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Issues Paper – AML/CTF Act Review
Legislative Review and Mutual Evaluation
Criminal Law and Law Enforcement Branch
Attorney-General's Department
4 National Circuit
BARTON ACT 2600

Email: amlreview@ag.gov.au

Dear Sir/Madam,

Review of the AML/CTF Regime – Issues Paper

The Association of Superannuation Funds of Australia (ASFA) is pleased to provide this submission in response to the issues paper *"Review of the AML/CTF Regime"* released by the Attorney-General's Department in December 2013.

About ASFA

ASFA is a non-profit, non-politically aligned national organisation. We are the peak policy and research body for the superannuation sector. Our mandate is to develop and advocate policy in the best long-term interest of fund members. Our membership, which includes corporate, public sector, industry and retail superannuation funds, plus self-managed superannuation funds and small APRA funds through its service provider membership, represent over 90% of the 12 million Australians with superannuation.

General comments

ASFA supports the Government's review of the current AML/CTF regime and its primary aim of identifying how the regime can potentially be enhanced to maintain an efficient and effective regulatory framework that complies with international standards and combats money laundering and terrorism financing.

We note that this statutory review is being undertaken in accordance with the provisions of section 251 of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act), which requires a review of the operation of the AML/CTF regime seven years after the commencement of that section (12 December 2006) and a report of the review to be prepared and tabled in Parliament.

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ASFA was actively involved in the consultative process with respect to the AML/CTF regime, from the initial announcement of the intention to regulate to the tabling of the AML/CTF Bill and throughout the implementation process. In particular:

- ASFA publicly supported the broad thrust of the Government's initial anti-money laundering proposals and recognised the need for tighter protection against money laundering in various sectors of the economy given the geopolitical environment.
- ASFA supports the general proposition that Australian financial entities should not deal with non-compliant countries and should exercise greater scrutiny of foreign counterparts before entering into business relationships or commercial arrangements with such entities.
- ASFA noted that the design of the Australian response to money laundering and terrorism financing reflected key changes to the forty recommendation of the Financial Action Task Force (FATF Forty Recommendations) and in particular the use of a 'risk-based approach' to the monitoring of activities.
- ASFA supported the Government's recognition of the need to ensure that regulation does not unduly interfere with legitimate commercial activity while safeguarding Australian business and the Australian community from the impacts of crime.

Throughout the initial consultation process on the development of the AML/CTF legislation, ASFA sought and gained concessions for superannuation from some of the requirements that were not applicable for the sector (eg. due to superannuation-specific legislation already being in place designed to achieve similar outcomes). This has continued with the development of the AML/CTF Rules. Also, ASFA has been successful in having some superannuation specific rules implemented, reducing the regulatory burden on superannuation funds.

Our attached submission contains responses to the guiding questions asked under each topic. ASFA has only provided responses to those questions that materially impact on, or have application to, the superannuation sector – in particular, superannuation funds and their members.

* * * *

I trust that the information contained in this submission is of value. If you have any queries or comments regarding the contents of our submission, please contact ASFA's Senior Policy Adviser, Jon Echevarria, on (02) 8079 0859 or by email jechevarria@superannuation.asn.au.

Yours sincerely

Fiona Galbraith
Director, Policy

Submission

Issues Paper: Review of the AML/CTF Regime

28 March 2014

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1 Objects of the AML/CTF Act

Guiding questions

To what extent are the objects of the AML/CTF Act, as expressed in section 3, appropriate and relevant? Are there any other objects that should be reflected in the AML/CTF Act?

Section 3 of the AML/CTF Act expresses the objects of the AML/CTF Act as follows:

> *"(1) The objects of this Act include:*
>
> *(a) to fulfil Australia's international obligations, including:*
>
> *(i) Australia's international obligations to combat money laundering; and*
>
> *(ii) Australia's international obligations to combat financing of terrorism; and*
>
> *(b) to address matters of international concern, including:*
>
> *(i) the need to combat money laundering; and*
>
> *(ii) the need to combat financing of terrorism; and*
>
> *(c) by addressing those matters of international concern, to affect beneficially Australia's relations with:*
>
> *(i) foreign countries; and*
>
> *(ii) international organisations."*

ASFA considers that the objects of the AML/CTF Act, as outlined above, remain relevant and should therefore be retained. However, we believe that it may also be appropriate for the objects of the Act to include some of the other important policy goals of Australia's AML/CTF regime such as:

