2024–28

AUSTRAC
CORPORATE PLAN

Australian Government
AUSTRAC

FIGHTING FINANCIAL CRIME TOGETHER

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Acknowledgement of Country

AUSTRAC acknowledges the traditional owners and custodians of country throughout Australia. We recognise their continuing connection to the land, sea and community. We pay our respects to the people, cultures and elders – past and present.

AUSTRAC's Protecting Country artwork represents our vision and purpose, fighting financial crime together to protect Australians from criminal abuse, both in Australia and beyond its borders.

Protecting Country

The background is made up of a fishing net which represents the capture of criminals. The dotted patterning represents many different Country across Australia.

The main theme is teamwork, and how AUSTRAC works together with industry and its partners to fight financial crime.

The symbol found central to the artwork shows people seated in a yarning circle to represent AUSTRAC's organisational culture - united, accountable, empowered, courageous, inclusive.

Also included are symbols that represent AUSTRAC's strategic objectives: to discover, understand, strengthen, disrupt and optimise.

Surrounding these symbols are innovative tools that were used in everyday life. Fighting shields represent protection of the community, the boomerang represents innovation and the different ways that AUSTRAC is fighting financial crime.

Riki Salam
Artist, We Are 27 Creative

CEO FOREWORD

AUSTRAC performs a dual role as Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regulator and financial intelligence unit (FIU). These dual functions are complementary and interconnected, enabling AUSTRAC to use financial intelligence and regulation to disrupt money laundering, terrorism financing and other serious crimes.

As the AML/CTF regulator, AUSTRAC oversees the AML/CTF compliance of over 17,000 businesses, including banks, credit unions, remittance service providers and casinos. The reporting we receive from these businesses gives our financial intelligence arm the information needed to identify potential threats and develop actionable intelligence to support law enforcement, national security and other government partners.

AUSTRAC has made significant strides in enhancing our regulatory and intelligence capabilities. Our efforts have not only disrupted criminal activities, but also reinforced the resilience and trust in Australia's financial system. These accomplishments were made possible through robust partnerships and constant collaboration with industry, government and international partners.

In an era where criminals are employing increasingly sophisticated methods, and rapid advances in technological change pose new challenges, it is crucial that we remain at the forefront of emerging trends and threats from financially enabled crime. AUSTRAC has developed several national risk assessments (NRAs) to guide the efforts of our law enforcement, regulatory, investigatory and policy partners to combat money laundering, terrorism financing and other related crimes. The NRAs look at threats and vulnerabilities to help regulated businesses understand how they are exposed to criminal exploits, and ensure they have appropriate systems and controls in place to mitigate their risks. They also assist in the Australian Government's preparations for the upcoming mutual evaluation by the Financial Action Task Force.

Alongside these challenges, AUSTRAC will navigate some significant changes with the Government progressing the important reforms to Australia's AML/CTF legislation to expand and modernise in line with international standards. The reforms are expected to also reduce complexity for businesses subject to AML/CTF legislation. We are working closely with the Attorney-General's Department to support the reform process and are committed to ensuring that Australia's AML/CTF legislative framework remains effective against sophisticated criminal enterprises.

These proposed reforms will have a profound impact on AUSTRAC and the way we conduct our work. The increase in size and complexity of the businesses we will regulate will see our data holdings grow exponentially, presenting

opportunities for AUSTRAC to become a world-leading, data-driven, digital agency. Over the last two years, we have made great strides in transforming our data and digital environment. Over the period of this plan, we will optimise our operating model and implement a digital strategy to ensure we have the right resources, tools and techniques to continue to fight financial crime.

We have also revised our overarching strategy to ensure we are fit for the future. This corporate plan unveils a new vision and purpose that reflects the role AUSTRAC plays in the broader financial, law enforcement, intelligence and regulatory environment. We have also adopted 3 new strategic priorities which will organise AUSTRAC's structure, our governance framework, the work we undertake and our performance. As part of embedding these priorities in how we operate, AUSTRAC will look to reconsider our performance measures in future corporate plans.

As the accountable authority for AUSTRAC, I present the AUSTRAC corporate plan for 2024–28 as required under paragraph 35(1)(b) of the *Public Governance, Performance and Accountability Act 2013*.

Brendan Thomas
Chief Executive Officer
AUSTRAC

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OUR PURPOSE

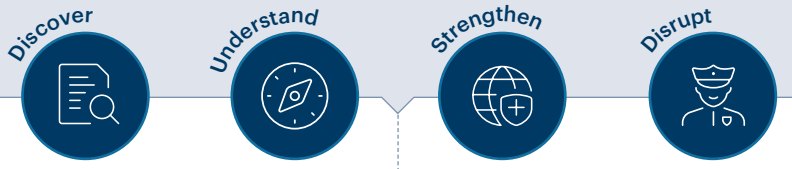
VISION
A community protected from financially enabled crime

OUTCOME
The protection of the financial system from criminal abuse through actionable financial intelligence and regulation and collaboration with domestic and international partners

PURPOSE
To build resilience in the financial system and use financial intelligence and regulation to detect, deter and disrupt money laundering, terrorism financing, and other serious crime

VALUES
Our values are expressed through our culture statement

KEY ACTIVITIES
Our purpose is demonstrated by the following activities



PRIORITIES

Priority 1
Efforts are directed to areas of highest risk and harm as defined by the NRA, NIC missions and SOCCC priorities[1]

Priority 2
Successfully implement the Government's AML/CTF reforms and embed new sectors into the regime to a global standard

Priority 3
Transform into a world leading data driven digital agency in financial regulation and intelligence

Enabling priorities

i. Enhance and leverage our network of strategic partnerships for the mutual benefit of community protection

ii. Cultivate a united and high performing organisation

1 National Intelligence Community (NIC), Serious and Organised Crime Coordination Committee (SOCCC) and National Risk Assessments (NRA)

OUR PURPOSE

As Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regulator and financial intelligence unit (FIU), AUSTRAC plays an integral role in safeguarding the Australian community and economy. We do so by detecting, deterring and disrupting money laundering, terrorism financing and other serious and organised crime, as well as building resilience in the financial system against criminal exploitation.

We regulate more than 17,000 businesses – providing financial, gambling, bullion, remittance and digital currency exchange services – to discover, understand and disrupt criminal threats. We leverage the capabilities of our intelligence and regulatory experts, with the assistance of our enabling services, to achieve our purpose.

