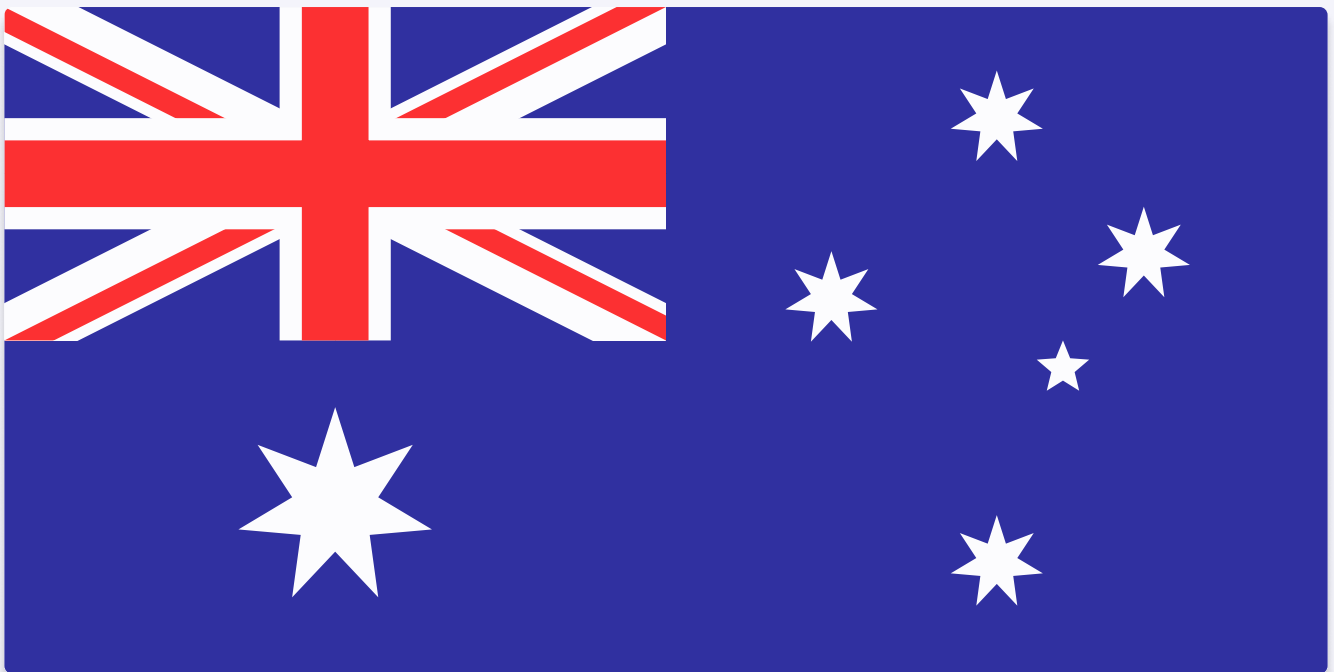


Travel Rule Regulations Australia | 1 July 2026

The Australian Travel Rule explained



JULY 2026

Travel Rule Regulations: **Australia**

Quick Overview

Threshold:

Any value transferred
(no minimum applies)

When to comply:

1 July 2026

Self-hosted wallets:

In scope

Supervisory body:

Australian Transaction
Reports and Analysis
Centre (AUSTRAC)

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A Word from Piper Alderman

Australia's Travel Rule is moving from planning to implementation, bringing Australia closer into line with Financial Action Task Force (FATF) guidance and global standards for financial crime prevention.

Businesses that send, receive or facilitate transfers of value, including transfers of virtual assets on behalf of customers, should now be preparing to meet the new transparency, information transmission, record keeping and reporting requirements.

This includes Virtual Asset Service Providers (VASPs) such as crypto exchanges, custodial wallet providers and other regulated businesses engaging in virtual asset transfer services.

From 1 July 2026, unless an exemption applies, all transfers of value will be captured, with no minimum transaction threshold.

Businesses should not assume smaller transfers, particular customer types, domestic-only flows, overseas counterparties or certain wallet flows sit outside the regime without careful assessment.

