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Ashlea McKenzie  
Director, Policy Reform  
AUSTRAC  
Level 23, 323 Castlereagh Street  
Haymarket NSW 2000  
Via email: [workinggroups@austrac.gov.au](mailto:workinggroups@austrac.gov.au)

To the Director of Policy Reform,

### **Consultation on Updates to the New AML/CTF Rules**

The Association of Superannuation Funds of Australia (ASFA) is pleased to provide this response to the Australian Transaction Reports and Analysis Centre (AUSTRAC) consultation on updates to the new Anti-Money Laundering and Counter-Terrorism Financing (AML/CTF) Rules.

## **About ASFA**

ASFA, the voice of super, has been operating since 1962 and is the peak policy, research and advocacy body for Australia's superannuation industry. ASFA represents the APRA regulated superannuation industry with over 100 organisations as members from corporate, industry, retail and public sector funds, and service providers.

We develop policy through collaboration with our diverse membership base and use our deep technical expertise and research capabilities to assist in advancing outcomes for Australians. We unite the superannuation community, supporting our members with research, advocacy, education and collaboration to help Australians enjoy a dignified retirement. We promote effective practice and advocate for efficiency, sustainability and trust in our world-class retirement income system.

## **Response**

ASFA submits that the technical amendments proposed within the Exposure Draft *Anti-Money Laundering and Counter-Terrorism Financing (2025 Rules) Amendment Rules 2026* appear well-considered, and address several key issues raised by reporting entities through AUSTRAC's industry engagement and working group forums.

Importantly, these amendments, and particularly those relevant to Customer Due Diligence (CDD) and corresponding Know Your Customer (KYC) obligations, acknowledge the practicalities faced by reporting entities when access to, or the ability to obtain certain information, is not possible.

Notwithstanding the above, ASFA notes these new amendments will require monitoring for prohibited hate group offences as part of monitoring for unusual transactions and behaviours under safe harbour rules.

Given many reporting entities could find themselves unfamiliar with this type of criminal activity, ASFA recommends that AUSTRAC updates its corresponding online guidance materials<sup>1</sup>, including indicators for monitoring and how to incorporate this category of criminal activity in a Suspicious Matters Report (SMR).

This will ensure entities are appropriately equipped to monitor for and report on such criminal activity in line with AUSTRAC expectations.

As a final point, ASFA requests clarity on whether these newly updated obligations are intended to commence from 31 March 2026, and, if so, whether there might be a grace period afforded for compliance, given the electively short time frame between initial consultation and implementation.

## Closing remarks

We look forward to continuing to engage with you on these topics. To discuss any of these issues further please contact ASFA Policy Manager Luke O'Donnell at [lodonnell@superannuation.asn.au](mailto:lodonnell@superannuation.asn.au) or on 0407 486 877.

Yours sincerely



**James Koval**

Chief Policy & Advocacy Officer | ASFA – the voice of super

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<sup>1</sup> <https://www.austrac.gov.au/amlctf-reform/reforms-guidance/amlctf-program-reform/customer-due-diligence-reform/ongoing-customer-due-diligence-reform/what-you-must-monitor-reform> ;  
<https://www.austrac.gov.au/business/how-comply-guidance-and-resources/guidance-resources/indicators-suspicious-activity-banking-sector-0#Terrorism,%20national%20security%20and%20international%20crime>