07 May 2026

EBF feedback on AMLA Draft Regulatory Technical Standards (RTS) on Customer Due Diligence Article 28(1) – Regulation (EU) 2024/1624)

Section 2 - Substantive comments on the draft Regulatory Technical Standards

Question 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? If you do not agree, please: (i) explain why the current proposals do not provide sufficient flexibility; and (ii) provide concrete drafting proposals and explain why the specific measures you propose would be more appropriate.*

Art. 6 RTS

We propose inserting the following two paragraphs:

> *7. For the purposes of verifying the identity of the persons referred to in Article 22(6) and Article 22(7), point (a), of Regulation (EU) 2024/1624 pursuant to paragraphs 1-6, obliged entities shall verify the full name, date of birth, and country of residence of these persons.*
>
> *8. Where doubts arise with regard to the veracity of the information referred to in paragraph 7, obliged entities shall take measures to re-verify it.*

Para. 7: The proposal aims to clarify that the verification requirements under Art. 20, 22(6), and 22(7) should cover only those data points which allow for the verification of the identity of the relevant natural person (i.e., full name, date of birth, and country of residence), as opposed to additional secondary information (e.g., all the address fields where collected).

Para. 8: The addition aims at strengthening the risk-based approach and reaffirm the principle of "once identified, always identified". Once a customer has been duly identified and verified, re-verification would not be necessary unless there is a specific reason to doubt the accuracy of the original information.

From an AML/CFT-risk perspective, obliged entities should not be required to obtain a new identity document solely because the original document has expired, including during reviews under Art. 26 (2) AMLR. Expiry alone does not undermine the validity of prior verification, and such a requirement would be disproportionate and not required per Level 1 legislation. Re-verification should arise only where there are indications that core verified data, such as full name, date of birth or country of residence, has changed or is no longer reliable.

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Art. 7 RTS

We believe that Art. 7 could be changed to make requirements more proportionate, through the following amendments:

- Para. 2.: *"In cases where the solution described in paragraph 1 is not available, or cannot reasonably be expected to be provided, obliged entities shall obtain the natural person's identity document, passport or equivalent using remote solutions that meet the conditions set out in paragraph 3.*
- Para. 3: *"(e) the information, documents and data verified through the remote solution are valid and copies are retained, time-stamped and stored securely by the obliged entity. The content of stored records, including images, videos, sound and data shall be available in a readable format and allow for ex-post verifications"*.

We suggest inserting a new point (f) to para. 3: *"(f) Obliged entities shall apply the safeguards referred to in this paragraph in a manner that is proportionate to the ML/TF risk associated with the business relationship or occasional transaction".*

Finally, we propose removing para. 4.

Rationale:

- The safeguards listed in Art. 7(3) are formulated as strict, cumulative requirements, leaving insufficient flexibility for OEs to tailor their approach. This may create a disproportionate burden particularly for people who do not yet have access to eIDAS-based digital identities. The provision should not be interpreted as requiring OEs to steer customers towards obtaining an eIDAS identity where this is neither realistic, nor proportionate considering the existing market implementation. Art. 7(3) should provide that the safeguards are to be applied in a proportionate and risk-based manner, and we hence propose adding 3(f) above.
- Art. 7(4) – We question the requirement in Art. 7(4) whereby obliged entities need to justify why the customer could not be verified through the means referred to in Art. 22(6), which does not establish a hierarchy of verification methods. However, Art. 7(4), particularly when read together with Art. 7(2), risks introducing such a hierarchy in practice by creating a de facto expectation that eIDAS-compliant solutions or qualified trust services should be prioritised wherever available. This makes the Level 2 text more restrictive than the Level 1, creating legal uncertainty and undermining the technology-neutral approach of the AMLR and the draft RTS.
- We recommend that AMLA either removes this justification requirement or clarifies that the choice of verification method remains at the discretion of the OEs, in line with the technology-neutral approach of the AMLR and the Draft RTS (see the 5 guiding principles in Section 3.2 AMLA's approach).
- The RTS should take into consideration the current status of adoption by MS. Until qualified and certified eIDAS 2.0 remote identification solutions are widely

available and operational, obliged entities should be permitted to continue using existing national and other market-proven remote identification solutions.

- Furthermore, we note that MS apply an inconsistent approach with respect to the interpretation of 'equivalent' documentation. We urge AMLA to work with NCAs to ensure consistent application of supervisory expectations.

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Question 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? If you do not agree, please:*

- *(i) specify the provisions concerned; and*
- *(ii) provide concrete drafting proposals and explain why the specific measures you propose would be more appropriate.*

Art. 11–12 RTS

The requirement to treat more than 3 layers between client and UBO as complex with additional elements amounts to a one-size-fits-all approach rather than a risk-based one. The article should allow a qualitative assessment of the client risk rather than a layer count.

The obligation to collect detailed information on intermediary entities with which the bank has no business relationship goes beyond AMLR Art. 62(1)(d) requirements for legal entities, express trusts or similar legal arrangements and is operationally burdensome for banks with international corporate clients.

Overall, there is no clear differentiation between the requirements under Art. 11 and Art. 12. Art. 11 requires taking risk-sensitive measures to ensure that a comprehensive understanding of the ownership and control structure of the customer is obtained (para. 1), as well as a description of said structure (para. 2). This is normally ensured by asking the customer to provide an organigram. Therefore, we question the usefulness of adding an additional assessment to determine the existence of a complex ownership structure when this would have no practical consequences.

