



Anti-Money Laundering reforms 2026

Is your organisation compliant?

Tranche 2 of Australia's anti-money laundering and counter-terrorism financing (**AML/CTF**) regime has taken effect from 1 July 2026, bringing a range of organisations within the scope of the legislation for the first time. Existing reporting entities under the regime also face updated compliance requirements that need to be managed from 2026 onwards.

The AML reforms of 2026 have introduced significant changes to Australia's *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (Cth).

These reforms aim to strengthen Australia's defences against money laundering, terrorism financing and proliferation financing, ensuring broader coverage and more robust compliance across the financial system.

In this document, we set out the essentials for organisations that are either reporting entities already or that have become reporting entities under the latest reforms.

New organisations subject to the regime

Tranche 2 entities are subject to the AML/CTF legislation from 1 July 2026. Tranche 2 entities include sectors such as real estate, precious metals and stones dealers, virtual asset service providers and professional services such as accountants and lawyers.

Existing reporting entities

Existing reporting entities also face new requirements from key dates occurring across 2026, including updated customer due diligence, enhanced governance frameworks and expanded obligations for risk assessment, record keeping and reporting (with certain transitional arrangements applying).

Tranche 2 entities

What organisations are included in Tranche 2?

Tranche 2 entities include those that offer services typically provided by:



Lawyers



Conveyancers



Accountants



Dealers in
precious
metals, stones
and products



Trust and
company
service
providers



Real estate
professionals – i.e.
real estate and
buyer's agents, and
property developers

What you need to do

It is important to first understand whether your organisation is subject to the regime.

The laws are complex and many organisations have found that parts of their operations are subject to the regime and others are not.

If your organisation provides 'designated services' and needs to enrol with AUSTRAC as a **reporting entity**, you need to ensure you have taken the appropriate steps towards compliance. If you are not compliant from 1 July 2026 and if you are not enrolled as a reporting entity by 29 July 2026, significant penalties can apply. It is important to seek advice and ensure the appropriate systems are in place.

Services and support

Cooper Grace Ward provides a wide range of corporate advisory services to support organisations, including in matters of governance and legal compliance.

Our AML/CTF services include:

- an assessment of whether your organisation is 'in' or 'out' under Tranche 2
- if your organisation is 'in', assistance with undertaking a risk assessment and drafting and reviewing policies and processes for ongoing compliance
- providing an initial foundational training package.

In establishing the necessary compliance framework, we offer legal advice and support for:

- AML/CTF processes and policies
- AML/CTF risk assessment for your organisation
- regulatory reporting processes and systems
- governance, oversight and internal reporting
- ongoing review and compliance.

Additional resources

The following reading may be useful in understanding potential impacts for your organisation:

- AUSTRAC: [Tranche 2 guidance material](#)
- CGW: [Introduction to AML Tranche 2 and the likely impacts for the property sector](#)
- CGW: AML webinar for accountants and professional advisers – contact us for your complimentary recording.

Existing reporting entities

What's new for organisations already registered as reporting entities?

With timeframes spread across 2026, some of the key changes for existing reporting entities include:

- AML/CTF program requirements are shifting to a risk-based, outcomes-oriented approach, with separate Part A and Part B programs no longer required and a new explicit requirement being introduced to appoint a fit and proper AML/CTF compliance officer responsible for implementing the AML/CTF program.
- Designated business groups will be replaced by reporting groups.
- Customer due diligence (CDD) obligations are changed, including clearer requirements for initial and ongoing CDD, simplified and enhanced CDD options, and a lower CDD threshold for gambling services (to be AU\$5,000).
- There are expanded reporting requirements for suspicious matter reports and threshold transaction reports, as well as new obligations under the travel rule and international value transfer service reporting.
- Additional changes include revised definitions for bearer negotiable instruments, clearer protections for legal professional privilege, and updated requirements for foreign branches and subsidiaries.

What you need to do

Your organisation will already be familiar with meeting the compliance requirements of AUSTRAC.

However, it is vital to review the AUSTRAC guidance and seek external support where required to ensure you have incorporated the latest legislative requirements into your compliance framework.

Many of the changes for current AML reporting entities took effect on 31 March 2026, including updates to AML/CTF program requirements, customer due diligence, reporting groups and the travel rule, with some transitional arrangements in place (e.g. for notifying AUSTRAC of an AML/CTF compliance officer and initial CDD obligations).

Services and support

Cooper Grace Ward's services to support organisations that are current reporting entities include:

- review and further development of AML/CTF programs, processes and policies to address the legislative changes
- advice on customer due diligence, with guidance on changes required
- assistance with AML/CTF risk assessments for your organisation
- regulatory reporting processes and systems
- governance, oversight and internal reporting.

Additional resources

The following reading may be useful in understanding potential impacts for your organisation:

- AUSTRAC: [Summary of changes for current reporting entities](#)

Pricing structure

We tailor our fee structure to ensure the appropriate level of support for your organisation in meeting its AML requirements.

This includes providing a fee estimate based on the specific requirements of your organisation. This can range from comprehensive services across all areas of AML compliance through to tailored support that complements your in-house capabilities with external legal advice.

About Cooper Grace Ward

With more than 200 team members, Cooper Grace Ward is a leading Australian law firm based in Brisbane, servicing clients with a local, national and international presence. As a full-service firm, we are known for providing commercial and practical advice, outstanding service and excellence in all practice areas.



2026 – 25 CGW Team Members ranked across 23 Practice Areas



2024 and 2025 Winner – Best Professional Services Firm; Best Law & Related Services Firm (\$30-100m) Australia and New Zealand
2025 Winner – Most Trusted Law Firm; Most Innovative Law Firm



2025-2026 – Leading Firm in 15 Practice Areas



Global 2014-2026
Band 5 Dispute Resolution Firm
Asia Pacific 2014-2026
Band 5 Dispute Resolution Firm



Member of ADVOC, a Chambers Band 1 international law firm network



2019-2026 Leading Firm



2017-2026 Inclusive Employer
(only Australian law firm listed since 2017)



2018-2025 Employer of Choice
Top Performing Firm for Health & Wellbeing and Diversity & Inclusion

Key contact and next steps

We invite you to contact partner Phil Vickery to discuss the impacts of the latest AML/CTF reforms for your organisation. Alternatively, please speak with your usual CGW contact about these issues and they will connect you with Phil and CGW's corporate advisory team.



Phil Vickery

Partner

T +61 7 3231 2921

E phil.vickery@cgw.com.au

Level 21, 400 George Street Brisbane 4000
GPO Box 834 Brisbane 4001

T +61 7 3231 2444

E lawyers@cgw.com.au

cgw.com.au

