



# Best Practice Guidance

**For foreign cash and international money transfer  
services**

July 2024

## Acknowledgment of country

The ACCC acknowledges the traditional owners and custodians of Country throughout Australia and recognises their continuing connection to the land, sea and community. We pay our respects to them and their cultures; and to their Elders past, present and future.

Australian Competition and Consumer Commission  
Land of the Ngunnawal people  
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The ACCC invites international money transfer suppliers to consult with the ACCC on our proposed changes to the Best Practice Guidance. Our proposed changes to the current version of the Best Practice Guidance are highlighted below.

Please provide any comments on the proposed changes to [FSCompetition@accc.gov.au](mailto:FSCompetition@accc.gov.au) by 5:00 PM AEST 21 August 2024.

# Best Practice Guidance

## Up-front disclosure of IMT prices, including correspondent bank fees

The ACCC calls on all suppliers to take the necessary steps to inform their customers up-front of the total price of an IMT, including correspondent banking fees. Suppliers should ensure the backend of how they charge consumers and their payments process match what is presented in the up-front disclosures, for example, ensuring fees are charged in the same way they are presented in digital tools. A supplier may contravene the Australian Consumer Law where there is an inadequate disclosure of fees.

## Digital tools to compare the total price

### IMTs

Most consumers make IMTs using online channels. Suppliers should ensure that digital tools are available to calculate the total price of those IMTs. To the extent that consumers make IMTs through other channels, suppliers should use their digital tools to inform consumers of the total price. Presenting information in this way will allow consumers to more easily compare offers from different suppliers.

Suppliers should ensure that their IMT price tools:

- are easy to use
- designed to calculate the total amount that will be delivered to the recipient
- are inclusive of the currency conversion and all fees that will affect the total price
- are customisable to the consumers' intended IMT value and destination
- show how supplier fees will impact the amount a recipient will receive by subtracting the fees from the amount a consumer is sending.

In situations where the supplier's service may involve fees or charges that are unknown to the supplier prior to the transaction taking place, suppliers should use information they hold, such as transaction data, to estimate unknown fees and provide that estimate to consumers and include a disclaimer to that effect.

Many suppliers already make such tools available to consumers. Suppliers should:

- continue to refine these tools to ensure they are user-friendly and reflect the total price of the transaction
- make these tools available to prospective or new customers to allow comparisons between suppliers; this would require some suppliers to allow consumers who are not existing account holders to access their tools.

To the extent that suppliers wish to offer a preferential price to certain consumers, a statement to that effect that should be included at the same location as the price tool.

## Foreign cash

Consumer purchasers of foreign cash services are also likely to benefit from a tool to enable them to calculate and compare the total price of purchasing a specified amount of foreign currency. Suppliers who offer their foreign cash services online should also make an online calculator available. It should calculate the total price, inclusive of the currency conversion and all fees.

### Up-front disclosure of transfer speed for IMTs

Suppliers should ensure that they provide the transfer speed of a transaction to consumers, that is, the time a transaction will take to be received by a recipient.

Suppliers should ensure the disclosure of transfer speed is:

- clear
- easily accessible and prominently displayed
- accurate to the hour, and if not possible, the day it will be received
- applicable to each currency and destination the supplier offers.

If a supplier is an online supplier, the disclosure of transfer speed should be on the same webpage as the digital tool and in a prominent position.

In situations where the supplier may not know the transfer speed of the transaction prior to the transaction taking place, suppliers should use information they hold, such as transaction data, to estimate transfer time and provide that estimate to consumers and include a disclaimer to this effect.

### Online tracking of IMTs

Suppliers should ensure they provide to their customers a tracking service which discloses the status of their IMTs for all corridors.

This disclosure should include, where relevant:

- when IMTs have been sent,
- when they are held with intermediaries
- when it has been received by the recipient's supplier and/or when it has been credited into the recipient's account.

If timely updates are not available from an intermediary or recipient's supplier, the disclosure should include the estimated time for these steps to occur and include a disclaimer to that effect.

### Total price comparisons in-store

Many foreign cash transactions take place in-store. While some consumers may compare offers online prior to making their purchase, many will not. Suppliers should ensure that they provide price information that will enable consumers to understand the total price of foreign cash transactions.

One way to achieve this would be to make digital tools to compare the total price available in-store. Another way is to publish, alongside any 'consumer buy rates', the total price to purchase the equivalent of AUD500 of the given currency. We consider AUD500 as a useful point of reference as it approximates the average transaction size across the inquiry suppliers.

Some foreign cash suppliers charge fees in addition to the retail exchange rate. Others provide discounts for larger transactions. To the extent that the proportion of fees changes from AUD100 to AUD500, suppliers should publish the total price to purchase both amounts. This will allow consumers to more easily understand the impact of fees.