AUSTRAC's functions are set out in the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act). AUSTRAC's role as designated to the CEO is to:

- retain, compile, analyse, disseminate and facilitate access to AUSTRAC information, to support domestic and international efforts to combat money laundering and terrorism financing (ML/TF) and other serious crimes
- provide advice and assistance, in relation to AUSTRAC information, to the persons and agencies who are authorised to access AUSTRAC information
- promote compliance with the AML/CTF regime, as well as advise and assist reporting entities and their representatives in relation to their AML/CTF obligations
- facilitate gaining access on a timely basis to the financial, administrative and law enforcement information that the AUSTRAC CEO requires to properly undertake the AUSTRAC CEO's financial intelligence functions
- assist in the development of government policy or to assist academic research.

In addition to the functions set out above, AUSTRAC's CEO has powers, functions and duties described in other legislation including:

- *Public Governance, Performance and Accountability Act 2013* (PGPA Act) and other related legislative instruments
- employment legislation including, but not limited to, the *Public Service Act 1999*
- information management legislation including, but not limited to, the *Privacy Act 1988*
- legislation establishing rights to seek review of government decisions including the *Administrative Appeals Tribunal Act 1975*.

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PLANNING AND PERFORMANCE

AUSTRAC'S PLANNING AND PERFORMANCE FRAMEWORK

AUSTRAC's planning and performance reporting framework is aligned to the Commonwealth Performance Framework. The corporate plan is our primary planning document for the coming 4–year period and sets out our purpose, key activities and how we measure our performance.

Performance planning begins with the Portfolio Budget Statements (PBS), followed by further details on our performance measures, targets and measurement methodology in our corporate plan. We close off the performance cycle each year by reporting on our results in the annual performance statements in our annual report. The annual performance statements report our actual performance for the year against the measures and targets in our PBS and corporate plan. They also provide analysis of the extent to which we have achieved our purpose and the factors that contributed to the outcome. This provides a clear line of sight between AUSTRAC's strategic direction and operational activities.

REGULATOR PERFORMANCE REPORTING REQUIREMENTS

The Attorney-General as portfolio minister regularly issues a Ministerial Statement of Expectations as a notice of strategic direction to AUSTRAC. This, with AUSTRAC's Statement of Intent, is on our website.[2]

Through our performance reporting we demonstrate how we are meeting the government's expectations of regulator best practice as defined by the 3 principles outlined below. Our regulatory performance is reported through our annual performance statements, to ensure we take a holistic and integrated approach to agency performance.

Principles of regulator best practice		Measures [3]
	1. **Continuous improvement and building trust:** regulators adopt a whole-of-system perspective, continuously improving their performance, capability and culture to build trust and confidence in Australia's regulatory settings.	**2.1** **3.3**
	2. **Risk based and data driven:** regulators manage risks proportionately and maintain essential safeguards while minimising regulatory burden and leveraging data and digital technology to support those they regulate to comply and grow.	**3.3**
	3. **Collaboration and engagement:** regulators are transparent and responsive communicators, implementing regulations in a modern and collaborative way.	**2.1** **2.2** **3.4**

2 austrac.gov.au/about-us/corporate-information-and-governance/reports-and-accountability

3 See pages 21-34 for the measures

KEY ACTIVITIES

AUSTRAC measures our performance and demonstrates achievement of our purpose by undertaking 4 key activities — discover, understand, strengthen and disrupt — that underpin how we work.

DISCOVER

AUSTRAC identifies criminal risks to Australia's financial system.

AUSTRAC collects financial transaction and suspicious matter reports submitted by reporting entities as required by the AML/CTF Act. The data from these reports is analysed alongside information shared with us by our domestic and international partners, and open-source data, to identify criminal risks to Australia's financial system.

High level activities and intended results

- Identify, acquire and analyse new data sets and sources to reveal and respond to financial crime.
- Experiment with diverse and dynamic variants of known risks and trends.
- Leverage domestic and international partnerships to share experience and better understand emerging threats and risks.
- Partner with law enforcement and national security agencies on task forces and other collaborative opportunities to discover new and emerging threats to our financial system.

UNDERSTAND

AUSTRAC develops and shares a comprehensive understanding of vulnerabilities to criminal exploitation within Australia's financial system.

To be effective as a regulator and FIU, AUSTRAC must understand the existing and potential future vulnerabilities that impact the financial system and share those understandings with our partners and the entities we regulate.

High level activities and intended results

- Enhance our analytical capabilities to better present insights and targeted intelligence to our partners, to effectively manage vulnerabilities in the financial system.
- Integrate our insights, knowledge and diverse experiences on money laundering and terrorism financing-related vulnerabilities and threats, to increase awareness and understanding on how these may be exploited and the possible impacts on the financial system.
- Support, educate and provide guidance to reporting entities on their obligations and risks, through published guidance, online tools, workshops and individual engagement to improve their understanding and compliance of AML/CTF obligations.
- Share insights and knowledge to work with our domestic and international partners through our deployed officers overseas and regional forums to provide a high standard of client-focused intelligence and optimise uptake of referrals and insights.
- Recognition as a transparent and responsive regulator which implements regulations in a collaborative way.

STRENGTHEN

AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

AUSTRAC ensures reporting entities comply with their obligations to have systems and controls in place to mitigate and manage the risk of criminal exploitation and the incidence of money laundering.

High level activities and intended results

- Keep reporting entities apprised of contemporary money laundering and terrorism financing risks, improve reporting and prevent criminal infiltration and exploitation of our regulated population.
- Pursue a risk-based, proportionate, intelligence-led regulatory approach that enables reporting entities to better understand and identify money laundering and terrorism financing risks and foster a culture of risk management.
- Harness AUSTRAC data by examining trends, vulnerabilities and new and emerging regulatory risks, to proactively detect AML/CTF non-compliance by reporting entities, and respond accordingly.
- Supervise, monitor and assess compliance and remediation efforts of reporting entities.
- Investigate suspected serious and systemic contraventions of the AML/CTF Act and take enforcement actions where appropriate.
- Engage with partners to develop policy and legislative reforms that respond to current and emerging money laundering and terrorism financing risks, to minimise the adverse economic and social impacts of these risks on Australia.
- Support work to build upon the AML/CTF global standards, through engagement with such bodies as the Financial Action Task Force (FATF), including our efforts to enhance Australia's compliance with these standards.
- Deliver capability development programs to international partner agencies, to support efforts to strengthen the global financial system.
- Harness the resources of industry, government, international partners and our Fintel Alliance, to detect crime, share actionable intelligence and improve the capability of regional partner agencies to detect, combat and disrupt serious financial crime and national security threats.