Notwithstanding the above, should AMLA decide to retain Art. 12, we provide further considerations and suggested amendments in the "Additional input" section.

Art.13 – 21 RTS

We welcome the address simplification for Senior Managing Officials (SMOs). However, applying the same level of identification and verification requirements as for beneficial owners, such as collecting extensive personal data (e.g. nationalities, number of an ID document or place of birth), would be disproportionate and not aligned with a risk-based approach. Since SMOs are only substitute UBOs with no own AML/CFT-risk, contributing to the customer risk, there is no value in identifying more than one of the SMOs.

We emphasise that such an approach would not contravene the Level 1 text. Whereas Art. 22(2) states that obliged entities need to collect the information referred to in Art. 62(1)(a), this refers to the identification of **beneficial owners**. Recital 125 AMLR explicitly states that SMOs **are not** beneficial owners. Hence, we maintain that the AMLR allows for the adoption of a less strict approach when it comes to the identification of SMOs.

We would hence recommend that Art. 13 be amended in the following way:

"In relation to senior managing officials as referred to in Art. 22(2), second subparagraph of Regulation (EU) 2024/1624, obliged entities shall:

a. *collect information on all names and surnames, date of birth, full country name and, where available, town name or its nearest alternative of the senior managing official. Obliged entities may decide to obtain the address of the registered office of the legal entity instead of the senior managing official's residential address and country of residence;*

b. *verify the identity of senior managing officials in the same way as they would for beneficial owners.*

Additionally, Art. 63 (4) AMLR appears to extend the SMO concept by including "natural persons who exercise executive functions within a legal entity and are responsible and accountable to the management body for the day-to-day management of the entity". This article entails that in all cases, the scope of SMOs would include the first management level below the management body in its management function, despite them being merely involved in operational management but not having ultimate responsibility for the overall management of the legal entity. Such an extensive requirement to generally include a broader group of natural persons based on Article 63(4) AMLR would be excessively burdensome and unnecessary if the entity has a management body in a formal sense and would not reflect the underlying AML/CFT risk. We therefore advocate for:

- The extension under Art. 63(4) AMLR to only apply in scenarios where there is no management body in a formal sense; as such the second alternative of Art. 63 (4) AMLR should only apply in a supplementary manner if the first alternative (i.e. management body) does not apply due to the specific nature of the entity client.
- obliged entities to be allowed to rely on information from reliable and independent sources, such as company registers, certificates of incorporation, or articles of association, when identifying SMOs and the use of a risk-based approach as appropriate.

Further clarification, either in the RTS or, alternatively, through Level 3 guidance, is necessary to ensure consistent interpretation and to avoid disproportionate requirements that do not meaningfully enhance AML/CFT risk mitigation.

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Question 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? If so, please provide concrete examples of such situations and your proposals for alternative solutions.

Art. 3 RTS

We propose the following amendment to point (b)*:*

(b) the town name or its nearest alternative;

The reference to "town name" is proposed to align with the terminology in FATF Recommendations (October 2025) and Payments Transparency related artifacts such as BIS Core Data Elements Page 25, SWIFT PMPG Industry Guidance on Hybrid Addresses. Collecting the town name (in addition to country) adds limited risk mitigation value for due diligence on beneficial owners. As this information is not always available, the wording on address data requirements for beneficial owners should be clarified.

Art. 4 RTS

We propose the following amendment: "*The information on place of birth as referred to in Article 22(1), point (a)(ii), of Regulation (EU) 2024/1624 shall consist of at least the country name or, where not available, the town name or its nearest alternative as long as the address information available is sufficient to clearly identify the location of the customer for AML/CFT controls such as sanctions screening and monitoring. Should the identity document, passport or equivalent of the customer provide additional information on place of birth, such information shall be collected."*

Given that official identity documents across EU and third-country jurisdictions vary in content, and do not always include both the country of birth and city/town, it should be sufficient to obtain at least one of these data points as long as the address information available is sufficient to clearly identify the location of the customer for AML/CFT controls such as sanctions screening and monitoring. Where neither is included, the RTS should clarify that OEs may rely on the customer's self-declared statement.

Art. 5 RTS

We suggest the current text of Art. 5 becomes para. 1 and is amended as follows: *"1. For the purposes of Article 22 (1), point (a)(iii), of Regulation (EU) 2024/1624 obliged entities shall obtain information on the nationality or, where applicable, the statelessness and refugee or subsidiary protection status of the customer, any natural person purporting to act on behalf of the customer, and the natural persons on whose behalf or for the benefit of whom a transaction or activity is being conducted".*

Proposed new para. 2: *"Obliged entities shall request the persons referred to in para. 1 to declare any other nationalities they may hold."*

Art. 5 should state that the requirement is fulfilled where an OE relies on the customer's self-declared information, rather than leaving this clarification solely to Recital 3. Additional nationalities should be collected only where there is a clear and justified reason, as their routine collection does not add value to the risk assessment. Where an individual has only one nationality, confirming such nationality should be sufficient which is

supported by the wording of Art. 22(6) AMLR. Absent any conflicting information, no further verification steps should be necessary.

Art. 16 RTS

The current definition in Art. 16 is not sufficiently detailed, as it:

- does not explicitly specify that only individuals whose mandate grants the authority to legally bind the company are to be considered,
- does not explicitly exclude individuals with operational mandates and disponents (i.e. those whose responsibilities are limited to back-office activities and/or logistics).

