Public Consultation on the draft Regulatory Technical Standards on Customer Due Diligence under Article 28(1) of Regulation (EU) 2024/1624

Date: 08/05/2026

1. Do you agree that the proposals set out in these draft RTS can be applied across the range of products and services provided by your obliged entity?

Respondents generally support the objectives and structure of the draft RTS. However, several provisions may prove difficult to apply consistently across the full range of products, services and operational models.

Key concerns notably relate to identification requirements under Articles 2 to 8, ownership structure assessments under Articles 10 to 12, the treatment of SMOs and PPTAs, screening obligations under Articles 29 and 30 and remediation obligations under Article 33.

Respondents raised practical concerns regarding the collection of all names, surnames and nationalities, which may create technical implementation issues and relies heavily on customer self-declaration. Additional guidance would also be useful regarding multiple nationalities where different sanctions or risk implications may apply.

Stakeholders also highlighted operational difficulties relating to place-of-birth requirements, noting that some official documents do not contain such information.

Regarding Articles 6 and 7, respondents stressed that the RTS rely excessively on documentary verification and insufficiently recognise reliable data-based verification solutions already used across the financial sector. Mandatory documentary verification in fallback situations may create disproportionate burdens for low-risk onboarding and digital business models.

Several respondents also noted that concepts relating to "reliable and independent sources" remain overly subjective and may lead to divergent supervisory expectations.

Regarding Articles 10 to 13, respondents stressed that Article 11(4) may go beyond AMLR requirements, that Article 12 may capture legitimate international structures as "complex structures", and that SMOs should not systematically be treated in the same way as beneficial owners.

Further clarification is also requested regarding representatives and PPTAs, pooled accounts, data update obligations, screening obligations and remediation timelines.

2. Do you agree that the proposals set out in these draft RTS allow for the effective application of a risk-based approach towards compliance with AML/CFT requirements?

Respondents generally support the objective of strengthening harmonisation and AML/CFT effectiveness. However, several provisions are considered overly prescriptive and insufficiently aligned with the risk-based approach embedded in Regulation (EU) 2024/1624. Respondents therefore only partially agree that the RTS currently allow for an effective and proportionate application of the risk-based approach across all situations.

Key concerns include excessive reliance on documentary verification in low-risk situations, insufficient recognition of reliable non-documentary verification methods, automatic complexity triggers based on non-EU incorporation, disproportionate treatment of SMOs and PPTAs, subjective concepts creating legal uncertainty and broad screening obligations generating operational burdens and false positives.

Respondents notably consider that:

- Article 7 insufficiently recognises existing reliable market solutions for remote onboarding;
- Article 11(4) introduces subjective assessments that may go beyond AMLR requirements;
- Article 12 may automatically classify legitimate structures as "complex structures" without sufficient risk sensitivity;
- SMOs should not systematically be subject to equivalent due diligence measures as beneficial owners;
- and certain provisions under Articles 24 and 26 could potentially create disproportionate obligations or implicit KYCC expectations.

Respondents therefore encourage AMLA to:

- strengthen the technology-neutral and risk-based nature of Articles 6 and 7;
- replace automatic complexity indicators under Article 12 with more qualitative and risk-sensitive assessments;
- clarify that SMOs should not automatically be treated in the same way as beneficial owners;
- allow proportionate reliance on regulated intermediaries, notably in CIU, omnibus and pooled account structures;
- clarify that low-risk products and standardised business relationships should benefit from more proportionate information requirements;
- and ensure that remediation obligations remain operationally feasible.

These changes would improve proportionality, legal certainty, operational feasibility and consistency with the AMLR risk-based approach.

3. Considering the nature of your business, including its size, risks, and complexity, are there any situations where the information to be collected for the purposes of customer due diligence as proposed in these draft RTS is routinely unavailable and the proposals in these draft RTS do not provide an alternative solution?

Respondents identified several situations where information required under the draft RTS may routinely be unavailable or difficult to obtain in practice. Respondents therefore consider that additional flexibility and clarification would be necessary in certain situations.

