



**Australian Government**

**Attorney-General's Department**

**Deputy Secretary**

**National Security  
and Criminal Justice Group**

Ms Joanna Abhayaratna  
Executive Director  
Office of Impact Analysis  
Department of the Prime Minister and Cabinet  
1 National Circuit

Email: [Helpdesk-OIA@pmc.gov.au](mailto:Helpdesk-OIA@pmc.gov.au)

OIA Reference: OBPR:22-03467

Dear Ms Abhayaratna

**Impact Analysis for Second Pass Assessment – Modernising Australia’s anti-money laundering and counter-terrorism (AML/CTF) regime**

I am writing in relation to the Impact Analysis (IA) for proposed reforms to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*.

I would like to thank your office for the prompt review of the first pass IA that we submitted earlier this month. We have considered your comments provided in your letter on 16 August 2024, and I am satisfied that the final IA addresses the matters that you brought to our attention. Specifically, the final IA includes:

- the addition of a separate table on the Regulatory Burden Measurement costs for each option at Table 21
- further description of the status of the IA at each major decision point at Table 24
- further explanation of assumptions underpinning the benefits and costs as well as further detail on the methodological approach throughout the impacts section and in new Attachment B
- brief discussion of the key costs and benefits in the Executive Summary and additional discussion of the costs, including distributional impacts, in the impacts section, and
- further discussion on consultation processes and how they informed the policy options.

I would also bring your attention to new content relating to the Multi-Criteria Analysis for each option, which has been included as a summary under each of the MCA score tables.

I note that while amendments have been made to Question 7 to address your comments relating to the future work program and consultation after implementation, the details will continue to be developed by the department and AUSTRAC as announced in the 2024-25 Budget.

The preferred option best meets the stated policy objectives of combatting crime and strengthening Australia’s compliance with the global AML/CTF standards set by the Financial Action Task Force

(FATF), while minimising regulatory burden. Compared to the status quo, the regulatory cost of the full suite of reforms is estimated at \$13.9 billion to business over 10 years. The total quantifiable benefits are estimated at up to \$13.1 billion over 10 years, with further benefits expected that were unable to be quantified at this time.

I am satisfied that the IA is consistent with the principles for Australian Government policy makers as specified in the *Australian Government Guide to Regulatory Impact Analysis*.

I submit the certified IA to the Office of Impact Analysis for formal second pass assessment.

The responsible action officer for this matter is Alex Engel, Assistant Secretary Transnational Crime, who can be contacted on 6141 5843.

Yours sincerely

A handwritten signature in cursive script, appearing to read 'S Chidgey', written in black ink.

**Sarah Chidgey**  
22 August 2024