- to detect and deter ML/TF and reduce the risk to the integrity of the financial system;
- to provide regulatory officials, law enforcement agencies and other partner agencies with information necessary to investigate and prosecute MT/TF, thereby reducing crime;
- to apply a risk-based approach that strikes an appropriate balance between compliance with the AML/CTF measures and the efficient conduct of legitimate commercial activity;
- to provide Australia's financial intelligence unit and AML/CTF regulator with powers to collect information, supervise reporting entities and enforce AML/CTF regulation; and
- to protect the privacy of individuals and their personal information by ensuring that appropriate privacy protections are incorporated into the AML/CTF regime and strictly adhered to by reporting entities, the regulator and by government.

2 The risk-based approach and better regulation

Guiding questions

Is the scope of the AML/CTF regime and the obligations appropriately risk-based?

The review paper states that: "*When the AML/CTF Act was introduced it was seen as the first tranche of reforms to Australia's AML/CTF regime. Extension of the Act to cover a second tranche of business sectors – lawyers, accountants, real estate agents, trust and company service providers and high value dealers – was intended to proceed later but has not occurred to date.*"

ASFA notes that the second tranche was promised within 12 months of December 2006 by the then Minister for Justice and Customs, Chris Ellison. Over six years later there appears to be no further commitment in this area.[1] The burden of having Tranche II businesses as customers of the financial sector has instead been borne solely by financial institutions. This has particular impact on the superannuation sector where Tranche II businesses are often involved in establishing and managing superannuation funds.

ASFA contends that gaps in the net designed to stop acquisitive crime will continue to exist for as long as Tranche II is left unimplemented in Australia.

Any consideration as to whether the scope of the AML/CTF regime is appropriately risk-based needs to have regard to the following factors:

- Whether all gatekeepers and touch points for the flow of proceeds of crime are covered by the regulatory regime. ASFA considers that the answer to this question is 'no'. There are gateways exploited by money launderers, criminals and financiers of terrorism which fall outside the reach of the AML/CTF Act. This places unfair burdens on those who are already subject to the requirements and obligations imposed by the AML/CTF Act.
- The practice of the last seven years in Australia generally has been to do a modicum of risk mitigation. More is needed to cover the ML/TF risks posed by those who are categorised as a lower ML/TF risk, to capture if and when they metamorphose into a higher ML/TF risk.
- The risk-based approach is not well understood by most reporting entities in the small business sector.

Are the obligations appropriately risk-based?

ASFA believes that the new customer due diligence (CDD) rules will contribute to supporting the risk-based approach provided the lack of clarity caused by the use of different terminology regarding the risk based approach is resolved.

[1] One explanation given by the Australian Government to delay Tranche II was the Global Financial Crisis (2007 - 2008) which was a time when large volumes of proceeds of crime were able to move globally through the destabilised markets. Recognising the stress placed on business by the global financial crisis, in late 2008 the Government decided to suspend progress on Tranche II reforms for a period. In July 2010, the Minister for Home Affairs advised that discussions on Tranche II of AML/CTF legislation had been deferred to accommodate the many small practices which were dealing with their recovery from the GFC.

The removal of the specific term "nature, size and complexity", as set out in the current clause 4.1.2, may lead to reporting entities, including superannuation funds, focusing only on the areas listed in sub clauses (1) to (5) of the new clause 4.1.2, rather than identifying and assessing the ML/TF risks within the wider business landscape. ASFA recommends that AUSTRAC consider the re-inclusion of the concepts of "nature, size and complexity" through the reinstatement of the text into clause 4.1.2. This benefits the integrity of the AML/CTF regime and in the case of superannuation would benefit funds of all sizes as they would be able to tailor their response in accordance with the nature, size and complexity of their fund. Its removal weakens the conceptual approach set down in the original AML/CTF Rules.

The deletion of the references to "appropriate risk based systems and controls" in clause 4.1.2 dilutes the nexus between the type of ML/TF risk faced by an entity such as a superannuation fund and the nature, size and complexity of its business. This nexus has driven the risk-based approach in Australia for seven years and drives entities such as funds to produce risk-based systems and controls which are appropriate to their business. ASFA contends that there is no reason to move away from this conceptual approach, which is understood and accepted by reporting entities including those in the superannuation industry, and is integral to their risk-based approach. ASFA considers that clause 4.1.2 should be amended to include a reference to risk based systems and controls and the ML/TF risks an entity, such as a superannuation fund, might reasonably face to reinforce this linkage. Alternatively, AUSTRAC should consider re-instating the current text in clause 4.1.2 as suggested in the paragraph above.

