

Industry Regulator update – Tranche 2 – Legal Sector – 5 Dec 2025

Update overview: That’s a wrap for 2025! Thank you!

As this is the final Industry Engagement Regulator update for 2025, we take a moment to thank everyone for the efforts you’ve put in this year. We recognise the significant effort and commitment involved in working together to combat money laundering, particularly as we navigate ongoing changes. Your collaboration and support are vital to achieving shared goals. As we head into the holiday period, we hope you all get a chance to relax and enjoy some well-deserved time with your families and loved ones. We wish you a happy and safe holiday season.

Future collaboration opportunities

Going into 2026, we remain committed to working with regulators and supporting a collaborative approach to AML/CTF reforms. We want to collaborate more, and we will explore hosting more roundtables.

Emails from AUSTRAC to tranche 2 businesses about the reforms

We recently sent an email to potential tranche 2 businesses about the [new AML/CTF financial crime regulations](#). These details were obtained from the Australian Business Register (ABR). As a regulator, you may know that eligible Australian Government agencies are authorised to access business details from this database to assist businesses to comply with their obligations. AUSTRAC does not manage this database. The personal information accessed from the ABR will be handled in line with [the Anti-Money Laundering and Counter-Terrorism Financing Act 2006 \(Cth\)](#), our [Privacy Policy](#) and [Privacy Statement](#).

Starter program kit consultation

Drawing on industry input, we have developed starter program kits for small businesses in each newly regulated sector. The kits provide a typical small business with tools it can use to:

- deal with clients – identify, assess, manage and mitigate their client’s money laundering and terrorism financing (ML/TF) risks, while meeting their reporting and other obligations

- maintain the personnel records and policies, procedures, systems and controls they need to do this.

The draft kits were co-designed with members of our Rules and Guidance Working Groups, including peak industry bodies and associations. Through the consultation period, our major priorities were to ensure the kits are thorough, usable, and tailored to a typical small business in each sector.

Feedback closed on Tuesday 2 December 2025 and we have received feedback from multiple industry bodies relating to the design and content of the starter programs. This includes commentary surrounding how these documents may be tailored to more closely reflect standard business operations and suggestions for clarification on topics that may be possibly integrated into training materials.

We will review the feedback over the coming weeks in preparation for the starter programs being released in early 2026.

Town hall event | An AUSTRAC first!

As a regulator, we want to reach a wider audience and we recently hosted our first virtual town hall with the real estate sector. Our CEO, Brendan Thomas, and Deputy CEO Regulation, Katie Miller, hosted over 300 real estate agents online and broke down what the new AML/CTF reforms mean for them. You can watch a recording of the session here: [AUSTRAC Real Estate Town Hall - 19 November 2025](#).

Industry readiness benchmarking research

In November, we said “Thank you” to the more than 1,300 businesses, including current reporting entities and tranche 2 entities, that took part in our recent research — the largest study we’ve conducted to date. The Industry Readiness Research study aimed to develop baseline metrics that ensure consistent and measurable industry readiness for the AML/CTF reforms. We’ve heard the feedback, and it has reaffirmed our focus and highlighted the need for clear, accessible information about the AML/CTF reforms and what they mean for businesses. Importantly, the feedback has helped us identify new opportunities to strengthen the support we provide and ensure a smooth transition for businesses, regardless of experience, size or sector. From current reporting entities, we heard that:

- most entities have already taken some preparatory action and are reasonably confident they will be ready to comply, though confidence levels vary by sector
- concerns are heightened among medium-to-large businesses regarding timing and system upgrades, as many are waiting for sector-specific guidance before they can proceed further.

In the lead-up to the [key milestones](#), we will have additional survey checkpoints to monitor awareness, ability and readiness levels. We'll share further details on these in future communications.

Financial Action Task Force (FATF) | Updates on global Money Laundering/Terrorism Financing (ML/TF) risk

FATF, the global group that sets international anti-money laundering, counter-terrorism financing and counter-proliferation financing (AML/CTF/CPF) standards, [has published 2 recent updates relating to international money laundering, terrorism financing and proliferation financing \(PF\) risks](#). The reports provide an update on jurisdictions which may pose a risk to the international financial system. As regulators overseeing sectors that will soon become reporting entities, it's important to understand which jurisdictions pose a higher ML/TF risk. This knowledge will help you guide the businesses you regulate in developing robust risk assessments, implementing effective compliance programs, and making informed decisions about suspicious matter reporting to AUSTRAC. For further information, see our guidance on [high-risk countries, regions and groups](#).

Resources to support AML reforms

Just a reminder that, to assist regulators in navigating the upcoming AML/CTF reforms, we have developed dedicated webpages with clear and accessible information. These pages have been designed to help you understand the key changes and their implications for the sectors you regulate, understand how businesses can prepare for the changes, access educational products and guidance, and to stay informed about timelines and what is next. More information can be found on our [website](#).

AUSTRAC engagement

Since our last update, we have participated in multiple speaking engagements across a broad range of audiences. Through active collaboration and participation in industry events, we have raised awareness of the reforms, strengthened education across sectors, and provided meaningful support to current reporting entities and tranche 2 entities in understanding their AML/CTF obligations. While not a complete list of speaking engagements, AUSTRAC participated in the:

- Future of Financial Intelligence Sharing conference
- Australian Casino Gaming Regulators conference
- Victorian Gaming Management Summit
- FinTech and Banking Research Centre Launch Forum

We encourage regulators to reach out to the Industry Engagement team via email Industry_Engagement@austrac.gov.au with any upcoming proposed speaking engagements, conferences, panels or interviews about AML/CTF. We are keen to be involved where we have capacity and the ability to add value to your event.

In other news | Payment platforms warned about child sexual exploitation risks

We have issued a letter to the online payment platforms sector, warning businesses to tighten their controls to prevent payments for child sexual exploitation. The warning comes after a supervisory campaign easily identified several customers suspected to be making payments for child sexual exploitation. Our Regulatory Operations team found issues across the sector, with low suspicious matter reporting, poor transaction monitoring and clear failures to identify and manage high-risk customers. You can read more [here](#) about our work in identifying perpetrators and making it more difficult to profit from child sexual exploitation.

What is coming in 2026

As we begin the countdown to 2026, you can find out [what's coming soon](#) on our website. Additionally, here's a reminder of the key dates and timeline for the AML/CTF reforms:

Timeline



Thank you for your ongoing engagement with us. We will reach out to you in the new year with more updates, information on future roundtables and opportunities to collaborate. In the meantime, have a safe holiday season.