DISRUPT

AUSTRAC collaborates with its partners by providing intelligence to support efforts to disrupt national security threats and criminal exploitation of Australia's financial system.

AUSTRAC must pursue new opportunities to collaborate closely with our partners, including through sharing our data and financial intelligence.

High level activities and intended results

- Generate and disseminate timely, actionable financial intelligence and data, and strengthen relationships and capabilities with our partner agencies.
- Pursue opportunities to collaborate with and support our domestic and international law enforcement partners, to enable them to disrupt exploitation and criminal misuse of our financial system.
- Continue to make relevant and timely transactions and suspicious matters reported to AUSTRAC directly available – via Analyst Workbench (AWB) – to authorised users.
- Continue to be the partner of choice for financial intelligence discovery and disruption support in meeting the financial intelligence needs of partner agencies.
- Enact and implement controls and use our powers to detect, deter and disrupt ML/TF and other serious crimes.

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OUR PERFORMANCE

OUR PERFORMANCE

To evaluate our performance against our key activities, AUSTRAC will use the following performance measures. Results against these performance measures will be reported in our annual performance statements in AUSTRAC's annual report 2024–25.

DISCOVER - AUSTRAC identifies criminal risks to Australia's financial system.				
Measure 1.1 **Percentage of referrals to selected taskforces that generated an outcome, annually.**				
Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	60–70%	**As per 2024–25**		
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	To demonstrate that AUSTRAC's financial intelligence reporting (in this instance, referrals) provides value to selected taskforces (all of which we are a member) by enabling those taskforces to undertake actions towards the disruption of crime and/or the protection of Australia. An outcome is defined as a positive action taken by the taskforce to progress their matter/purpose and may include but is not limited to pursuing an operational outcome, opening a new line of investigative inquiry, enabling a disruption option and leading to an operational decision being made.			
Methodology	Number of instances when a referral generated an outcome divided by total number of referrals. The selected task forces are the following: Money Laundering Taskforce, Serious Financial Crime Taskforce, Counter Foreign Interference Taskforce and Joint Threat Finance Taskforce.			
Data source/s	CASE/JIRA.[4,5]			
Changes since Corporate Plan 2023–27: Nil changes.				

4 AUSTRAC is deploying CASE as our enterprise-wide case management and customer relationship management system. It provides visibility of interactions with reporting entities, partner agencies and industry participants.

5 AUSTRAC uses JIRA as a task management tool for operational teams and IT projects. It helps teams plan, assign, track and report on progress of tasks and activities.

Measure 1.2 **Percentage of intelligence products that identified a new theme, threat or insight where one or more partner agencies has confirmed the product has generated an outcome, annually.**				
Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	50% or greater	**55% or greater**	**60% or greater**	**65% or greater**
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	Monitoring the rate at which new intelligence (as identified by AUSTRAC) enables partner agencies to undertake actions towards the disruption of crime and/or the protection of Australia, helps to demonstrate the impact (and thus the value-add) of AUSTRAC's strategic financial analysis capabilities. An outcome is defined as per measure 1.1.			
Methodology	Number of instances when a product identifying a new theme, threat or insight generated an outcome for one or more partner agencies divided by total number of products identifying a new theme, threat or insight.			
Data source/s	CASE/JIRA for identification of instances. Partner agency feedback – gathered via survey – recorded in internal tracking spreadsheet stored in SAFE.[6]			
Changes since Corporate Plan 2023–27: Target has been updated to reflect a 5% increase on the previous year to demonstrate our commitment to improving performance against this measure.				

6 SAFE (Save, Share, and Find Easily) is AUSTRAC's core enterprise content and records management solution. SAFE allows AUSTRAC to centrally store, share and manage content.

Measure 1.3 Percentage of financial intelligence exchanges that are with prioritised foreign FIUs, annually.				
Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	60–70%	**As per 2024–25**		
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	Sharing of information and intelligence between foreign FIUs is an important means of discovery, as no one agency or country has access to all relevant data. AUSTRAC's intelligence strategy embraces enhanced intelligence collaboration with prioritised foreign FIUs – this collaboration includes financial intelligence exchanges with said prioritised partners. This measure provides us with insights into our relationships with prioritised international partners, what intelligence and information is available on topics of interest to AUSTRAC, and whether specific engagement activities with partners are having the desired effect. While we acknowledge enhanced activity does not necessarily lead to greater and/or more useful discovery, it does provide an opportunity for discovery.			
Methodology	Number of financial intelligence exchanges with prioritised foreign FIUs divided by total number of financial intelligence exchanges with foreign FIUs.			
Data source/s	CASE/JIRA.			

Changes since Corporate Plan 2023–27: Nil changes.

UNDERSTAND - AUSTRAC develops and shares a comprehensive understanding of vulnerabilities to criminal exploitation within Australia's financial system.

Measure 2.1
Percentage of event/workshop attendees/e-learning participants who reported a MODERATE (or higher) improvement in their understanding of the AML/CTF obligations as a result of their attendance/completion, annually.

Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	76% or greater	**78% or greater**	**80% or greater**	**82% or greater**
Source	Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	Monitoring whether workshop attendees perceive that their understanding has improved following a workshop is an important indicator of the value gained from the workshop (and whether any changes may need to be made to meet customer needs).			
Methodology	Number of attendee/participant respondents who rate MODERATE (or higher) divided by total number of respondents. Ratings of MODERATE (or higher) represent the positive responses on a 6-point survey scale.			
Data source/s	Recorded in monthly branch reports in SAFE.			

Changes since Corporate Plan 2023–27: Target has been updated to reflect a 2% increase on the previous year to demonstrate our commitment to improving performance against this measure. Measure numbering changed from 2.2. to 2.1.

Measure 2.2
Percentage of relevant stakeholders who reported a MODERATELY (or higher) rating on the usefulness of AUSTRAC's guidance materials, annually.

Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	76% or greater	**78% or greater**	**80% or greater**	**82% or greater**
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	Measuring how useful our guidance materials are perceived to be, will provide us with a useful insight into the value of our products to our reporting entities. It may also be useful for informing future decision making in terms of any adjustments required to our materials.			
Methodology	Number of survey respondents who report MODERATELY (or higher) divided by total number of survey respondents. Ratings of MODERATE (or higher) represent the positive responses on a 7-point survey scale.			
Data source/s	Survey of relevant stakeholders.			