Examples notably include:

- official identity documents not containing place-of-birth information;
- official documents not containing all nationalities;
- refugee documents lacking facial images;
- technical inability to record all names or nationalities;
- beneficial ownership registers not always being fully up to date;
- difficulties obtaining information relating to SMOs or discretionary beneficiaries;
- and uncertainty regarding acceptable fallback verification methods.

These issues may particularly affect digital onboarding, low-risk onboarding, international customer relationships, wholesale and institutional business relationships and vulnerable or excluded individuals.

Respondents therefore suggest:

- accepting either the place of birth or country of birth where official documents do not contain both;
- recognising technical limitations affecting names or nationalities;
- allowing alternative documentary or non-documentary verification methods for refugees and vulnerable individuals;
- clarifying acceptable fallback approaches where reliable information cannot reasonably be obtained;
- allowing proportionate reliance on official registers notwithstanding possible delays in updates;
- and recognising reliable data-based verification methods in low-risk situations.

These measures would improve operational feasibility while maintaining effective AML/CFT safeguards.

4. Considering AMLA's legal mandate in Article 28(1) of Regulation (EU) 2024/1624, and taking into account your obliged entities' products offered and service provided, what other simplified due diligence measures should be included in the draft RTS?

Respondents consider that the RTS should include additional flexibility for low-risk onboarding and standardised products. Respondents therefore encourage AMLA to introduce more proportionate simplified due diligence measures reflecting lower ML/TF risks associated with certain products, customers and business models.

Suggested measures notably include:

- reliable data-based verification methods for low-risk onboarding;
- broader use of reliable independent open sources;
- simplified remote onboarding methods where risks are low;
- greater flexibility for low-value consumer credit and BNPL products;
- additional financial inclusion measures for vulnerable individuals;
- clearer reliance mechanisms for intermediary institutions and CIUs;
- proportionate approaches for listed companies, public bodies and regulated financial institutions;
- and simplified approaches for intra-group relationships and established interbank frameworks.

Respondents stress that low-risk products and standardised business relationships do not always justify the same level of documentary verification as higher-risk scenarios.

Respondents suggest the following drafting direction:

"In low-risk situations, obliged entities should be permitted to rely on reliable and independent data-based verification methods, including trusted database-driven solutions, where these provide assurance levels comparable to traditional documentary verification measures."

Additional drafting proposals include:

- clarifying acceptable reliance on reliable independent open sources;
- allowing simplified remote onboarding methods where risks are low;
- clarifying that customer-provided information may generally be sufficient for standardised low-risk products absent suspicion or additional risk indicators;
- and recognising proportionate reliance frameworks for regulated intermediaries and CIU structures.

These measures would strengthen proportionality, preserve technological neutrality and support innovation and financial inclusion.

5. Additional observations: Do you have any additional comments relevant to the draft RTS that have not been covered above?

Respondents provide the following additional article-specific observations that were not otherwise covered in previous responses.

Article 6: clarification would be helpful regarding the notion of "consent" in non-face-to-face verification processes, including acceptable forms of consent recording and the consequences of consent withdrawal.

Article 9: AMLA is encouraged to clarify how servicing institutions may differentiate virtual IBANs from non-virtual IBANs and how institutions may fulfil obligations under Article 22(3) AMLR where compliance depends on the cooperation of third-party issuing institutions.

Article 14: respondents consider that the trust deed should generally be considered sufficient for the identification of discretionary beneficiaries. Obliged entities should not be expected to assess or verify the actions of trustees or obtain letters of wishes systematically.

Article 16: the notion of persons purporting to act on behalf of the customer should be clarified and limited to persons legally authorised to bind the customer. Employees acting in the ordinary course of professional duties should not automatically fall within scope.

