



National Consumer Protection Framework for online wagering

Customer verification 72-hour timeframe – 10 November 2021

Purpose

To advise that the principles of the National Consumer Protection Framework for online wagering – National Policy Statement have been amended, reducing the customer verification period from 14 days to a maximum of 72 hours. The reduced period will take effect from 2 May 2022.

Implementation

The attached National Policy Statement sets out the agreed policy commitments of Commonwealth, state, and territory governments that underpin the customer verification measure. The National Policy Statement also outlines the agreed implementation arrangements.

The Department of Social Services is working with AUSTRAC to amend Chapter 10 of *Anti-Money Laundering and Counter Terrorism Financing Rules Instrument 2007* (AML/CTF Rules). The reduction to the customer verification period to 72 hours will take effect on 2 May 2022. In February 2022, AUSTRAC will commence a formal 4 week consultation period. Details of the consultation will be made available on the AUSTRAC website.

Key timeframes

Date	Activity
10 November 2021	5 th Wagering Industry Briefing Session to inform online wagering service providers of customer verification amendment.

February 2022	External consultation period, which involves the publication of the draft AML/CTF Rules on the AUSTRAC website for the period of 4 weeks.
2 May 2022	The Amending Instrument registered on the Federal Register of Legislation. 72-hour customer verification requirements and associated reporting obligations are established as a legal requirement under the AML/CTF Rules. Any non-compliance with the customer verification timeframe rules is a breach of a civil penalty provision. The maximum penalty payable by a body corporate for a breach of a civil penalty provision is \$21,000,000.

Further information

For more information about Department of Social Services gambling reform, please contact the Implementation Governance Committee secretariat at gambling@dss.gov.au. Any concerns regarding compliance should be directed to the relevant state or territory regulator.

Frequently Asked Questions

How will reducing the customer verification period from 14 days to 72 hours help make it safer for people gambling online?

Quicker identity and age verification of Australians who open an online wagering account is critical in reducing harms from underage online gambling and vulnerable consumers who have self-excluded.

The rules ensure that all individuals who sign up to an online wagering account must be verified within a maximum 72-hour timeframe, to continue using an account. The rules also ensure that individuals are not able to withdraw any winnings prior to customer verification.

Will there be an opportunity for the wagering industry and stakeholders to provide feedback on the proposed changes?

All governments committed to review the customer verification measure 12 months after the reduction from 90 days to 14 days, with a view to reducing the verification period further to 72 hours. The review process included a series of public consultations from 24 June to 29 July 2020, through the *National Consumer Protection Framework for online wagering: 12-month Review of the Customer Verification Measure* discussion paper and was made available on the DSS Engage website.

Through the amendment process to reduce the current customer verification period from 14 days to 72 hours, the public will be able to lodge comments and views on the reduced period for customer verification for online wagering. The public consultation for this process will open in February 2022 for a 4 week period. Details on how to provide feedback will be made available at [AUSTRAC](#)

If there are no matters raised that require further consideration, the amendment to the 72-hour customer verification period will take effect from 2 May 2022.

How will the customer verification period align with the National Self-Exclusion Register rules?

Once the National Self-Exclusion Register (NSER) is operational in mid-2022, it will be an offence to open an account for a person who is registered on the NSER. Providers are encouraged to consider the implications of the NSER on implementing their customer verification processes.

Providers may consider entering into pre-verification arrangements to incorporate the requirement for checking the NSER prior to opening an account under the Register rules.

Will there be a grace period for online wagering service providers to adhere to the new customer verification period of 72 hours?

In order to allow time for online wagering service providers to implement the change, online wagering service providers were notified of impending change on 10 November 2021 at the 5th Wagering Industry Briefing Session. The AML/CTF rules will take effect from 2 May 2022. From that date, all online wagering service providers will be required to verify a customer's identity within 72 hours of opening an account as legal requirement. Any non-compliance with the customer verification timeframe rules is a breach of a civil penalty provision. The maximum penalty payable by a body corporate for a breach of a civil penalty provision is \$21,000,000.