Do stakeholders support the rule-based (prescriptive regulation) approach compared with the risk-based approach?

ASFA considers that the superannuation sector is generally supportive of the risk-based approach to regulation of the AML/CTF regime.

Are there particular obligations under the AML/CTF regime which stakeholders would benefit from increased prescription?

One area of the AML/CTF regime that ASFA believes potentially could benefit from increased prescription is more detail of as to what types of records should be kept by reporting entities.

For example, the table below sets out a broad list of records that ideally should be retained:

Record (in English)	When	How long
Approval and adoption of an AML/CTF program The minutes of the board meeting and the board paper proposing the adoption of the AML/CTF program (the same applies each time the program is varied)	From the day that the program is approved and adopted	Seven years after the adoption ceases to be in force. Example, if a program is approved in June 2013 and changed in December 2013, the approval with respect to the original program must be kept until December 2020

Record (in English)	When	How long
Old AML/CTF programs that have been replaced	From the day that the AML/CTF program is replaced	Seven years after the replacement of the AML/CTF program. Example, if a program is replaced in December 2013, the old program must be kept until December 2020
Approval and adoption of the AML/CTF Operations Manual	From the day that the operating manual is approved and adopted	Seven years after the adoption ceases to be in force. Example, if an operating manual is approved in July 2013 and changed in September 2013, the approval of the original manual must be kept until September 2020
Revision of the AML/CTF Operations Manual	From the day that the AML/CTF program was revised	Seven years after the Operating Manual was revised. Example, if a program is revised in September 2013, the old program must be kept until September 2020
ML/TF risk assessments	From the day the ML/TF risk assessment is approved by the Board	Seven years after the replacement of the ML/TF risk assessment. Example, if an ML/TF risk assessment is replaced or revised in December 2013, the old assessment must be kept until December 2020
Files, records and records of decisions resulting from employee due diligence reviews	From the date files, records and records of decisions resulting from employee due diligence reviews are created	Seven years
Training materials, schedules and attendance records	From the date when materials, schedules and records are created	Seven years after the training materials stop being used Seven years after the creation of the schedules and attendance records

Record (in English)	When	How long
AUSTRAC compliance reports	When report is lodged	Seven years after the report was lodged
Compliance testing (including Quality Assurance), testing results and reports issued	When programs and testing results are created or reports issued	Seven years after creation or issuing
Processes and procedures for ongoing monitoring	When the process or procedure comes into force	Seven years after the process/procedure is superseded or replaced
Alerts raised from ongoing monitoring	When alert was raised.	Seven years after the alert was investigated and a decision made whether or not to report to AUSTRAC
Processes and procedures for suspicious matter reporting	When the process or procedure comes into force	Seven years after the process/procedure is superseded or replaced
Processes and procedures for threshold transaction reporting	When the process or procedure comes into force	Seven years after the process/procedure is superseded or replaced
Suspicious Matter Reports and Threshold Transaction Reports	When the report is lodged	Seven years from the date of lodgment
Record of identification and verification procedure (and the resulting data) carried out in respect of a customer	When identification and verification procedure was carried out	Seven years after the customer ceases to be a customer
Record of failed identification and verification procedures (and the resulting data) carried out in respect of a customer who ,is unable to provide sufficient identification to enable the reporting entity to process a payment request	When identification and verification procedure failed	Seven years from the date of failure
Records of additional customer due diligence undertaken on a customer	When the due diligence procedure was carried out	Seven years after the customer ceases to be a customer

Record (in English)	When	How long
Where an entity processes a transaction for a customer, either: • the record of the transaction; • a copy of the transaction record; or • an extract from the record.	When the transaction occurred	Seven years after the transaction occurred
Where a customer provides the entity with a document in relation to a domestic transaction, either: • the document; or • a copy of the document.	When the document was provided	Seven years after the transaction was completed

3 Regime scope

Guiding questions

Does the AML/CTF regime provide a framework to respond to new and emerging services and risks, such as offshore service providers?