The key questions for many businesses will be practical: are we captured, what role do we play in the transfer chain, what information do we need to collect, verify or pass on, and where are the gaps in our current AML/CTF policies and programs?

Businesses will need to understand whether they are acting as an ordering, intermediary or beneficiary institution, because obligations differ across the value transfer chain.

The exceptions are nuanced, and with the transition period closing, now is the time to map flows, identify gaps, test systems and update AML/CTF controls.

Travel Rule Regulations: **Australia**

Who Must Comply?

The Australian Travel Rule applies to all reporting entities providing value transfer designated services. In other words, all ordering, intermediary and beneficiary institutions that fall under the definitions below must comply.

- 1. An ordering institution is any person who, in the course of carrying on a business, accepts an instruction for a transfer of value on behalf of a payer.** This includes where the person receives value directly from the payer, holds the value in an account or virtual asset wallet, is authorised to transfer value from a third-party deposit-taker or credit provider, or arranges to transfer value under an offsetting arrangement with a beneficiary institution.
- 2. A beneficiary institution is any person who, in the course of carrying on a business, makes transferred value available to a payee or a person acting on their behalf.** This can occur where the person provides the value directly or through an agent, deposits it into an account or virtual asset wallet, holds it on deposit, deposits it with a third-party deposit-taker or credit provider, or arranges for the transferred value to be made available under an offsetting arrangement with the ordering institution.
- 3. An intermediary institution is any person who in the course of carrying on a business, receives and passes on a “transfer message”** (containing information relating to the payer’s instruction for the transfer of value) **in a value transfer chain.** By definition, an intermediary institution sits between an ordering and beneficiary institution in a value transfer chain.

An incidental exemption applies to certain value transfer activity which is incidental to another service. However, the exemption is limited and does not extend to international value transfer services involving virtual assets even where incidental to some other service.

Travel Rule Regulations: **Australia**

Threshold & Information Required

Australia's Travel Rule applies to all transactions, unless an exemption applies. The exact information required will depend on the nature of the transaction and the parties involved.

At a high level, businesses that are subject to the Travel Rule will need to collect, verify, share or monitor key identifying and tracing information for the payer and payee depending on the role they perform in each transaction.

This may include names, address details, unique identifiers, date and place of birth, and tracing information that helps identify the transaction and relevant accounts or wallets involved in the transfer.

Travel Rule Regulations: **Australia**

Travel Rule Obligations

In addition to the threshold information required, specific obligations apply, depending on where a business sits in the value transfer chain.

Ordering Institutions

Ordering institutions must collect, verify and transmit required Travel Rule information before or alongside the transfer, including tracing information such as transaction references, destination tags or wallet addresses.

For virtual asset transfers, they also need to identify and assess the type of counterparty they are dealing with before the transfer proceeds. Depending on that assessment, the ordering institution may be exempt or required to withhold travel rule information.

Beneficiary Institutions

Beneficiary institutions must monitor whether they have received the required information about payees and payors, and have risk-based AML/CTF programs for dealing with incomplete transfers and deciding when to execute, reject or suspend transfers that lack required information and what follow-up action will be taken.

In specified circumstances, a beneficiary institution must withhold value from the payee.

Travel Rule Regulations: **Australia**

Travel Rule Obligations

Intermediary Institutions

Where an intermediary institution is used, it must take reasonable steps to monitor whether it has received all required information, and ensure that information accompanies the transaction and is passed on to its counterparty.

Intermediaries must also develop a risk-based AML/CTF policy for dealing with transfers that lack required information.

Travel Rule Regulations: **Australia**

Self-hosted Wallets

For virtual asset transfers, businesses should first determine whether the relevant wallet is custodial or self-hosted and whether it is operated by a VASP or associated with an unregulated provider (including a provider that should be licensed or registered but is not).

If the wallet is self-hosted, there is no obligation to transmit Travel Rule information, but information collection and verification obligations still apply.

An ordering institution transferring virtual assets to a self-hosted wallet must collect and verify payer information, and collect payee and tracing information.

