

SENATE LEGAL AND CONSTITUTIONAL LEGISLATION COMMITTEE
AUSTRALIAN TRANSACTION REPORTS AND ANALYSIS CENTRE

Question No. 189

Senator Ludwig asked the following question at hearing on 14 February 2006:

Further to the reply to Question 126 of 31 October 2005, Part e) (iv) if you are able, please provide a copy of the interim report you prepared for DFAT.

The answer to the honourable senator's question is as follows:

Further to Question 126 of 31 October 2005, Part e) (iv), a short progress report regarding AUSTRAC's South East Asia Counter Terrorism (SEACT) Program was provided to the Department of Foreign Affairs and Trade (DFAT) on 14 February 2005. Refer to Attachment 1.

Attachment 1

AUSTRAC Briefing Note for the Department of Foreign Affairs and Trade Regarding Progress of AUSTRAC's South East Asia Counter Terrorism (SEACT)

Technical Assistance and Training Program

14 February 2005

In June 2004 AUSTRAC was allocated AU\$10million over four years to deliver South East Asia Counter-Terrorist Financing Assistance and Capability Development Project and the South-East Asia Financial Intelligence Unit Information Technology (IT) Mentoring and Capability Development Project. The purpose of these two projects is to assist the development of enhanced counter terrorism capacity within South East Asian jurisdictions, specifically with a view to increase the operational capability of financial intelligence units.

In July 2004 AUSTRAC established the South East Asia Counter Terrorism (SEACT) Technical Assistance and Training Program (TA&T) to deliver both projects, until 2008. A full complement of officers with banking & finance, IT, analysis, investigative and technical assistance expertise were recruited and in place by November 2004.

In structuring and delivering the SEACT Program, AUSTRAC has built on the strong links already existing with APG, AFP, DFAT, ASIO and AusAID. AUSTRAC was connected to the SATIN network in January 2005.

South-East Asia Counter-Terrorist Financing Assistance and Capability Development Project

In order to enable AUSTRAC Technical Advisors to provide in-country mentoring and the provision of IT advice to FIUs, in-country needs assessments mission were undertaken in 8 of the 10 jurisdictions between August 2005 and February 2005. The remaining 2 needs assessments missions are due for completion by the end of February 2005.

AUSTRAC Training Officers developed and delivered the first AUSTRAC training course in December 2004. The AUSTRAC Analysis Training was held in Sydney, and attended by 18 FIU representatives from 10 jurisdictions. The training session included the provision of expertise from Australian financial intelligence and analysis experts. A program for the delivery of further training sessions to be delivered throughout the South East Asian region is currently under development.

An AUSTRAC Typologies Officer is developing terrorist financing typologies based on the Australian and regional experience, to assist authorities in all jurisdictions to better target terrorist financing activity. A program of assistance is currently being established to ensure that at the completion of the project, real and significant progress has been made toward the establishment of methodologies for analysis of terrorist financing and money laundering, particular to the ASEAN region.

South-East Asia Financial Intelligence Unit Information Technology (IT) Mentoring and Capability Development Project

Specific IT needs assessments have been undertaken in conjunction with the in-country needs assessments missions to the 10 ASEAN nations. Based on these initial needs assessments an

AUSTRAC Business Analyst is currently developing specific IT implementation advice for jurisdictions, in order to increase FIU capability in the efficient collection, analysis and dissemination of financial transaction report data.

Progression of the SEACT

Through needs assessments missions, a clear distinction between the FIU, IT and typologies needs and capabilities of jurisdictions across the region have been identified. The flexibility of the SEA CT program has allowed AUSTRAC to develop specific assistance packages with these two subsets of ASEAN nations. The FIU's in Cambodia, Myanmar, Laos, Vietnam are at an earlier stage of development than in the remaining 6 jurisdictions; Thailand, Malaysia, Singapore, Indonesia, Brunei and The Philippines.

Typologies and IT development in Cambodia, Myanmar, Laos, Vietnam is limited at this stage, due to the current absence of operational FIUs and open channels of case reporting, together with infrastructure issues common to all developing countries.

The potential for joint training initiatives with Malaysia, Singapore and Thailand to assist other ASEAN jurisdictions is under active consideration. In conjunction with AUSTRAC's involvement with the Australian-funded Jakarta Centre for Law Enforcement Cooperation, the use of the facility to host regional training programs is being explored.

AUSTRAC does not anticipate any adverse comment or particular problems arising from the delivery of the SEA CT projects. It should however be noted that governance and security issues in all countries, and particularly in Indonesia and The Philippines, remain possible obstacles to full implementation of the program.