

## REPORTING GUIDE

# Australia's International Funds Transfer Instruction (IFTI) Reports: Strategic Snapshot for Cross-Border Transparency and Compliance

# Australia International Funds Transfer Instruction (IFTI) Reporting Guide

Under Australia’s anti-money laundering (AML) and counter-terrorism financing (CTF) framework, International Funds Transfer Instruction (IFTI) is a reportable transaction that involves transmission of money or property across borders. IFTI refers to instructions accepted either in Australia for funds to be transmitted overseas or accepted overseas to be made available within Australia. There are two types of IFTIs: (1) electronic transfers by financial institutions (IFTI-E) and (2) designated remittance arrangements by non-financial entities (IFTI-DRA). Both IFTIs are designed to ensure transparency and mitigate financial crime risks in cross-border fund flows.



Who needs to submit an IFTI Report?

All entities or individual in Australia that sends or receives instructions to transfer money internationally must submit an IFTI report to Australian Transaction Reports and Analysis Centre (AUSTRAC). Financial institutions such as banks and credit unions (IFTI-E) and non-financial entities such as remittance service providers and casinos (IFTI-DRA).



When should the IFTI Report be submitted?

Deadline indicated in the AML/CTF Act is identified below:

- *Within 10 business days after the day of international funds transfer instruction is either sent or received into Australia.*



What information about the transaction needs to be submitted?

- The IFTI Report must include the following key components to comply with the AML/CTF Act:
- *Date and time of transaction.* The exact date and time when the international funds transfer instruction was sent or received.
  - *Amount and currency transferred.* The total value of the transaction and the currency used (e.g., AUD, USD). This is essential for risk profiling and detecting unusual patterns.
  - *Country of origin and destination.* Where did the funds come from or where they are going? These are vital to support geographic risk assessment and sanctions screening.
  - *Details of ordering institution.* Information about the financial institution initiating the transfer, including name, address, and SWIFT/BIC code.
  - *Details of the sender.* Full name, residential or business address, and account number of the person or entity sending the funds. This helps AUSTRAC trace the originator and assess customer risk.
  - *Details of the recipient.* Full name, address, and account number of the person or entity receiving the funds. This ensures transparency on the receiving end of the transaction.
  - *Details of the beneficiary institution.* Information about the financial institution receiving the funds, including name, address, and SWIFT/BIC code. This helps map the transaction route.
  - *Intermediary institution.* Are there any third-party institutions involved in the transaction? These are often used in correspondent banking chains and must be disclosed for tracking.
  - *Transaction reference number.* A unique identifier or reference number assigned to the transaction. This allows for easy tracking and reconciliation in case of audits or investigations.
  - *Purpose of transaction.* A brief description of why the funds are being transferred, if available (e.g., invoice payment, personal remittance). This supports contextual analysis and risk scoring.



How is the IFTI Report filed?

IFTI Report is filed through the [AUSTRAC Online](#). This can be completed through manual entry, spreadsheet upload, or automated extraction.



What if a company fails to comply with IFTI Report?

Failure to comply with IFTI Report will trigger AUSTRAC to issue civil penalty orders which equates to 100,000 penalty units (up to AUD 31 million), suspension or cancellation or registration, and remedial directions.

## Reporting Tips

- *Pay special attention to customer identifiers, institution codes, and country data. This will help validate the accuracy and completeness of submitted reports and ensure quality of data reviews.*
- *Be mindful of the deadline identified in AML/CTF Act.*
- *Ensure IFTI reporting is embedded within the AML/CTF program including risk assessments, transaction monitoring, and governance protocols.*