Not completely. This is because, in ASFA's view, key players and key obligations are missing from the regime. The list of the 'missing' players and obligations can broadly be classified into two categories:

(i) Those who have been listed by the FATF as part of the global AML/CTF regime for some years but have not been picked up in the Australian regime

Tranche II (the designated non-financial businesses and professions or DNFBPs)[2] was promised in the final consultation stage for the AML/CTF Bill in late 2006 and is yet to materialise (with the exception of casinos). It includes:

- real estate agents
- dealers in precious metals other than bullion (bullion is already within the Australian regime)
- dealers in precious stones
- lawyers
- notaries
- other independent legal professionals providing certain services
- accountants
- trust and company service providers providing certain services.

(ii) New and emerging services and risks which call for creative thinking at the national level

Unfortunately AML/CTF regulation always seems to follow money laundering events, often with a considerable time lag. For example the growth of Bitcoin (which emerged in 2009), first referred to in the AUSTRAC AML/CTF typologies report issued in 2012, is a case in point. The AUSTRAC typology report for 2012 said, on pages 16 and 17, that:

> *'While the nature and extent of money laundering through digital currencies and virtual worlds are unknown, it is important to recognise their potential for criminal exploitation, particularly in response to tighter regulation of established or traditional financial channels. ……. AUSTRAC's conclusion in 2012 was that 'the overall utility of digital currencies for criminals at this point [2012] may currently be limited to niche crimes in the cyber environment and individual or smaller scale illicit activity.'*

Whilst this places reporting entities on notice (if they read the typology reports) it provides them with no tools to respond to such emerging risks.

Bitcoin has been the subject of scrutiny due to ties with illicit activity. In 2013, the US FBI shut down the Silk Road online black market and seized 144,000 bitcoins worth US$28.5

[2] See the FATF 2012 International Standards page 113

million. Much discussion is now underway overseas with regard to how to regulate bitcoins and equivalent currencies.

A New York regulator (New York Department of Financial Supervision (NYDFS)) is eager to police digital currencies and announced in November 2013 that it is considering whether to force such entities to obtain a so-called "BitLicense" that would require compliance with anti-money laundering and consumer protection rules. Many believe Bitcoin and equivalents will one day play a major role in e-commerce.[3]

Information on the issue above could be disseminated through a mention in the annual typology reports, perhaps via AUSTRAC on-line, including as much information as is known to AUSTRAC and law enforcement. It could be a rapid way of raising a flag for reporting entities, including superannuation funds, many of whom are not aware of the potential significance of these emerging trends.

If not, how could the framework be enhanced?

Going beyond the examples provided above, ASFA contends that the current speed and dissemination of information by AUSTRAC about emerging trends is inadequate. Whilst large reporting entities (eg. banks) might be the beneficiaries of some of this information, other reporting entities, including superannuation funds, generally are not provided directly with such information.

As a large and growing sector with over $1.7 trillion in assets under management, ASFA suggests that consideration be given to AUSTRAC providing regular communication to superannuation entities regarding emerging global ML/TF trends.

[3] See Complinet article by Brett Wolf of Compliance Complete 14 November 2013 - http://www.complinet.com/global/news/news/article.html?ref=168118

4 Harnessing technology to improve regulatory effectiveness

Guiding questions

How might the development of online identity verification systems be harnessed to streamline and strengthen compliance with customer due diligence obligations under the AML/CTF Act?

In ASFA's view, the better the data in the verification system the stronger compliance will be in the area of customer due diligence. If the data is weak, inconclusive or incomplete then compliance levels will be likely to drop. The data needs to be high quality because electronic verification, depending on circumstances, may remove the opportunity to conduct visual verification.

In what other ways can technology be used to support the objectives of the AML/CTF regime or reduce the compliance burden on business?