Considering EBF members' experience from the implementation of AMLD4 and AMLD5, the definition should be limited to third parties being natural persons and acting via proxy or power of attorney in accordance with official company registration certificate. Employees of the legal entity customer acting in the ordinary course of their employment (e.g. senior managers, treasury or relationship management staff of a corporate customer) are excluded. In the context of wholesale banking, capturing individuals acting in their professional capacity, especially those employed with regulated FIs, has proved excessively burdensome and ineffective in combatting financial crime.

We suggest amending Art. 16 in the following way:

"In relation to the identification and verification of the person purporting to act on behalf of the customer as referred in Article 22 of Regulation (EU) 2024/1624, and in addition to the information to be collected pursuant to the relevant provisions of Section 2, obliged entities shall obtain the following information:

(a) in situations where a natural person is unable to act on his/her own behalf, such as minors and persons lacking mental capacity, the document confirming legal guardianship;

(b) in situations where a person is authorised to act on behalf of a legal entity, the proxy agreement or power of attorney, except where a natural person is a member of the management body of the legal entity or an employee acting in fulfilment of his/her professional duties.

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Question 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, for example because of the associated lower ML/TF risks of these products and services? Please provide concrete drafting proposals and rationale for the specific measures you would propose.*

We would recommend AMLA to specify that in non-high-risk situations, the information on purpose and nature may be inferred from the product used by the client, and that identity information may be limited to a single source document.

We therefore request confirmation that Article 33 AMLR is not exhaustive in its prescribed measures, and that obliged entities may, in addition to those set out by AMLA, apply measures that are proportionate to the nature and size of the counterparty and to the risks identified. Such an approach would support the effective operation of a risk-based framework and enable resources to be directed where they are most needed.

AMLA states in par. 3.3. 'Rationale' that it found no room for additional SDD measures beyond AMLR Art.33. This is a missed opportunity. Certain categories of clients' products, and services present inherently low ML/TF risks. Listed companies, SWIFT Relationship Management Application (RMA), bodies governed by public law and government-related entities in non-high-risk countries are obvious candidates where the transparency and oversight already in place justify simplified CDD measures. We urge AMLA to reconsider this position.

Recital 127 AMLR states that for listed companies and bodies governed by public law of the Member States, beneficial ownership and control are of a similar level of transparency, and there is no need to apply beneficial ownership requirements. We therefore propose that OEs be exempted from the obligation to identify UBOs in these situations, and that the application of SDD be explicitly allowed.

Specific scenarios where additional simplification could be supported:

- Listed companies and public bodies, where beneficial ownership and governance are already subject to robust disclosure and regulatory oversight, as noted above.
- Regulated financial institutions subject to equivalent AML/CFT requirements, where duplication of due diligence provides limited additional risk mitigation;
- Relationships between entities within the same regulated group (outside the scope of Recital 11), where entities are subject to consolidated supervision and group-wide AML/CFT frameworks
- Established interbank frameworks (e.g. SWIFT RMA relationships), where due diligence is embedded within the system and supported by existing controls;
- Standardised retail or low-risk products, where the purpose and nature of the relationship can be reasonably inferred, and no risk indicators are present.

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Question 5: *Do you have any additional comments relevant to the draft RTS that have not been covered above? Please ensure that comments refer to a specific article, are precise, and, where possible, supported by evidence. Where necessary, comments should also include a proposed solution.*

Art. 17 and Art. 22 RTS

Art. 17 and 22, as currently drafted, impose full identification and verification obligations with respect to end investors and underlying clients behind pooled accounts. In practice:

Pooled accounts, including omnibus accounts operated by banks or international central securities depositories (ICSDs), may hold funds for hundreds or thousands of underlying customers who have already undergone CDD by the direct customer (intermediary). Consequently, this duplication of efforts would result in an overwhelming administrative burden.

Similarly, CIUs distribute shares through intermediaries (e.g., distributors, custodians, payment institutions), which are themselves obliged entities and already perform CDD on their clients. In the majority of cases the omnibus/pooled accounts structure is used. Again, this could involve thousands of natural persons behind these omnibus accounts, making the practical application of the requirements under Art. 17 virtually impossible. This would be to the detriment of EU fund managers and fund distributors and the EU capital markets.

To ensure proportionality and operational feasibility while maintaining effective AML/CFT controls, we propose the following:

- Explicitly clarify that pooled accounts opened by a correspondent bank for a respondent bank fall outside the scope of Article 22, consistent with existing EBA guidance. This is already implied by Recital 18. However, it only refers to payment institutions and electronic money institutions, leaving the question open whether the exemption applies to all kinds of correspondent relationships.
- With regard to Art 17, remove the conditions listed in points (a), (b)" and (c) and instead focus on the assessment described in point. (d), namely, to be satisfied that the credit institution or financial institution applies robust and risk-sensitive CDD measures.

A more detailed explanation of the aforementioned issues, as well as concrete suggestions are proposed in the sections on the respective provisions below.

Art. 18, 24, 26 RTS

The 'where necessary' framing and 'at least one of' structure in Article 18 are welcome improvements.

AMLR Articles 20(1)(c) and 25 define that information must be obtained as appropriate/where necessary to understand the purpose and intended nature of the business relationship. For most natural persons with daily banking products, the purpose and intended nature should be inferable from the product itself without requiring extensive

information gathering. In cases where there are no risk indicators and a client poses a non-high risk, requiring additional data does not add value to the risk assessment. Rather, it creates unnecessary friction in business relationships with well-intended clients, negatively impacting client experience and diverting resources from higher risk cases.