Changes since Corporate Plan 2023–27: Measure wording has been updated to capture a more relevant group of stakeholders. Target has been updated to reflect a 2% increase on the previous year to demonstrate our commitment to improving performance against this measure. Measure numbering changed from 2.3. to 2.2.

Measure 2.3 **Percentage of stakeholders who reported AUSTRAC's intelligence products had a MODERATE (or higher) level impact on their understanding of vulnerabilities in the financial system, annually.**				
Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	70% or greater	**As per 2024–25**		
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	Sharing our knowledge in a way that is of use to stakeholders and partners is integral to our function. Knowing what impact our shared understanding is having on stakeholders will help us to continue to provide relevant, useful products.			
Methodology	Number of survey respondents who report MODERATE or higher divided by total number of survey respondents. Ratings of MODERATE (or higher) represent the positive responses on a 7-point survey scale.			
Data source/s	Survey of relevant stakeholders.			
Changes since Corporate Plan 2023–27: Upper limit of target has been removed. Measure numbering changed from 2.4. to 2.3.				

STRENGTHEN - AUSTRAC ensures criminal risks within Australia's financial system are identified, mitigated and managed effectively.

Measure 3.1
Percentage of reporting entities who strengthened their AML/CTF controls after AUSTRAC engagement, annually.

Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	71% or greater	**73% or greater**	**75% or greater**	**77% or greater**
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	One of AUSTRAC's goals is to make sure regulated businesses comply with their obligations to have systems and controls in place to manage ML/TF risks. We do this through a range of compliance, enforcement and education activities. Measuring the percentage of reporting entities who have strengthened their AML/CTF controls after engaging with AUSTRAC is an important indicator of the effectiveness of these activities.			
Methodology	Of the reporting entities who submit a compliance report, who answer YES as to whether they had AUSTRAC engagement through the relevant reporting period, the percentage of those same entities who reported responding to that engagement by strengthening their controls.			
Data source/s	AWB.			

Changes since Corporate Plan 2023–27: Target has been updated to reflect a 2% increase on the previous year to demonstrate our commitment to improving performance against this measure.

Measure 3.2 Percentage of reporting entities who submitted their compliance reports on time, annually.				
Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	81% or greater	**83% or greater**	**85% or greater**	**87% or greater**
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 216			
Rationale	Reporting entities are obligated to submit a report each year on their compliance with the AML/CTF Act and Rules. Submitting this report on time demonstrates both an awareness of their obligations and some level of agreement to follow those obligations (noting submitting the report does not mean they have met all other AML/CTF obligations). Monitoring this figure over time may inform whether further education is required.			
Methodology	Number of reporting entities who submit their compliance report before the due date divided by the total number of reporting entities who complete the compliance report.			
Data source/s	AWB.			

Changes since Corporate Plan 2023–27: Target has been updated to reflect a 2% increase on the previous year to demonstrate our commitment to improving performance against this measure.

Measure 3.3
Percentage of regulatory work proactively identified by AUSTRAC, annually.

Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	75% or greater	**As per 2024–25**		
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 217			
Rationale	AUSTRAC is seeking to increase our proportion of proactively identified work – that is, breaches not voluntarily disclosed to AUSTRAC by a reporting entity – across the regulation and enforcement functions. This measure, monitored over time, will inform us of whether this is occurring.			
Methodology	Number of regulatory matters resulting from proactively identified work divided by all regulatory matters.			
Data source/s	SAFE.			

Changes since Corporate Plan 2023–27: Target has increased to 75% or greater (from 50% or greater) to reflect our commitment to improved performance against this measure.

Measure 3.4
Percentage of externally-funded international capability development programs, which realised a capability uplift, annually.

Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	100%	**As per 2024–25**		
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 217			
Rationale	We run these programs to improve capability in foreign FIUs. Monitoring across the board whether our programs are doing so is an important means of (a) knowing whether each program meets its desired outcomes and (b) knowing the capability of our partners to identify, mitigate and manage risks.			
Methodology	Number of completed programs that realised a capability uplift divided by the number of completed programs delivered. This measure is limited to those externally-funded international capability development programs completed during the relevant financial year.			
Data source/s	Data recorded in internal tracking spreadsheet, stored in SAFE.			

Changes since Corporate Plan 2023–27: Measure numbering changed from 3.6 to 3.4.

Measure 3.5 Number of Fintel Alliance-coded suspicious matter reports (SMRs) received, annually.				
Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	5,675 or greater	**5,788 or greater**	**5,903 or greater**	**6,021 or greater**
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 217			
Rationale	Fintel Alliance shares knowledge and insights with reporting entities to inform their identification of risks in the financial system. One outcome of this information sharing is improved reporting behaviour, demonstrated through an increase in the number of relevant SMRs – that is, reports informing AUSTRAC when activity may be related to a crime. Monitoring reporting volume of Fintel Alliance-coded SMRs provides us with insight into identified and emerging financial crime trends and indicates whether our information sharing is effective.			
Methodology	Counting of relevant SMRs.			
Data source/s	AWB.			

Changes since Corporate Plan 2023–27: Target has been updated to reflect a 2% increase on the previous year to demonstrate our commitment to improving performance against this measure. Measure numbering changed from 3.8 to 3.5.

DISRUPT - AUSTRAC collaborates with its partners by providing intelligence to support efforts to disrupt national security threats and criminal exploitation of Australia's financial system.

Measure 4.1
Percentage of stakeholders who rated the impact of AUSTRAC's financial intelligence to their work as SOMEWHAT OF AN IMPACT (or higher), annually.

Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	75% or greater	**As per 2024–25**		
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 217			
Rationale	Tracking stakeholder perception of the impact AUSTRAC's financial intelligence has had on their work provides us with an understanding of the effectiveness of our intelligence and our impact on the disruption of crime and other areas of interest to stakeholders.			
Methodology	Number of survey respondents who report SOMEWHAT OF AN IMPACT (or higher) divided by total number of respondents. Ratings of SOMEWHAT OF AN IMPACT (or higher) represent the positive responses on a 7-point survey scale.			
Data source/s	Survey of relevant stakeholders.			

Changes since Corporate Plan 2023–27: Measure numbering changed from 4.2. to 4.1.