A beneficiary institution receiving virtual assets from a self-hosted wallet must obtain payer and tracing information, and the payee's full name if it does not already hold it, before making the virtual assets available to the payee.

Businesses will need to maintain appropriate policies and procedures to manage the associated AML/CTF risks.

Travel Rule Regulations: **Australia**

AML/CTF Reform Timeline

31 March 2026

- The Travel Rule was originally due to commence on this date but was deferred to **1 July 2026**.

30 May 2026

- Existing reporting entities were required to notify AUSTRAC of their elected AML/CTF compliance officer.

1 July 2026

- The Travel Rule commences for VASPs to comply with applicable information-sharing obligations for virtual assets.

29 July 2026

- Newly regulated VASPs must apply to enrol and register with AUSTRAC.

31 March 2029

- Reporting of transfers involving unverified self-hosted virtual asset wallets commences.

31 March 2026 to 30 March 2029

- Existing reporting entities may continue applying current customer identification procedures or transition to the new risk-based initial CDD regime, but must fully comply by **30 March 2029**.

31 March 2029 to 30 Sep 2029

- The current international funds transfer instruction (IFTI) reporting regime transitions to an international value transfer service (IVTS) reporting regime including virtual assets. An extended timeline applies in limited cases.

Travel Rule Regulations: **Australia**

How 21 Analytics and Piper Alderman Support Australian VASPs

21 Analytics, a Swiss-based Travel Rule solution provider, brings first-hand experience navigating the stringent demands of Travel Rule implementation, making the product the perfect solution for Australian VASPs.

With Switzerland's strict adherence to the FATF Travel Rule, 21 Analytics has already tackled the challenges Australian VASPs are starting to face with AUSTRAC's updated Travel Rule requirements. The company's deep regulatory expertise translates into a compliance solution that's both practical and effective.

Piper Alderman assists clients in understanding whether their businesses are captured by the Travel Rule, what obligations apply, where current processes may fall short, and what needs to be done before implementation.

With key deadlines approaching, early engagement can help identify legal and operational gaps, assess whether any exemptions may apply, and develop a practical roadmap for compliance.

If a deadline has already been missed, Piper Alderman can help by assessing the impact, identifying any immediate remediation steps, managing regulatory risk, and developing a plan to bring the business into compliance as quickly and practically as possible.

For digital asset entities, one of the biggest challenges in implementing the Travel Rule is identifying the counterparty before the transaction.

21 Analytics simplifies this with its recent TRUST integration; all VASPs have access to the extensive TRUST network, which includes over 200 VASPs, such as Coinbase, PayPal, Gemini, and Kraken.

Additionally, with the TRUST network, VASPs must meet TRUST's due diligence requirements to become a member. Once approved, VASPs gain access to TRUST's VASP network, with the added benefit of knowing that all members have passed TRUST's strict due diligence processes.

With automated compliance checks and secure data handling, Australian VASPs can process transactions faster while staying compliant, resulting in a better customer user experience without sacrificing security.

As Australian VASPs expand globally, they'll face varying compliance demands. 21 Analytics' solution supports worldwide interoperability with leading VASPs, ensuring seamless international transactions, while Piper Alderman provides the legal expertise to help businesses navigate evolving regulatory obligations and address any compliance gaps.

Together, they offer Australian VASPs the expertise and technology needed to stay ahead of regulatory requirements, protect their operations, and make Travel Rule compliance swift, secure, and efficient.

Travel Rule Regulations: **Australia**

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About Piper Alderman

A premier commercial law firm, Piper Alderman has offices in Adelaide, Brisbane, Darwin, Melbourne, Perth and Sydney. The firm works with clients across Australia and internationally to achieve legal and commercial solutions. Piper Alderman has been a leading adviser to Australian commercial interests for more than 170 years and has a proud history of being at the forefront of emerging areas of law.

About 21 Analytics

Founded in 2020, 21 Analytics was created to address the crypto Travel Rule while preserving the peer-to-peer nature of digital asset transactions. The company contributes to open standards, pioneered the AOPP protocol, and was the first Travel Rule solution provider to join TRUST, the world's largest Travel Rule network.

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