Opportunities for harnessing technology could include:

- Grouping AUSTRAC materials into sectors such as remittances, gambling, superannuation, foreign exchange, retail banking, and wealth management etc so that a reporting entity can select a sector and receive the current versions of all material relevant to that sector with irrelevant material being omitted. Otherwise a reporting entity may have to download over 80 documents, one by one, to determine which of the 80 are relevant to it.
- Using technology to make the process of reporting transactions more user friendly and less complicated in order to lessen the compliance challenges for reporting entities.
- The current AUSTRAC databases contain hundreds of millions of records. Consideration could be given to (safely) using this data to demonstrate to reporting entities trends in predicting crime, money laundering and terrorism financing. This type of 'anonymised' data could be released regularly to help reporting entities stay on top of trends.
- There are often long time lags between detection by AUSTRAC of non-compliance with aspects of the AML/CTF regime and intervention by the AUSTRAC supervision team. Technology could be deployed to speed up the feedback process to reporting entities that are making errors in their reports so that they do not keep repeating the same mistake for an extended period of time without intervention.

5 Industry monitoring and supervision

Guiding questions

Is AUSTRAC's monitoring of compliance targeted, proportionate and risk-based?

The data on this question is largely held by AUSTRAC. Anecdotally, the information ASFA receives from our members supports a view that AUSTRAC's monitoring of compliance is sufficiently targeted, proportionate and risk-based.

However, ASFA considers that the outcomes of AUSTRAC's monitoring activities should be made public if there is an intention to work towards improving effectiveness. Currently, supervision outcomes are rarely revealed publicly. This lack of transparency has the potential to drive complacency within senior management teams in reporting entities when measuring the regulatory risks associated with non-compliance.

How effectively does AUSTRAC communicate with reporting entities and industry associations to ensure they have a sound understanding of their legal obligations under the AML/CTF regime?

From ASFA's perspective, as the industry association representing the entire superannuation sector, the communication channels between AUSTRAC and ASFA (and indeed with the superannuation industry generally) could be improved. With the exception of the monthly 'AUSTRAC e-news' communication, ASFA does not receive any other regular updates or communication from AUSTRAC. Whilst the AUSTRAC e-news often contains reminders regarding compliance reports being due (which ASFA communicates to superannuation trustees), much of the other generic information is not directly relevant to superannuation.

Given ASFA's continued participation in consultation processes undertaken by AUSTRAC (as they relate to matters relevant to the superannuation sector), consideration should be given to AUSTRAC making greater use of ASFA as a conduit for disseminating superannuation-specific AML/CTF information to trustees of superannuation funds. At the moment, ASFA considers that the flow of information is predominantly one-sided from superannuation trustees to AUSTRAC.

6 Enforcement

How effective and proportionate is the enforcement regime, particularly in promoting compliance?

ASFA considers that AUSTRAC would be best place to respond to this question. We envisage that, as Australia's AML/CTF regulator, AUSTRAC should have some statistics on the success or otherwise of its enforcement activities, including information about whether they have led to a reduction in the number or severity of instances of non-compliance with the AML/CTF regime.

What additional or alternative powers would encourage compliance and/or facilitate enforcement? By way of example, is there scope to increase the use and application of infringement notices?

As stated in the Issues Paper, AUSTRAC has a range of enforcement powers available to it including:

- issuing notices requiring the provision of information or documents to AUSTRAC
- executing monitoring warrants to access reporting entities' premises
- giving notices requiring a reporting entity to provide AUSTRAC with an ML/TF risk assessment
- giving notices requiring the appointment of an external auditor to assess a reporting entity's risk management and compliance framework and to report back to the AUSTRAC CEO
- accepting enforceable undertakings from reporting entities
- issuing remedial directions which require a reporting entity to take specific action to ensure compliance
- seeking injunctions to require a person to do something, or refrain from doing something, in relation to the breach of a civil penalty provision of the AML/CTF Act
- issuing infringement notices requiring the payment of a pecuniary penalty
- pursuing civil penalty orders through the Federal Court
- refusing, suspending, cancelling or imposing conditions on a person's registration on the Remittance Sector Register; and
- referring criminal matters to the Australian Federal Police or the Commonwealth Director of Public Prosecutions.

ASFA considers that AUSTRAC's current enforcement powers are sufficiently comprehensive and wide-ranging. We are not convinced that giving any additional or alternative powers to AUSTRAC would provide a greater deterrence to performing ML/TF activities or encourage greater compliance by reporting entities with the AML/CTF regime.

Whether there is a need to increase the use and application of infringement notices is, we believe, a matter for AUSTRAC to determine based on such factors as the type, frequency and prevalence of infringements that have occurred, the likelihood of their re-occurring and whether the greater use of infringement notices would act to deter lapses in compliance. However, from a superannuation perspective, ASFA would be surprised if there were a need to increase the use and application of infringement notices with respect to trustees of superannuation funds. ASFA envisages that the superannuation industry would have high rates of compliance with the AML/CTF regime and, as such, greater use of infringement notices would be unwarranted for this sector.