Measure 4.2 **Percentage of partner agency AWB users who rated the impact of AUSTRAC's data available via AWB to their work as SOMEWHAT OF AN IMPACT (or higher), annually.**				
Targets	**2024–25**	**2025–26**	**2026–27**	**2027–28**
	60% or greater	**As per 2024–25**		
Source	AUSTRAC Portfolio Budget Statements 2024–25 Program 1.1. page 217			
Rationale	AUSTRAC seeks to enable the disruption of criminal exploitation of the financial system by making our data available via AWB to select partners to inform their work. This measure will provide some insights into the usefulness of our AWB-accessible data to the work of those stakeholders who have access to this tool.			
Methodology	Number of AWB users who report the impact of AUSTRAC's data available via AWB as having SOMEWHAT OF AN IMPACT (or higher) divided by total number of respondents.			
Data source/s	SAFE.			
Changes since Corporate Plan 2023–27: Measure numbering changed from 4.3. to 4.2.				

Changes to our performance information

AUSTRAC has reviewed our strategy, vision and strategic priorities to ensure that we are well equipped for the future. We intend to review our performance measures over the course of this plan to ensure they are contemporary, reliable and complete.

We have made the following changes as a result of our annual review of performance measures. The following measures have been removed from the 2023–27 corporate plan, as they are no longer relevant (due to changes in AUSTRAC's operating environment) or do not meaningfully contribute to an assessment of AUSTRAC's performance.

- **2.1.** Number of instances published guidance products were accessed and downloaded from our website by individual external audience members and direct email recipients
- **3.7.** Percentage of reporting entities who advised that our sector-based risk insight products had a MODERATE (or higher) influence on their risk mitigation attitudes or behaviours, per product
- **3.9.** Levy collection costs as a percentage of the disbursed industry contribution levy, annually
- **4.1.** Sum of ATO-recovered revenues and liabilities attributable to AUSTRAC data and AUSTRAC financial intelligence over the preceding 12-month period.

The following measures have been removed from both our 2023–27 corporate plan and 2024–25 Portfolio Budget Statements as they do not meaningfully contribute to an assessment of AUSTRAC's performance.

- **3.4.** Percentage of industry associations representing AUSTRAC's reporting entities who assess AUSTRAC's level of collaboration in the development of AML/CTF Rules and policy settings to be **USUALLY** collaborative (or higher), annually
- **3.5.** Percentage of industry associations representing AUSTRAC's reporting entities who believe reporting entities have a **MODERATE** (or higher) level of trust in AUSTRAC as a result of AUSTRAC's efforts to harden the industry against ML/TF and other crime risks, annually.

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OUR OPERATING CONTEXT

OPERATING CONTEXT – ENVIRONMENT

Increasingly sophisticated criminal methods, cyber-attacks, international conflict and digitisation are transforming AUSTRAC's operating environment. These factors, alongside the rapidly changing technological environment and growth of artificial intelligence, will continue to influence the way in which we will achieve our purpose over the coming years.

The significance of these challenges provides AUSTRAC with the opportunity to continue to adapt and evolve in our role to detect, deter and disrupt criminal abuse of the financial system. Protecting the community from serious and organised crime as Australia's AML/CTF regulator and FIU, we continue to build on our capability through education, partnerships and collaboration. Specific environmental factors impacting AUSTRAC over the period of this plan include the following.

Proposed legislative reforms seek to extend the existing AML/CTF legislation to capture certain services provided by businesses and professionals such as lawyers, accountants, trust and company service providers, real estate agents, and dealers in precious metals and precious stones. If passed, this will expand the number of entities reporting to AUSTRAC, presenting us with capability, resource and technology challenges.

Beyond the direct impacts of these reforms on AUSTRAC's regulatory and intelligence functions, our enabling functions need to ensure the demands of a larger agency and workforce are met. From 2024–25 our preparations for these reforms will commence, including supporting new and current reporting entities to meet their obligations and transforming our capabilities and technological solutions. We are working closely with the Attorney-General's Department (AGD) and other portfolio agencies to prepare for this reform.

AUSTRAC remains committed to supporting AGD, other portfolio agencies, state and territory agencies and private sector stakeholders in preparing for Australia's upcoming comprehensive **mutual evaluation** by FATF from 2025 to 2027. As part of these preparations, AUSTRAC has developed an agency-wide strategic plan to demonstrate our effectiveness as a regulator and FIU.

AUSTRAC's own **civil penalty proceedings and Commonwealth and state inquiries** into Australia's financial and gaming sectors over recent years continue to shape Australia's regulatory environment. The heightened level of community expectations and scrutiny of financial and gaming institutions are putting industry on notice to review AML/CTF compliance, invest in strengthening AML/CTF frameworks, and identify and report compliance failures. This is placing higher demand on AUSTRAC's regulatory capabilities and resources.

Preparations are continuing for potential **oversight** of AUSTRAC's intelligence functions by the Inspector-General of Intelligence and Security (IGIS) and the Parliamentary Joint Committee on Intelligence and Security. We are committed to continuously reviewing and improving our systems and processes to ensure we are appropriately managing data and are prepared for oversight if it is legislated.

Australia, by virtue of its economic prosperity, stability of governments and effective rule of law, is an **attractive destination** for criminals to launder the proceeds of crime. Australia remains a highly lucrative market for illicit goods and is **targeted by transnational criminal networks**. Individual wealth remains a target for **fraud and cybercrime**. The combination of these threats means that proceeds of crime will be laundered through Australia's financial system to reach offshore criminal networks. AUSTRAC, with law enforcement and national security agencies, will continue to target the criminal business model to disrupt and deter this activity, reduce harm to the community and minimise loss of government revenue.

AUSTRAC also needs to **adapt to changing national security threat environments**. These include the continued Russian invasion of Ukraine and the Hamas-Israel conflict in Gaza drawing Australian fighters to participate.

Shifts in the threat environment are challenging traditional law enforcement approaches, as AUSTRAC strives to be ahead of advances in technology. Rapidly-evolving technological environments have led to **increases in cyber-attacks** and the spread of disinformation from state and non-state actors. **Blockchain** and **cryptocurrencies** enable the undetectable movement of funds. Easy access to **encryption tools and the dark web** also allow criminal organisations to obscure their activities. It is crucial for AUSTRAC to pre-empt and address critical vulnerabilities across the financial system and raise awareness of criminal methodologies. We will continue to collaborate with industry to lift compliance and strengthen the financial system.

While the evolving technological environment can surface new threats, it also enhances the value and efficiency of Australia's financial system. **Technological advancements** continue to drive innovation. This speeds up the value transfer chain and enables value to be transferred almost instantaneously across national and international borders, in some cases anonymously. We must ensure that our regulatory frameworks advance in line with technology, and ensure that AUSTRAC can leverage these advancements to generate greater efficiency, scalability and further evolve towards a data-driven, digital-first agency.