Article 26(2) specifies that additional information may consist of information on the client's key clients, contracts, business partners and associates, including the UBO's business partners or associates. Even for EDD, this is extensive and risks being interpreted as requiring OEs to perform due diligence on their client's business relationships, which is beyond the scope of AML obligations. We propose to delete this requirement.

Alternatively, if the provision is maintained, we suggest the following amendment: *For the purposes of points (a) to (c) of paragraph 1, obliged entities may collect additional information, such as on the customer's key customers, contracts, business partners, associates or the occasional transaction, including, where relevant, the beneficial owner's business partners or associates.*

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Section 3 - Additional substantive input

Additional substantive input on specific articles not previously mentioned

Art. 1 RTS

The EBF welcomes the inclusion of Article 1, which establishes the risk-based approach as the overarching principle of the RTS and its implementation. Accordingly, the RTS should be applied proportionately to the level of ML/TF risk, allowing OEs to exercise appropriate judgement in calibrating their controls. Supervisory assessments should likewise reflect the relevant customer, product and activity risk profile.

The EBF remains concerned, however, that supervisory expectations under the draft RTS continue to vary across MS, including in relation to equivalent documentation and acceptable verification methods. This fragmentation risks undermining consistent, proportionate application of the RTS and creates unnecessary complexity for cross-border groups. The EBF therefore encourages AMLA, in cooperation with NCAs, to promote a more harmonised and convergent approach across the EU.

Art. 14 and 15 RTS

The RTS should clarify what constitutes 'sufficient information' under both articles, particularly where such information is not publicly available. In practice, OEs often depend entirely on the trustee for this information, and the RTS should acknowledge that information provided by the trustee is sufficient.

In our view, it should be 'sufficient information' where a trust deed defines for instance beneficiaries as 'the children and grandchildren of the settlor,' a copy of or extract from the trust deed describing the class, combined with a written confirmation from the trustee that no individual beneficiary has yet been ascertained. Or for a discretionary trust, a

description from the trustee of the objects of power, confirmation of whether the power of discretion has been exercised and any beneficiaries have been appointed, together with details on the default takers, should be sufficient. Where the trustee confirms that no distributions have been made and no beneficiaries have been appointed, this should be accepted as sufficient absent contradictory information.

AMLA could usefully include such practical examples in a Level 3 factsheet to provide clarity on what OEs can reasonably be expected to obtain, particularly in cases where trust documentation is governed by non-EU law and may not be publicly accessible.

Art. 23 RTS

We propose the following amendment to Art. 23: "*Where, in cases with a low degree of ML/TF risk, obliged entities reduce the frequency of customer identification updates as referred to in Article 33(1), point (b), of Regulation (EU) 2024/1624, obliged entities shall follow adequate risk-based measures to be satisfied that:"*

With respect to para. 1, we suggest highlighting that obliged entities are not expected to proactively request updated information from the client in the absence of the risk triggers referred to in para. 1, including between updates under Article 26(2)(b) AMLR.

An effective control framework should be sufficient to identify the circumstances referred to in points (a) to (c). Where no such changes have been identified, the customer file should be deemed to have been duly reviewed.

We understand that this will be clarified per the AMLA guidelines on ongoing monitoring of a business relationship and on the monitoring of the transactions carried out in the context of such relationship (aligned to AMLR Art. 26).

Art. 33 RTS

We welcome the clarity provided by Art. 33, in particular the direct cross-referencing to Art. 26(2) and the distinction between entry into force and date of application. Nevertheless, explicit confirmation that all CDD elements (ownership structure, UBO, SMO, representatives etc.) are covered would be essential.

However, the one-year timeframe for updating the documents, data, and information relating to existing high-risk customers under Art. 26(2)(a) presents a significant market impact (e.g., potential impact to EU customers that may share relationships with multiple obliged entities uplifting the customer base to the new standards starting on the same day and during the same period) and operational challenge for the obliged entities. The scope of remediation is considerable and must be carried out for a substantial number of customer files. The updating of existing customer files will be carried out on a risk-based basis, but achieving full compliance within one year is unlikely to be feasible and achieve desired outcomes. As an example, updates to beneficial ownership registries by the companies themselves are expected to take place only from 2027 onwards. Obliged entities wish to avoid updating their files multiple times, including unnecessary customer outreach and discrepancy reporting where companies have not yet updated their UBO registration.

This challenge is compounded by the fact that several other RTSs, essential for the correct application of the CDD framework, have not yet been published for consultation or are not yet scheduled under the AMLA Single Programming Document, meaning that their content and requirements remain unknown. Several essential RTS and guidelines are scheduled for later delivery, including:

- under Art. 20(3) on risk variables and risk factors when entering into business relationships;
- under Art. 26(5) on ongoing monitoring of a business relationship;
- under Art. 42 on the level of risk associated with PEPs.
- under Art. 69(5) on guidelines on indicators of suspicious activity or behaviours.

Ultimately, customer files can only be uplifted once all relevant RTS are finalised. Without a complete and known regulatory framework, obliged entities risk not having enough time to update their policies, processes, systems, provide adequate, timely training to staff, and awareness to clients. As a result, OEs cannot yet adequately design and implement the processes and systems needed to carry out the remediation, let alone begin updating customer files.