7 Reporting obligations

Guiding questions

To what extent are the existing transaction reporting obligations appropriate in achieving the objectives of the AML/CTF regime?

ASFA's view is that the existing transaction reporting obligations – consisting of the requirement to submit threshold transaction reports (TTRs), international funds transfer instructions (IFTIs) and suspicious matter reports (SMRs) – are appropriate and useful for achieving the objectives of the AML/CTF regime.

How can the transaction reporting regime be strengthened or enhanced?

The reporting regime can be strengthened and enhanced by deploying technology to make reporting of transactions more user friendly. For example, the current processes for preparing and submitting IFTI reports and TTRs are overly complicated and create unnecessary compliance challenges for many reporting entities.

Do reporting entities receive appropriate feedback from AUSTRAC and its partner agencies on the benefits, value and purpose of transaction reporting?

ASFA contends that little feedback is provided by AUSTRAC to the superannuation sector on the benefits, value and purpose of transaction reporting. As a result, ASFA believes that most trustees of superannuation funds, because of this lack of feedback, do not have an appreciation of the benefits of transaction reporting. Indeed, there is a school of thought within the superannuation industry that the main benefits that AUSTRAC receives as a result of transaction reporting comes from its supervision of the banking sector, where the volume and frequency of transactions is much higher. Furthermore, most transactions in the superannuation sector ultimately are conducted through the banking system, although admittedly contributions are often remitted through an employer.

How could feedback be improved?

Feedback could be improved through using AUSTRAC on-line to provide feedback to industry sectors in a secure manner. It is essential to achieve equality across different sectors regarding information provided by AUSTRAC.

8 Secrecy and access

Guiding questions

Has the tipping off offence worked as intended? If not, what improvements can be made?

It is difficult for ASFA to comment on whether the tipping off offence has worked as intended. However, ASFA considers that it would assist reporting entities, including trustees of superannuation funds, to improve their knowledge and practices around the tipping off offence if AUSTRAC was to send a reminder email to all reporting entities that lodge a suspicious matter report emphasising the importance of avoiding tipping off.

This could take the form of an automatically generated email sent to the person lodging the report, which would be likely to require minimal manual involvement by AUSTRAC staff.

9 Privacy and record keeping

Guiding questions

Does the current AML/CTF framework provide adequate provisions for safeguarding personal information?

The superannuation environment is highly regulated, with large volumes of personal information required by law (directly or indirectly) to be collected, used and disclosed as part of the administration of members' superannuation monies. Superannuation funds are required to comply with the *Privacy Act 1988* when handling information collected in the course of providing superannuation-related services to fund members. As reporting entities for the purposes of the AML/CTF Act, superannuation funds are also obliged to comply with the Privacy Act provisions when complying with their obligations under the AML/CTF Act and Rules.

ASFA considers that, in conjunction with the obligations under the Privacy Act, the provisions for safeguarding personal information in the AML/CTF regime – which includes various privacy protections to ensure the sensitive information gathered, reported, retained and shared is handled appropriately – offer sufficient protection to superannuation fund members.

That said, there have been recent changes introduced under the Privacy Act, which include a set of new harmonised privacy principles to regulate the handling of personal information – the Australian Privacy Principles (APPs). Given that these APPs have replaced the existing National Privacy Principles (NPPs) that previously applied to businesses as well as the existing Information Privacy Principles (IPPs) that previously applied to Australian government agencies from 12 March 2014, ASFA considers that the implications of these privacy changes for the AML/CTF regime will need to be considered as part of this review.

Are the record-keeping obligations sufficient and proportionate for AML/CTF purposes?

ASFA's view is that, generally speaking, the record-keeping obligations for AML/CTF purposes are adequate. ASFA supports the requirements under Part 10 of the AML/CTF Act which specify that records, copies of records, or extracts from records showing prescribed information must be kept for a period of seven years.

However, as stated in our response to the guiding questions in section 2 of this submission, ASFA believes that the AML/CTF regime potentially could benefit from greater prescription as to the types of records which should be kept by reporting entities (please refer to our table in section 2).