AUSTRAC continues to be subject to the **competitive employment market** and must look at innovative ways of attracting and retaining talent, building expertise and solidifying our value proposition for staff.

For more information on AUSTRAC's operating environment over the period of this plan, see also **AUSTRAC's *Money laundering in Australia and Terrorism Financing in Australia national risk assessments*.**[7,8]

7 austrac.gov.au/business/how-comply-guidance-and-resources/guidance-resources/money-laundering-australia-national-risk-assessment-2024

8 austrac.gov.au/business/how-comply-guidance-and-resources/guidance-resources/terrorism-financing-australia-national-risk-assessment-2024

OPERATING CONTEXT – CAPABILITY

PEOPLE

At AUSTRAC, we pride ourselves on a highly capable workforce that is recognised for its integrity and expertise, and is well equipped to respond to change. Over the period of this plan, as embodied by our 'One AUSTRAC' culture statement, we will continue to develop our people to ensure that we have a **trusted**, **inclusive**, **collaborative** and **impactful** workforce now and into the future.

WORKFORCE PLANNING

Our future workforce activities, initiatives and strategies are informed by our *People Strategy 2022–26* and *Strategic Workforce Plan 2022–26*. We are also strengthening the capability of our staff through reducing outsourcing of our core work in line with the Australian Public Service (APS) Strategic Commissioning Framework.[9] Our targets for 2024–25 focus on reduced outsourcing of ICT and Digital Solution and Accounting and Finance job families (Procurement and Contracting function), with an expected reduction of $2,055,579 in 2024-25 in outsourcing expenditure.

To ensure we are attracting and retaining staff who are adaptable and responsive to a changing environment, we developed a talent acquisition plan with updates to our processes, policies, advertising and guides underway to prepare us for the future. The plan contains practical, actionable, sustainable and scalable initiatives that will continue to set AUSTRAC apart as an employer of choice from both the public and private sectors.

9 apsc.gov.au/publication/aps-strategic-commissioning-framework

LEARNING AND DEVELOPMENT

With the proposed legislative reforms and upcoming FATF mutual evaluation, we continue to invest in the learning and development of our people, to ensure we are well placed to adapt to our changing operating environment. We are committed to fostering and developing expertise in our staff. This includes: world-class analysts for tactical, operational and strategic financial intelligence; and specialist regulatory staff to drive education, supervision and enforcement outcomes. We will support our growing workforce and ensure they have the appropriate skills and capabilities to support and deliver our purpose and key activities. We are reviewing and refreshing our learning and development framework to identify our critical capabilities, while continuing to provide access to professional development programs.

With the potential increase in our workforce, an enhanced phased onboarding and induction program is being designed and implemented to educate new staff on workplace expectations, complementing our culture statement values. This approach aims to optimise the learning and relationship-building opportunities for new starters in a hybrid workplace.

We also support continued development through our studies assistance program, and increased the amount employees can access each year in our new AUSTRAC Enterprise Agreement 2024–27.

DIVERSITY AND INCLUSION

We embrace diversity, flexibility, equality and an inclusive workforce culture to better deliver on our purpose and key activities. We take pride in the broad range of initiatives that aim to ensure our workforce is representative of the broader Australian community.

We launched our ***Reconciliation Action Plan*** in March 2024, which outlines our commitment to reconciliation, cultural learning and increasing our awareness and support for Aboriginal and Torres Strait Islander peoples. We continue to actively participate in the Jawun APS Secondment Program to support Indigenous communities and their leaders achieve their development goals.

AUSTRAC is pleased to be a member of the Pride in Diversity program, Australian Network on Disability and Diversity Council of Australia, and an active participant in the Australian Diversity Network's Stepping Into Internship program.

SECURITY AND INTEGRITY

AUSTRAC embeds a strong security and integrity culture against a backdrop of an increasingly complex security environment. We are committed to ensuring every one of our staff understands, and adheres to, their obligations across integrity and personnel security, physical security and information security. This is in accordance with the expectations in the Protective Security Policy Framework and Information Security Manual. We are supporting capability uplift through:

- improving staff understanding of AUSTRAC's threat environment
- developing and delivering fit-for-purpose training initiatives tailored to AUSTRAC requirements
- delivering multi-modal awareness campaigns to engage staff on their integrity and security obligations.

Maintaining our rigorous suitability checks and clearance processes remains a priority, particularly on the precipice of agency growth.

We are committed to facilitating investigations into suspected breaches of our integrity and security policies, and any suspected actions that require mandatory referral to the National Anti-Corruption Commission (NACC). Our security and integrity initiatives empower our people to deliver on AUSTRAC's purpose, and ensure that AUSTRAC remains a trusted and integral law enforcement and National Intelligence Community partner.

DATA CAPABILITY

In line with our foundational data principles, we are strengthening our use of high-quality and high-value data to drive actionable financial intelligence, risk-based regulation, data-driven business planning, and data-focused collaboration with domestic and international partners. We are fostering a data-focused culture to ensure we have the right workforce size, shape, capabilities and training opportunities to support our data needs.

As a data-driven agency, AUSTRAC has used machine learning in our analysis for some time. We are actively looking at the opportunities to leverage generative artificial intelligence (AI) tools. We will follow whole-of-government guidelines in any future use of AI.

Our *Intelligence Strategy 2021–26* and 'FIU of the Future' strategy recognise the criticality of enterprise and operational data capabilities to deliver AUSTRAC's vision and purpose. These strategies articulate how intelligence tradecraft and governance combines with data science and advanced analytic techniques, including forms of AI. This is to enhance our ability to develop actionable and insightful financial intelligence. It includes broadening the range of data sources to support multi-source analysis, and fundamentally integrating advanced data analytics into our tradecraft.

We are committed to driving collaboration with external partners across the data lifecycle. This enhances our ability to anticipate emerging threats in the financial ecosystem, and effectively regulate an increasingly complex environment.

TOOLS AND TECHNOLOGY

The potential expansion of the AML/CTF regime, and the need for AUSTRAC to keep pace with the rapidly-evolving technological environment, require a substantial work program to enhance our systems, tools and technology. Over the period of this plan, we are investing in our systems and data by:

- developing and implementing our digital and technology strategies that provide a roadmap to enable us to service the needs of AUSTRAC both in the near term and future
    - taking into consideration the considerable growth required in light of proposed legislative reforms
    - including uplift to our IT Service Desk and onboarding processes, as well as movement to cloud-based environments
- delivering a modernised online portal for improved reporting entity engagement and transaction reporting mechanisms
- implementing a new human resource information system to realise greater efficiencies in our people management capability
- improving the functionality and usability of AUSTRAC's current financial management information system
- maximising the implementation of the Microsoft 365 platform for internal, domestic, public-private and international secure information sharing
- implementing an enterprise-wide case management and customer relationship management system, to standardise processes and facilitate a single view of information across AUSTRAC
- transitioning AUSTRAC to a modern, user-friendly intranet, built on an industry standard, easy-to-manage platform
- continuing rollout of an updated database system ('Taipan') to our partnering FIUs, to replace antiquated FIU data collection, analytical and storage systems.