We therefore urge AMLA to extend the transitional period for high-risk customers beyond one year to reflect market readiness and the reality that obliged entities will not be in a position to complete updates for existing high-risk customers within that timeframe. The one-year period should commence only once all relevant RTS and guidelines have been finalised and published, and in any event only after the AMLR has become applicable

In addition, we would welcome confirmation from AMLA that OEs may begin collecting and updating the documents, data and information relating to customers in line with the AMLR and this RTS ahead of its application date (i.e. 10 July 2027), where the requirements are already sufficiently clear, and that such early collection of additional data points is supported by a legitimate interest under the GDPR, even though the AMLR and the CDD RTS have not yet become applicable.

Art. 9 RTS

Neither the Level 1 nor the CDD RTS specify a particular mechanism of how relevant vIBAN user information shall / may be obtained. Where the assignment of the vIBAN to an end user or the identification of such user is not carried out by the issuer itself, the issuer is dependent on information provided by its customer or a third party. In practice, mostly the assignment of the vIBAN will be delegated to another party. Regarding this, we see the need to specifically clarify that any contractual arrangement with a relevant party is permissible, provided it enables the obliged entity to fulfill the requirements of Article 22(3) AMLR. Accordingly, the issuer shall be allowed to obtain information from 3rd party: (a) Through reliance on another obliged entity (Art. 48 AMLR) (b) Through outsourcing provisions (Art. 18 AMLR) or (c) via other contractual arrangements (Art. 22(3) AMLR)

Proposed clarification in Art. 9(3) CDD-RTS:

Where an obliged entity issuing the virtual IBAN does not itself establish the business relationship or identify the user of the virtual IBAN, it may obtain the information according to (a) to (c) via contractual arrangements with a relevant information providing party. Such arrangement shall ensure that information is provided without undue delay and in any case in time to fulfill the obligations under Article 22(3) AMLR. Such arrangement does not constitute an outsourcing (Art. 18 AMLR) or reliance (Art. 48 AMLR).

Art. 6 RTS

Paragraph 6 appears to create an obligation for obliged entities to accept electronic identification means in a face-to-face context where such means is available to the customer, any person purporting to act on behalf of the customer, and the natural persons on whose behalf or for the benefit of whom a transaction or activity is being carried out. Not only would this lead to important operational challenges for obliged entities, but this measure would also create a gap with the eIDAS regulation (2024/1183) whose Article 5(f) creates an obligation to accept the EUDIW, by December 2027, only where strong user authentication for online identification is required.

We hance propose the following amendment to para. 6: *Obliged entities may accept the use of electronic identification means, or relevant qualified trust services as described in Article 7(1), to verify the identity of the natural person in a face-to-face context where they are available to the customer, any person purporting to act on behalf of the customer, and the natural persons on whose behalf or for the benefit of whom a transaction or activity is being carried out.*

Art. 10 RTS

The mandatory verification of beneficial ownership information through central registers for all customers may be disproportionate and inconsistent with the risk-based approach. It should be explicitly stated that such verification is performed risk-based.

Finally, we would like to stress the issue of accessibility to the UBO registries and the fact that obliged entities in certain jurisdictions may not have public access to the said registries.

Art. 12 RTS

While we welcome AMLA's explicit reference to the risk-based approach in Article 12, we consider that the expectations placed on obliged entities with regard to complex structures are unclear and do not provide added value, particularly considering the breadth of information already required to be collected under Article 11. We therefore take the view that Article 12 is not necessary, as outlined above.

However, should AMLA decide to retain Article 12, we would like to put forward the following consideration and suggested amendment: Article 12 (1)(b), refers to the condition whereby "*the customer and any legal entities present at any of these layers are registered in jurisdictions outside the EU*". We note that for obliged entities with international activities, having clients registered outside of the EU is regular and should

not lead to consider the structure as "complex". Furthermore, Article 12(1)(b) RTS CDD excessively restricts the scope by using only the term "EU" when referring to customers or legal entities registered in certain jurisdictions. As a result, all EEA countries that are not EU Member States are excluded. In addition, third countries with equivalent or comparable AML/CTF frameworks, such as Switzerland, are also not taken into account. Against this background, we strongly request and highly recommend that EEA Member States and countries with equivalent or comparable AML/CTF regulations be explicitly mentioned in addition to the term "EU". If the Article 12 is to be kept we suggest alternative wording for Article 12(1)(b) RTS CDD**:** "[…] are registered in jurisdictions outside the EU, the EEA, or countries with equivalent or comparable ML/FT regulations.

Art. 21 RTS

The current draft RTS does not provide clear guidelines regarding the application of simplified due diligence (SDD) related to the identification and verification of the beneficial owners.

The draft RTS Article 21 requires the application of different measures for the identification and verification of the beneficial owner's identity, which do not differ significantly from the draft RTS Article 10 applicable to standard scenarios.

We therefore propose amending the article in the following way: "To verify the identity of the beneficial owner or senior managing officials in situations of non-high risk, the obliged entity shall consult one of the sources of information listed in paragraph (1)".

Art. 29 RTS

Recital 125 of the AMLR as well as Recital 9 Draft RTS state that SMOs are not to be considered beneficial owners. This is further referenced and supported in the EBA's final RTS and accompanying feedback (October 2025). Taken together, these elements support the conclusion that obligations specifically applicable to UBOs, such as sanctions or PEP screening, should not automatically extend to SMOs. We would welcome clarification of this distinction in the RTS, as this would contribute to greater legal certainty in the application of AML/CFT requirements.

