



The Voice of Super

File Name: 2008/05

General Manager
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23 January 2008

Dear General Manager

**DRAFT AUSTRAC GUIDANCE NOTE
AML/CTF COMPLIANCE OFFICERS**

The Association of Superannuation Funds of Australia (ASFA) would like to provide the comments below in relation to the Australian Transaction Reports and Analysis Centre's (AUSTRAC) document *Draft AUSTRAC Guidance Note, AML/CTF Compliance Officers*.

General comments

Overall, ASFA considers the guidance note to be well crafted, providing useful information for reporting entities, particularly smaller superannuation funds.

Specific Comments

Paragraph 3.1

This paragraph, though providing useful information for smaller funds, is quite lengthy and circular in construction.

Perhaps a better structure would be:

The relevant AML/CTF Rules state that the AML/CTF Compliance Officer must be at the 'management level'. What constitutes 'management level' will vary depending on the size, complexity and nature of the business. Generally, an AML/CTF compliance officer would be considered to be at 'management level' if they undertake the handling, direction or control of AML/CTF compliance within a particular reporting entity. This is particularly relevant where the reporting entity is a small business.

Paragraph 3.2

This paragraph and 3.3 could perhaps be swapped. 3.3 directly relates to the notion of what constitutes 'management level' while 3.2 is effectively a job selection skills list that reinforces what 3.1 and 3.3 are saying.

Paragraph 3.5

This paragraph contains valuable information for reporting entities on to expect from AUSTRAC in a compliance audit.

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Section 4. Duties of an AML/CTF Compliance Officer

The presence of a duties list for an AML/CTF Compliance Officer will provide valuable assistance to reporting entities.

Section 5. AML/CTF Compliance Officer - employee or independent contractor

The presence of this information is welcomed as it makes clear that the AML/CTF Compliance Officer does not have to be an employee. This is a position that ASFA has adopted when providing assistance to smaller funds.

Paragraph 5.5 This paragraph provides a useful reminder to the reporting entity that ultimately, it is the reporting entity that bears responsibility for things done, or not done with respect to the entity's AML/CTF obligations.

If you have any questions or comments on this matter, please feel free to contact Robert Hodge, Principal Policy Adviser on 02 9264 9300 or by email rhodge@superannuation.asn.au.

Yours sincerely,

Dr Brad Pragnell
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