OPERATING CONTEXT – RISK MANAGEMENT AND GOVERNANCE

Effective risk management is fundamental to achieving AUSTRAC's purpose. It provides the basis for anticipating and responding swiftly and decisively to changes in our operating environment.

Our approach to risk management is based on: the international standard for risk management ISO 31000:2018 Risk management – Guidelines; section 16 of the PGPA Act; and the Commonwealth Risk Management Policy. It is further informed by the approaches of our regulatory, intelligence and industry partners to ensure we constantly seek to identify and implement better practice.

Risk management at AUSTRAC is defined by our culture, systems and business processes. These are supported by our risk policy and framework, risk management strategy and supporting tools. Collectively, these work towards supporting better-practice risk management across AUSTRAC. The framework and associated documents are reviewed annually to ensure alignment with the Commonwealth Risk Management Policy. Our risk registers are reviewed and updated on a regular basis to ensure they reflect our risks and operating environment.

Risk management is embodied in AUSTRAC in terms of individual accountability, awareness and attitude, all of which influence how a staff member engages with risk in undertaking their work. Managing risk is a responsibility of all AUSTRAC staff, contractors, consultants and seconded personnel. This includes government, private sector and international representatives seconded to Fintel Alliance.

Our risk management policy and framework outline the structural enablers of risk management at AUSTRAC. They also demonstrate how risk management integrates with governance practices and informs strategic business planning. They provide guidance to all employees on how to integrate risk-based decision making into their business-as-usual activities.

AUSTRAC's approach to embedding risk management in our business processes is focused on 4 key areas.

- **Alignment with the AUSTRAC governance framework (risk oversight and reporting)**
  - The framework is reviewed annually to ensure relevance to the agency's strategic objectives and operations.
  - Our risk management practices are reviewed and updated in alignment with the governance framework review cycle, to support good governance as defined in the AUSTRAC governance framework.

- Our governance committees and associated delegations establish the thresholds for management decision making.

▲ Corporate and branch planning

- Reporting on strategic risk and the maintenance of our risk management capability framework are important elements of our corporate plan and annual report.

- Environmental scanning and the consideration of risk enables AUSTRAC to identify challenges for the delivery of our strategic objectives, and anticipate future needs.

- Risks are identified at the operational, strategic and enterprise levels, and feed into the corporate planning process and various governance committees' considerations. Importantly, the risk management process ensures that risks feed in and cascade down into the various levels of the corporate and branch planning processes.

▲ Staff training and development

- Our risk management capability and the effectiveness of our risk management program is dependent on continued skill development and the ongoing capability of our workforce.

▲ Change and project management

- Change management and project management represent key areas where risk management can provide the greatest value.

- Risk assessments and business impact assessments are standard requirements for projects and changes to AUSTRAC's program delivery. However, these need to be timely to ensure risk is adequately considered and incorporated into planning and decision making.

Over the course of this plan, we will seek to mature and embed risk management principles and behaviours across the agency. This is to ensure that organisational performance and decision-making capability and quality continues to be enhanced at a systematic level. Our controls assurance program will be embedded across the agency to provide our leadership team with assurance as to the design and operating effectiveness of our controls. This will allow decision makers to act quickly and with confidence in a dynamic environment.

Our key risks

Enterprise risks
Inadequate regulatory processes and practices, or ineffective use of AUSTRAC's powers, limit or impact the understanding and/or compliance of the regulated population with the AML/CTF Act.
Ineffective implementation, use and protection of AUSTRAC's technology systems and services, including appropriate embedding and management of data, information and cyber security arrangements, which compromises the delivery of outcomes.
Failing to deliver data and actionable intelligence impacting the delivery of outcomes for partners.
Inability to meet AUSTRAC's international obligations and deliver international programs and operations, impacting AUSTRAC's relationships, reputation and ability to collaborate effectively with other FIUs.
An inappropriate workforce, in relation to capability, size, suitability and location, impacting the delivery of business objectives, the ability to make appropriate strategic decisions and the safeguarding of the agency.
Inadequate or ineffective legal oversight, guidance, input and reporting, results in AUSTRAC failing to comply with its legal obligations or protect the Commonwealth from legal action.
Inability to manage AUSTRAC's reputation affects stakeholders' views of the agency's effectiveness.

Enterprise risks cont.
An ineffective operating model (including governance) impacting the ability to achieve AUSTRAC's objectives, enable sound decision making and comply with external assurance requirements.
Inadequate response to significant change in the internal and/or external operating environments, resulting in compromised delivery of agency outcomes.
Ineffective data-holding approaches (including governance), resulting in the mismanagement of data, non-compliance with legal obligations and compromised delivery of agency outcomes.
Ineffective governance and assurance in relation to operational practises across AUSTRAC leads to actual or perceived undue regulatory influence, favouritism or bias.
Inability to implement the AML/CTF legislative reforms impacts the achievement of the government's policy objectives.

OPERATING CONTEXT – COOPERATION

Our work to build resilience in the financial system cannot be achieved without working closely with and leveraging our partnerships with government, industry and other bodies, both domestically and internationally.

Our key stakeholders include the following.

Sector oversight

Minister and Parliament
We report to the Attorney-General, the Hon Mark Dreyfus KC MP. As a statutory agency and non-corporate Commonwealth entity, AUSTRAC is subject to parliamentary oversight, including through parliamentary committees.

Independent oversight
AUSTRAC is subject to external, independent oversight from various bodies, including the Australian National Audit Office and NACC. We are also preparing for potential oversight of our intelligence functions by the IGIS.

Sector engagement

Regtech/fintech providers and AML/CTF advisers
We engage with firms who provide support to our reporting entities, enabling industry compliance programs and technological solutions to meet AUSTRAC requirements.

Academia
We work with various academics, specialist technology providers and research bodies. We are provided with ongoing improvements, support and expertise by ensuring our approach to technology, data and analytics is innovative, and leveraging contemporary research expertise.