Art. 30 RTS

The scope of sanctions screening in the draft RTS appears broader than existing EBA guidance (EBA/GL/2024/15):

- Sub-paragraph (a) (i) requires screening against *all names and surnames*, whereas EBA/GL/2024/15 (para 17) refers to "the first name and surname". We recommend aligning the scope with the existing EBA guidance.
- the requirement to consider all other names, aliases and wallet names may be challenging in practice. We recommend clarifying that the text refers to aliases "as stated in relevant sanctions lists" given that customer aliases are not required to be collected under Article 22 of the AMLR and aligned to EBA guidelines).

We propose the following amendment to point (a) (iii) to that effect:

- in the case of a natural person, legal person, body or entity, any other names, aliases, trade names, where they differ from the registered name, digital wallet addresses, where available in the lists of targeted financial sanctions.

Art. 18 RTS

We propose the following amendments:

(a) "in relation to the business activity or the occupation of the customer in accordance with Article 20(1), point (c) of Regulation 1624/2024, at least one of the following information":

In the RTS, occupation is addressed in Article 18(1)(e); however, Article 18 does not refer to Article 20(1)(e) of the AMLR. Such a reference should be included, if it is intended to serve as an interpretative contribution to the provision.

Art. 32 RTS

EBF identifies several situations where information required by the draft RTS is not available in practice across a range of customer types and jurisdictions, and where the RTS as drafted offers no workable alternative. EBF's position is that the unavailability of a specific data point should not prevent the establishment or continuation of a business relationship where the overall risk can be managed by other means.

It is important that the systematic approach outlined in AMLR Article 22 is also reflected in the RTS. AMLR Article 22 distinguishes between identification (par. 1) and verification (par. 6 and 7). In AMLR Article 22(1), various requirements for information to be obtained are listed. This information can be obtained by asking the customer, without the customer having to provide documentation for it (verification). The requirements for customer verification are set out in AMLR Article 22, paragraphs 6 and 7. Article 22(6) states the obliged entity shall obtain ***either*** a passport (or equivalent) or use electronic identification. There is no requirement that all the information obtained pursuant to Article 22(1), must be verified. It is explicitly stated in AMLR Article 22(6)(a) that a passport is sufficient for verification. A passport, however, will never contain all the information listed in paragraph 1, such as the usual place of residence. The same applies to electronic identification, where it is sufficient that the electronic identification meets the requirements of Article 7

Article 32 (2) of the RTS therefore also gives rise to uncertainty in this regard, as it appears to go beyond the requirements of the AMLR. It introduces specific requirements for the use of electronic identification, by reference to Article 20(1) of the AMLR, which do not apply to passports, and which are not consistent with Article 20(6), according to which electronic identification means complying with eIDAS assurance levels 'substantial' or 'high' may be used for verification. Therefore, the use of electronic identification that meets the requirements of this regulation should be sufficient to fulfil the verification requirement. AMLR does not provide any allowance to impose additional requirements.

Furthermore, it should be noted that the electronic identification currently does not include all this information, meaning it would (in reality) not be possible to use electronic identification for any customers.

The entirety of Article 32 should therefore be rewritten accordingly and taking into consideration feedback provided for other relevant Articles in the draft CDD RTS.

Art. 19 RTS

Article 19(2)(b) requires obliged entities to act "without delay" upon any new information or change in CDD data that may affect a customer's identification as a politically exposed person (PEP).

The removal of the 'significant' qualifier for trigger-based rescreening means any change in CDD data could require immediate action. Additionally, for an existing client with a well-established relationship and a known transaction history who becomes a PEP, the OE already holds substantial knowledge that informs its risk assessment and measures.

Based on the AMLR article 34(4) which provides that «obliged entities shall apply enhanced due diligence measures, proportionate to the higher risks identified», we recommend that the RTS:"

- Para. 2 (b) and (c) - remove "without delay".
- Acknowledge that the extent of additional measures to be applied should consider the obliged entity's existing knowledge of the customer and the nature of the established relationship.
- Allow a more proportionate approach for non-high risk PEPs and for existing clients with a well-established relationship.

Art. 17 RTS

Article 17 raises significant operational challenges for collective investment undertakings (CIUs) and their service providers, particularly in cross-border contexts. CIUs often rely on intermediaries (e.g., distributors, custodians) who already perform CDD on underlying investors. Imposing full identification and verification obligations on CIUs duplicates these efforts.

We caution that the conditions listed in points (a) to (c) are too restrictive given the respective cross-border nature of the funds business. Consequently, many relationships will not fit the conditions for the application of SDD.

In practice, CIUs would then need to collect data on potentially thousands of underlying investors behind omnibus accounts, even when those investors have already been subject to CDD by regulated intermediaries. This creates an overwhelming administrative burden and increases risks related to data transmission and privacy. This would also be a highly dynamic process, as due to the nature of this business the end investors change frequently.

This burden will be passed on to each intermediary entity down the chain, and the end-distributor who would need to transmit the information, hence running increased risks of delays in investment and personal data protection-related risks in relation to the transmission of large volumes of such data.

In addition, Article 17 does not sufficiently distinguish between different distribution models or account structures, such as direct subscriptions versus pooled/omnibus accounts held by intermediaries. This creates ambiguity for CIUs operating through multiple layers of distributors, transfer agents, and nominee arrangements. The RTS does not clarify the extent of "look-through" obligations for CIUs. For example, whether CIUs must identify all beneficial owners in complex structures such as feeder funds or nominee accounts, regardless of materiality thresholds.