Article 17: CIUs and intermediated distribution models raise significant operational challenges. Requiring full look-through identification and verification of underlying investors behind omnibus or pooled accounts would duplicate CDD measures already performed by regulated intermediaries and could create disproportionate obligations, as well as important data protection concerns. Respondents therefore encourage AMLA to focus Article 17 on whether the intermediary applies robust, risk-sensitive and equivalent CDD measures to its own customers and beneficial owners. Respondents also recommend removing any notion of "assurance liability", which may create legal uncertainty and discourage the practical use of reliance or intermediary-based distribution models.

Article 18 and Article 19: clarification is requested regarding the distinction between "lower risk", "low risk" and "low degree of risk" terminology across the RTS and AMLR.

Article 21: respondents reiterate concerns regarding the contemplated look-through approach for CIUs and intermediary distribution models, which could significantly disrupt current EU fund distribution structures and create operational, legal and data protection challenges.

Article 22: clarification would be helpful to confirm that, in low-risk situations, effective monitoring systems and absence of relevant risk triggers may justify reliance on existing customer identification data without requiring systematic refresh exercises.

Article 24 to Article 27: respondents encourage AMLA to ensure that enhanced due diligence obligations remain fully aligned with Article 34 AMLR and continue to reflect a genuinely risk-based and proportionate approach.

Article 29: clarification is requested regarding transliteration expectations and the operational feasibility of screening all possible combinations of names and aliases.

Respondents finally encourage AMLA to ensure that future supervisory expectations remain operationally feasible, technologically neutral and proportionate across different sectors, business models and customer types.

Section 3 - Additional substantive input

Article 9

AMLA is encouraged to clarify how institutions may fulfil obligations under Article 22(3) AMLR in virtual IBAN structures where compliance depends on cooperation from third-party issuing institutions.

Article 14

Respondents consider that the trust deed should generally be considered sufficient for the identification of discretionary beneficiaries and that obliged entities should not systematically be expected to obtain letters of wishes.

Article 18 (idem Article 19)

Clarification is requested regarding the distinction between "lower risk", "low risk" and "low degree of risk" terminology across the RTS and AMLR.

Article 29

Clarification would be helpful regarding transliteration expectations and the operational feasibility of screening all possible combinations of names and aliases.

Comments on the recitals

Recital 3: respondents welcome the clarification regarding multiple nationalities and identification data. However, this flexibility should also be reflected directly in the operative provisions relating to place of birth and nationality requirements.

Recital 7: respondents encourage AMLA to provide additional practical examples regarding "legitimate reasons" and "other credible means", particularly for vulnerable or financially excluded individuals.

Recital 9: respondents welcome the distinction between SMOs and beneficial owners. This distinction should also be more consistently reflected throughout the operative provisions.

Recital 14: respondents note potential tensions between the recital and existing CIU/intermediated distribution models. Further clarification would be useful regarding the interaction with reliance frameworks and intermediary structures.

Recital 18: respondents encourage AMLA to clarify that correspondent relationships fall outside the scope of pooled account simplified due diligence provisions.

Recital 25: respondents welcome the transition approach but encourage AMLA to provide additional clarity regarding trigger events occurring during remediation periods and the operational sequencing of future RTS and guidelines.

Respondents generally encourage AMLA to continue using recitals to support harmonised implementation through practical and operationally realistic guidance.

Comments on the Annex

Respondents did not identify major concerns regarding the Annex itself. However, several operational clarifications would be helpful to ensure consistent and proportionate implementation across sectors and business models.

In particular, respondents encourage AMLA to ensure that:

- examples and templates remain operationally realistic and technologically neutral;
- Annex-related expectations remain aligned with the AMLR risk-based approach;
- examples do not inadvertently create de facto mandatory practices beyond the Level 1 framework;
- and risk indicators remain illustrative and non-automatic.

Respondents also encourage AMLA to ensure consistency between the Annex and the operative provisions, notably regarding simplified due diligence, ownership structures, screening expectations and low-risk situations.

Finally, respondents would welcome additional practical examples illustrating proportionate approaches in low-risk and intermediated business models.

Section 4 - Overall assessment

Overall rating: Somewhat inadequate

One-off implementation costs: Disruptive impact

Recurrent costs: Manageable impact