enforcement and other agencies.

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