The negative impact is further amplified by the absence of proportionality for very small holdings. Where the conditions for the exemption are not met, CIUs may need to identify natural persons holding even negligible interests in a fund.

CIUs and their service providers will face significant operational and financial burdens to implement full look-through identification and verification obligations. These costs include system upgrades, data collection processes, and contractual amendments with distributors, which may reduce margins and investor returns. Regarding smaller UCITS/AIF managers that lack resources to absorb compliance costs, this could lead to market consolidation and reduced diversity in the EU asset management sector.

The challenges described above could create a competitive disadvantage versus non-EU CIUs:

- The RTS introduces complexity for global distribution networks, making EU funds harder to market internationally.
- Distributors may prioritise non-EU funds to avoid duplicative CDD obligations, reducing EU CIUs' access to international capital.
- Increased data collection requirements may slow down investor onboarding, making EU CIUs less responsive compared to competitors. This is particularly problematic for institutional investors who expect fast execution.

Regarding non-EU competitors, they will benefit from less complexity, speed, and cost advantage. In view of the extensive challenges described, we propose revising Article 17 so that it focuses on CIUs obtaining sufficient comfort that the distributor applies robust and risk-sensitive CDD measures to its own customers and its customers' beneficial owners.

Concretely, the provision could take the following form:

"When a collective investment undertaking distributes its shares or units through another credit institution or financial institution that acts in its own name but on behalf or for the benefit of one or more final investors, it may fulfil the requirement under Article 20(1), point (h), of Regulation (EU) 2024/1624 if the following conditions are met:

(a) it is satisfied that the credit institution or financial institution will provide the information necessary to identify and verify the identity of any final investor without undue delay and upon request;

(b) it is satisfied that the credit institution or financial institution applies robust and risk-sensitive CDD measures to its own customers and its customers' beneficial owners."

Art. 22 RTS

The provision of Article 22 refers to pooled accounts opened by credit institutions for 'account holders'. It hence does not explicitly exclude correspondent relationships (e.g. a credit institution or a central securities depository holding a pooled account with another credit institution).

Capturing correspondent relationships in scope would lead to the following unwanted consequences:

1) Duplication of efforts

Credit institutions would need to verify the identity of their customers' customers in all cases not falling within the limited scope of its exceptions. We emphasise that these underlying customers are already subject to CDD by the intermediary. Imposing full identification and verification obligations on credit institutions providing pooled accounts duplicates these efforts.

The conditions listed in points (a) to (e) would rarely be cumulatively met, if ever. In practice, the most relevant condition is the one laid down in point "e" whereby the credit institution would need to obtain sufficient comfort that the account holder applies robust and risk-sensitive CDD measures on its clients and the clients' beneficial owners. With regard to the respondent bank's policies, procedures and controls, these are assessed at the onboarding stage and subsequently at recertification to ensure that robust risk-sensitive and CDD measures are applied vis-à-vis the underlying customers.

2) EU capital markets disruption

Imposing CDD requirements on customers' customers in the correspondent relationship context would raise a significant challenge in the capital markets domain, particularly regarding international central securities depositories (ICSDs), custodian banks, correspondent banking relationships, securities traders, etc.

As an illustration, ICSDs act as financial market infrastructures and as pillars of the European and international capital markets. Similarly to custodian banks, ICSDs are also credit institutions, thus falling under the scope of Article 22.

Their clients are typically banks in the context of a correspondent relationship for securities settlement purposes (in the majority of cases cross-border). These respondent (customer) banks open pooled/omnibus accounts consisting of funds of their own clients (natural and legal persons), whose number could be in the hundreds or in the thousands. For example, a major international broker could hold a pooled account for over twenty thousand

underlying clients. It is not operationally feasible for an ICSD/credit institution to perform identification and verification of all the natural persons behind the underlying clients.

This burden will be shared between the ICSDs/custodians who need to obtain the information from their customers, and the respondent banks/intermediaries who would need to transmit the information, hence running increased risks of delays in establishing a business relationship and personal data protection-related risks in relation to the transmission of large volumes of such data.

The additional administrative burden imposed on the respondent banks would also undermine the competitiveness of EU custodians who would impose much stricter administrative requirements than their peers from other parts of the world.

In view of the described challenges, we recommend clarifying **that correspondent banking relationships fall outside the scope of Article 20 of the RTS in relation to Article 20(1)(h) of the AMLR.**

In its responses to questions on the Consultation Paper (EBA/CP/2025/04) in relation to the RTS on CDD under Article 28(1) AMLR, the EBA acknowledges that *"the relationships between a credit institution (which opens a pooled account) and a PI or EMI should be more appropriately assimilated to correspondent relationships within the meaning of Article 2(22) point (b) AMLR. As such, they fall outside the scope of this specific provision of the RTS"*.

To this end, the EBA has amended Recital 18 to specify that *"situations where credit institutions open a payment account for payment institutions or electronic money institutions **will fall outside the scope** of the sectoral simplified measures provision of this Regulation. Such **situations would be regarded as correspondent relationships** within the meaning of Article 2(22), point (b), of Regulation (EU) 2024/1624"*.

