

8 July 2015

Director
Rules
PO Box 13173
Law Courts
MELBOURNE VIC 8010

Email: aml_ctf_rules@austrac.gov.au

Dear Sir/Madam,

Re: Discussion paper: Publication of annual superannuation statistics and confidentiality of superannuation data

The Australian Institute of Superannuation Trustees is a national not-for-profit organisation whose membership consists of the trustee directors and staff of industry, corporate and public-sector funds.

As the principal advocate and peak representative body for the \$600 billion not-for-profit superannuation sector, AIST plays a key role in policy development and is a leading provider of research.

AIST provides professional training, consulting services and support for trustees and fund staff to help them meet the challenges of managing superannuation funds and advancing the interests of their fund members. Each year, AIST hosts the Conference of Major Superannuation Funds (CMSF), in addition to numerous other industry conferences and events.

In brief:

AIST broadly supports the proposed amendments to Chapter 4 of the AML/CTF rules which relate to customer identification. We have noted in passing that there will be a cost incurred with the proposed changes to the safe harbour requirements. We also note that we have a preference for these changes not to be retrospective for administrative reasons.

AIST welcomes the proposed changes to the AML/CTF rules and notes general support from the industry for them.

We have noted in passing that there are some verification processes that will affect systems and their configuration. For example, the residential address requirement will become optional and the date of birth option will become a requirement. Both will still be required from two data

sources. Given the high level of optionality, we also consider that if the requirements contained a level of “freedom from choice”, this may contribute to lower costs in the future.

We are unclear as to the implementation date of these changes, and recommend that these not be retrospective, as the information gathered in the past may not match with future requirements.

Finally we also note that these changes will have a cost associated with them, and for this reason, we recommend a clearer notification of when these changes are expected to come into force. This is necessary for not only impacts on funds’ AML/CTF Part B programs and special programs, but changes to business processes and procedures, training, and documentation.

AIST would also like to add that, wherever possible, information collected which contains personal information relating to superannuation fund members, should harmonise as closely as possible with other requirements to supply information to Government agencies. In particular, we note the SuperStream requirements, presently administered by the Australian Taxation Office. We believe that the rules would benefit from an overarching principle that they harmonise with SuperStream (and other similar requirements) wherever possible.

If you have any further questions regarding this submission, please contact Richard Webb, Policy & Regulatory Analyst on 03 8677 3835 or at rwebb@aist.asn.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tom Garcia', written in a cursive style.

Tom Garcia
Chief Executive Officer