Government partners

Attorney-General's Portfolio and other Commonwealth partners
We work with law enforcement and intelligence partners in our portfolio and the broader Australian Government to detect and disrupt serious crime, undertake reforms and implement improvements to our legislative frameworks.

National Intelligence Community
We contribute our financial intelligence and expertise to the highest priority national security intelligence missions of the Australian Government.

Commonwealth regulatory and revenue agencies
We work closely with Commonwealth regulatory and revenue agencies to identify potential risks across the financial sector. This ensures a coordinated and consistent approach to managing industry risk and non-compliance**.**

State and territory governments
We maintain close working relationships with state and territory government entities, law enforcement and relevant regulators, to generate intelligence, drive compliance and disrupt crime.

Industry partners

Regulated reporting entities
We work with more than 17,000 reporting entities to harden the financial system against criminal exploitation, by providing guidance and education, and taking regulatory action where necessary.

Fintel Alliance
We collaborate through our public-private partnership, Fintel Alliance, to analyse and exchange financial intelligence alongside government and private sector partners. This is to improve industry resilience and compliance, generate intelligence and proactively support investigations into serious crimes and national security threats.

International partners

International forums and partnerships
We engage in international exchanges, partnerships and forums such as FATF and the Egmont Group of FIUs, to collaboratively combat financial crime, supported by our network of overseas outposted staff.

Regional forums and partnerships
We play a leading role in strengthening ties and building capability among regional partners, through initiatives like the Financial Intelligence Consultative Group and the Pacific Financial Intelligence Community. This extends to capability-building programs across the Pacific and South-East Asia.

Foreign FIUs and regulators
We work collaboratively with our partners and counterparts in foreign jurisdictions, to share intelligence to combat financial and other serious crime in Australia and overseas.

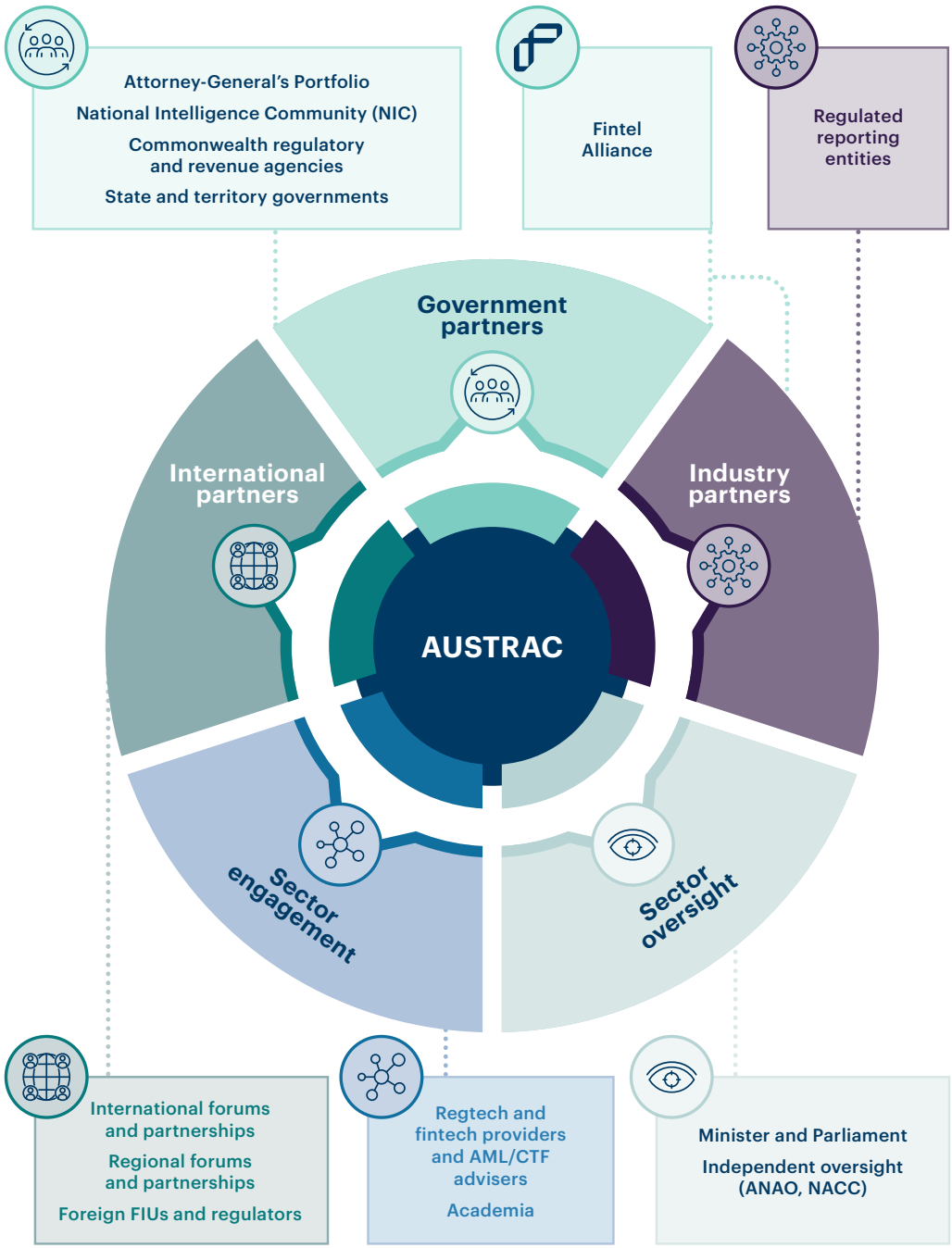

Figure 1: AUSTRAC's key partnerships

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APPENDICES

APPENDIX A – LIST OF REQUIREMENTS

This corporate plan has been prepared in accordance with the requirements of:

- subsection 35(1) of the PGPA Act
- subsection 16E(2) of the PGPA Rule 2014.

The table below details the requirements met by AUSTRAC's corporate plan and the page references(s) for each requirement.

Requirements	Page(s)
Introduction • Statement of preparation • The reporting period for which the plan is prepared • The reporting periods covered by the plan	**7**
Purpose	**9**
Key activities	**15-18**
Operating context	
• **Environment**	**37-39**
• **Capability**	**40-43**
• **Risk oversight and management**, including key risks and their management	**44-47**
• **Cooperation**	**48-51**
• **Subsidiaries**	**N/A**
Performance	
• **Performance measures**	**21-34**
• **Targets** for each performance measure (if reasonably practicable to set a target)	**21-34**

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