Moreover, the EBA guidelines on ML/TF Risk Factors refer to pooled accounts only in the section dedicated to retail banking, not in the correspondent banking one. The definition of 'pooled accounts' also refers to legal practitioners and notaries, rather than correspondent banking relationships. This is further reiterated in Recital 51 of the AMLR.

We hence suggest amending the wording of Article 22 to specify that "With the exception of situations falling under Article 2(22) of Regulation (EU) 2024/1624, where a credit institution opens an account…". We further propose that this is reflected in Recital 18 (cf. our comment to the Recital which includes a wording proposal).

Comments on the recitals - (1) to (25)

Recital (1): Art. 12(1)(b); Art. 17(a); Art. 22(b)

Given that Regulation (EU) 2024/1624 applies identically across the EU and the EEA, it should be explicitly ensured that all simplified due diligence measures, risk-based facilitations and comparable regulatory reliefs provided for in the RTS apply uniformly in all EEA States. This clarification should be reflected consistently throughout all relevant RTS provisions and not be limited to isolated articles or specific scenarios.

Recital 5

We would welcome clarification on the meaning of "certification" as used throughout the RTS, including whether (i) the same certification standard applies to all documents and (ii) the same categories of persons may certify, or whether requirements differ depending on the document type and/or the category of person to be identified.

We note the following references:

• Recital 5 indicates that, for documents relating to non-natural persons, documents may be certified by an independent professional or a public authority.

• Article 6 refers to a certified copy of an identity document, passport or equivalent for the identification of a natural person.

• Article 10(b)(iv) requires documents confirming the identity of the beneficial owner to be certified by persons authorised for document certification purposes.

If these provisions are intended to impose different certification requirements, we would welcome clarification: (i) on which "independent professionals" fall within scope;(ii) that no separate assessment is necessary, and no specific requirements apply and (iii) whether any specific requirements apply to the certification of copies of identity documents. We also suggest clarifying whether (and on what basis) obliged entities may be treated as persons authorised for document certification purposes.

In this context, it would be helpful to confirm whether an "independent professional" must be external to the organisation (e.g., a notary) or whether certification may also be performed by suitably independent internal functions (e.g., in-house legal and/or company secretary). In addition, given members' global operating models, clarification on whether certification may be performed by a company/corporate secretary would be welcome.

Finally, we note that Article 6(3) appears to allow obliged entities to take reasonable steps to satisfy themselves as to the authenticity of documents obtained for the verification of the identity of natural persons. Confirmation of how this interacts with any "certified copy" requirement would be welcome.

Recital 18

In relation to the obligation imposed on credit institutions to perform CDD on the customers of their customers holding pooled accounts, Recital 18 clarifies that there are two exceptions – for payment institutions and for electronic money institutions. The Recital further specifies that such situations would be regarded as correspondent relationships within the meaning of the AMLR.

It appears that the intention of the legislator is to exclude correspondent relationships from the scope of Article 22. However, we then question why this has not been explicitly stated, but rather only two types of correspondent relationships have been mentioned.

This clarification is important, as the extension of CDD requirements to correspondent relationships would have an immense negative impact on EU capital markets, as explained in our feedback to Article 22.

We propose replacing the last two sentences of the Recital with the following:

"Situations of correspondent relationships within the meaning of Article 2(22) of Regulation (EU) 2024/1624 will fall outside the scope of the sectoral simplified measures provision of this Regulation, as these would be governed by the provisions of Article 36 of Regulation (EU) 2024/1624."

The amended Recital 18 will then be the following:

"This Regulation identifies a service that would benefit from specific simplified due diligence measures. This is the case where a credit institution opens a pooled account for a customer that is an obliged entity, to hold or administer funds that belong to the customer's own clients, where the ML/TF risk of that service is assessed as low, based on the credit institution's risk assessment. In such cases, since the final customers are already subject to the customer due diligence measures applied by the obliged entity, it is proportionate to allow specific simplified due diligence measures, to avoid duplication of controls while ensuring that appropriate safeguards remain in place. Situations of correspondent relationships within the meaning of Article 2(22) of Regulation (EU) 2024/1624 will fall outside the scope of the sectoral simplified measures provision of this Regulation, as these would be governed by the provisions of Article 36 of Regulation (EU) 2024/1624."

Comments on the Annex

Annex I to the AMLR on risk variables and Articles 25 and 26 of the RTS

There is a need for clarity regarding Annex I to the AMLR. The Annex constitutes an indicative and non-exhaustive list; however, it simultaneously states that *"obliged entities shall take into account (…)"*. It is therefore unclear how the Annex is intended to be applied.

Nonetheless, EBF assumes that it should be applied in accordance with the risk-based approach, meaning that it should not automatically form part of standard CDD for all customers.

In our view, this interpretation is supported by the provisions on enhanced due diligence in the RTS. As an example, Article 25(b) of the RTS on enhanced due diligence provides that the reputation of the customer and the beneficial owners may be taken into account as an additional measure. Information on reputation is also listed as a risk variable in the Annex. Thus, the information cannot be included in the CDD for all customers and at the same time serve as an additional measure to get a better understanding of the customer.

We would therefore welcome clarification from AMLA as to how the requirements for the application of the risk variables should be understood.

Annex I of the draft CDD RTS

Suggest including resident town name under address elements aligned to FATF Recommendations (October 25).

Section 4 - Overall assessment

How would you rate the proposals set out in the draft RTS overall?

- Inadequate
- Somewhat inadequate
- **Neutral**
- Good
- Excellent