

# The True Cost of **Financial Crime** Compliance in Australia

In this 2023 commissioned study, Forrester Consulting conducted a global online survey of 1,181 senior decision-makers at financial institutions to evaluate the cost, current state, and challenges presented by financial crime compliance operations. Survey participants from Asia Pacific include **271** senior decision-makers in Australia, China, India, Japan, and Singapore.

The ever-changing geopolitical environment, as well as frequent legislative changes, have intensified compliance requirements for financial institutions. 98% of institutions report an increase in financial crime compliance costs, illustrating undeniable regulatory pressures.

While digital transformation and emerging technologies have offered institutions great growth opportunities, it has also exposed them to new risk typologies, as criminal groups may misuse digital services and emerging technology.



#### The Total Cost of Financial Crime Compliance in Australia Total Cost of Financial Crime Compliance (in Billions in AUD)



#### Total Cost of Financial Crime Compliance in Australia

Singapore Australia Japan

India China

Note: The total annual cost of financial crime compliance is calculated using the number of financial institutions in the surveyed markets and survey data regarding financial crime costs. A spend amount is generated for each region by multiplying its average reported total cost of financial crime compliance operations by the number of financial institutions in that region.

AUD

#### Labour/Resource Costs are the Biggest Compliance Cost Driver in Australia



## Overall Increase in Financial Crime and Money Laundering Activities in Australia

Cryptocurrencies, digital payments, and AI technologies, once seen as catalysts for progress, are now proving to be tools for illicit activities. Both trade-based money laundering schemes and corruption within supply chains have experienced significant growth, noted by 67% and 65% of respondents, respectively. This indicates a significant risk in supply chain operations.



#### The Cost Drivers of Financial Crime Compliance in Australia

The top five factors that were most significant in driving this increase in your organization's FCC costs over the last 12 months.



## Top 5 Challenges in Compliance Screening Operations





Download the APAC True Cost Of Financial Crime Compliance Study, 2023 to learn more about how to combine compliance effectiveness with seamless customer experience.

**Download The Study** 

True Cost Of Financial Crime Compliance Study, Asia Pacific





This document is for informational purposes only and does not guarantee the functionality or features of any LexisNexis® Risk Solutions products identified. LexisNexis Risk Solutions does not represent nor warrant that this document is complete or error free. LexisNexis and the Knowledge Burst logo are registered trademarks of RELX Inc. Other products and services may be trademarks or registered trademarks of their respective companies. Copyright © 2024 LexisNexis Risk Solutions. NXR16369-02-0224-EN-US

Forrester