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# Update Summary

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**UPDATE 19**

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## **ANTI-MONEY LAUNDERING AND COUNTER-TERRORISM FINANCING**

**Grady and Beatty**

### **Highlights**

- *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No 1) (Cth)* amended;
- New AUSTRAC Policy: Public Interest Disclosure Act 2013 – AUSTRAC procedures.

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## **Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No 1)**

The *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No 1)* (Cth) has been amended by two instruments lately which are set out below.

The *Anti-Money Laundering and Counter-Terrorism Financing Rules Amendment Instrument 2014 (No 1)* (Cth), being F2014L00086 was registered 24 January 2014. The amendments commence the day after registration.

According to the Explanatory Statement that accompanied the Instrument, the purpose of the amendments was as follows:

### **Amendment to Chapter 1**

2. Chapter 1 of the AML/CTF Rules contains the key terms and concepts that apply throughout the AML/CTF Rules. The amendment to Chapter 1 amends subparagraph (5) of the definition of 'primary non-photographic identification document' in order to remove any doubt over whether 'health care cards' are within the scope of the definition, as the *Social Security Act 1991* defines 'concession cards' as being:

- (a) a pensioner concession card; or
- (b) a health care card; or
- (c) a seniors health card.

### **Addition of Chapter 69**

3. Chapter 69 of the AML/CTF Rules relates to the prohibition imposed by subsections 74(1), (1A), and (1B) of the AML/CTF Act that persons not registered on the Remittance Sector Register (RSR) must not provide remittance services. It exempts casino licence holders who have been inadvertently caught by these provisions under the AML/CTF Act from the obligation to be registered on the RSR.

4. For the exemption to apply the reporting entity must hold a casino licence and provide the item 31, item 32 or item 32A designated services of table 1 in subsection 6(2) of the AML/CTF Act where:

- (a) the designated services are provided in a casino to which the casino licence relates, and
- (b) the designated services are provided in conjunction with a designated service set out in table 3 (gambling services) in subsection 6(4) of the AML/CTF Act.

5. These AML/CTF Rules do not exempt casino licence holders from any other provision or obligation of the AML/CTF Act including the reporting obligations specified in

Part 3 of the Act (such as the reporting of international funds transfer instructions), and the requirement to be enrolled on the Reporting Entities Roll.

The *Anti-Money Laundering and Counter-Terrorism Financing Rules Amendment Instrument 2014 (No 2)* (Cth), being F2014L00110 was registered 30 January 2014. The amendments commence the day after registration.

This Instrument amends the *Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No 1)* by inserting a new exemption in Ch 21 in relation to reporting entities which issue new interests in registered managed investment schemes, and updating the definitions in the chapter.

## **AUSTRAC Material**

### **[90.1700] Public Interest Disclosure Act 2013 – AUSTRAC procedures**

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The *Public Interest Disclosure Act 2013* (Cth) (PID Act) promotes the integrity and accountability of the Commonwealth public sector by creating a framework to facilitate the reporting of suspected wrongdoing and to ensure the timely and effective investigation of reports.

The public interest disclosure scheme replaces the whistle blowing provisions of the *Public Service Act 1999* (Cth) and aims to remove barriers which prevent people who work in the public sector from speaking up about serious problems that impact on public administration. It also provides protections against reprisals for those who make public interest disclosures.

In light of the above, these procedures have been made by the Principal Officer of AUSTRAC with an aim of:

Maintain[ing] the highest standards of ethical and accountable conduct and in ensuring that individuals who make public interest disclosures are provided with the protections available under the PID Act.

## **Index**

The Index has been updated and reissued as a consequence of the above amendments.