



27 August 2021

Committee Secretary
Senate Legal and Constitutional Affairs Committee
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Sir/Madam

Re: The adequacy and efficacy of Australia's anti-money laundering and counter-terrorism financing (AML/CTF) regime.

Responsible Wagering Australia (RWA) is the peak body representing the Australian-licensed online wagering industry. Our members include Australia's major wagering service providers (WSPs): bet365, Betfair, Entain (Ladbrokes and Neds), Sportsbet and Unibet.

RWA members are dedicated e-commerce businesses whose platforms and operations are delivered in an end-to-end digital environment. The quantum of consumer activity across RWA members is significant on a global scale, with peak activity on individual platforms totalling over 17,000 e-commerce transactions per second.

Australia's online wagering industry is heavily regulated, governed by over 17,000 pages of state and federal regulation and accountable to 26 different regulatory bodies.

Australia's online wagering providers are subject to strict regulation under the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006 (Cwth)* (the Act) and have implemented comprehensive internal processes to ensure compliance with their obligations under the Act. This includes mandatory identity verification and the employment of individuals specifically tasked with monitoring anti money laundering and counter terrorism financing (AML/CTF) compliance.

It is significantly harder for criminal activity related to money laundering or terrorism financing to occur through the use of regulated Australian online wagering platforms due to the presence of binding consumer protection. Customers of online wagering services are not anonymous and are subject to strict account verification measures, with action taken quickly should an account or transaction be deemed suspicious in nature.

While RWA's members continue to comply with obligations under the Act, the offering of illegal offshore gambling websites to Australian customers creates a vulnerability in Australia's AML/CTF regulatory structure that undermines its effectiveness.

Not only does the presence of illegal offshore websites cloud the ability for customers to differentiate between legitimate, Australian-licensed wagering service providers (WSPs), but they present an opportunity for domestic based criminal enterprises to use these sites to launder money without the strict oversight and intervention that would occur if such illegal activity was attempted through an Australian-licensed WSP.

RWA supports strong regulatory action to prevent illegal offshore gambling websites from offering products and services to Australian consumers.

Should you require any additional comment on matters outlined in this letter, please do not hesitate to contact me directly on

Brent Jackson
Chief Executive Officer