

*Example Risk Scale (based on Queensland venues)*



**Some important factors to consider….**

AHA members need to idenify risk in their businesses. The range of designated services offered is limited, but members are required by the law to have a risk-based AML/CTF program. It is important to consider

* **Customer risk** - The $10,000 exemption creates a unique problem for gambling services businesses. This is because in most cases customers can be accessing products and services before a ‘Designated’ service is provided. Risk has to be inferred from objective data
* **Product risk** - Most venues offer a single product with few variations
* **Employee risk -** Exists in relation both services and is a constant source of risk closely correlated with fraud risk
* **Jurisdiction risk** - As presented through customers, employees and via foreign currency where foreign currency exchange services are provided

*Note: Objective data can be used to compare venues*

* + *Turnover from gaming*
  + *Numbers of machines*
  + *Location*
* Assumptions are made in respect of ML/TF risk being constant for customers and employees
* Observations and incidents also need to be considered in accepting the venue risk assessment as a foundation for a program.

**Venue risk is a key indicator of what is reasonable for a program in terms of effort and focus**

Suggestions for what *ongoing* program effort is reasonable

* + **Higher risk (Red) venues**
    - Segmentation of staff duties with periodic training to a higher standard for gaming supervisors
    - New staff training via RSG training
    - Filing of incident/suspicious reports should be very diligent
    - Anticipate AUSTRAC inspections
    - Record keeping should be reviewed frequently
    - Risk re-rating twice yearly
  + **Moderate risk (Orange) venues** 
    - Annual program review
    - Training program with continuous availability for new staff from AHA RSG training
  + **Low risk (Green) venues**
    - Annual program review
    - Limited training and support requirements
    - Most training and support would be provided as part of the AHA state RSG training