

18 September 2025

The Director
Economic Crime Section- Transactional Crime Branch
Criminal Justice Division
Attorney General's Department
Australian Government, Canberra
economiccrime@ag.gov.au

Dear sir/madam,

Australian Custodial Services Association Submission - AML/CTF Transitional Rules – Further Response

We refer to our response on this matter dated 15 August 2025 and your invitation on 5 September 2025 to provide additional perspective.

ACSA is pleased to provide the following additional information regarding accreditation approaches:

- ACSA recognises the broader industry faces challenges in meeting the demand for independent reviews, particularly given the cost and capacity constraints associated with engaging external firms. Additionally, where consultants have assisted in the development or review of a program, their subsequent involvement in an independent review may raise questions regarding true independence. We believe that internal audit remains the most effective approach for many organisations, given their deep understanding of business operations and risk environment and would welcome AUSTRAC hosting a dedicated session for internal auditors. Such a session could clarify AUSTRAC's expectations and provide guidance on key areas of focus during independent reviews.
- It would be helpful for accredited evaluators to be published for reporting entities to engage to meet accreditation obligations.

Thank you again for the opportunity to participate in this consultation. Please contact me if you have any comments about this submission.

Yours sincerely

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About ACSA

www.acsa.com.au

Custodians provide a range of institutional services, with clients typically favouring a bundled approach to custody and investment administration. Solutions may include traditional custody and safekeeping, investment administration, foreign exchange, securities lending, tax and financial reporting, investment analytics (risk, compliance and performance reporting), investment operations middle office outsourcing and ancillary banking services.

These services represent key investment back-office functions – often representing the client’s asset book of record and essential source data in relation to the investments they hold.

The key sectors supported by ACSA members include large superannuation funds and investment managers, as well as other domestic and international institutions.

ACSA works with peer associations, regulators, and other market participants on a pre-competitive basis to encourage standards, promote consistency, market reform and operating efficiency.

Note: The views expressed in this letter are prepared by ACSA for the purposes of consideration by The Attorney General’s Department in response to AML/CTF reform consultation and should not be relied upon for any other purpose. The comments in this letter do not comprise financial, legal or taxation advice and should not be regarded as the views of any particular member of ACSA.