



# Public Hearing on the draft RTS on group-wide requirements and requirements for branches and subsidiaries in third countries AMLR Articles 16.4 & 17.3

20 May 2026

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Presenter: Policy on Private Sector Standards Unit

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# Welcome

Rikke-Louise Ørum Petersen, Executive board member

# Housekeeping

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# Agenda

## Introduction to AMLA

## Presentation on RTS under 16(4) & 17(3)

## Exchange

Floor opened for views from the audience

# Introduction to AMLA

# AMLA's role



## AML/CTF Supervision

**Direct supervision** some of the most impactful credit and financial institutions (40) and **indirectly supervising** the rest

**Oversight and coordination** of supervisory authorities in the **non-financial sector**

## Coordination and Support of EU FIUs

Support in **cooperation** and joint analyses by national FIUs

## Regulator

**Technical standards (RTS / ITS) and guidelines** addressed at: obliged entities, supervisors and FIUs

# What are Regulatory Technical Standards (RTS)?



Regulations

RTS

Guidelines

Regulation (EU) 2024/1624 - AMLR

Purpose: ensure consistent practices and uniform application of EU law

Key features:

- Cannot change the AMLR

- Legally binding

- Adopted by European Commission

# Draft RTS: stakeholders



## Guiding principles

- Risk based and proportionate approach
- Maximum harmonisation
- Effective outcomes that are workable for the financial and, especially, for the non-financial sector

# Introduction to RTS on group-wide requirements and additional measures for branches and subsidiaries in third countries

# Introduction

## Art 16(4) AMLR

- Article 16.4 AMLR requires AMLA to specify:
  - i. the minimum requirements of group-wide policies, procedures and controls
  - ii. minimum standards for information sharing within the group,
  - iii. the criteria for identifying the parent undertaking in the cases covered by Article 2(1), point (42)(b),
  - iv. the conditions under which the provisions apply to entities that are part of structures which share common ownership, management or compliance control, including networks or partnerships, as well as the criteria for identifying the parent undertaking in the Union in those cases.

Mandate under Article 16(4) AMLR aims at ensuring that policies, procedures and controls are applied in group-wide arrangements and that obliged entities develop and implement robust and effective management of risks, especially in a cross-border context

# Introduction

## Art 17(3) AMLR

- Article 17.3 AMLR requires AMLA to specify the following elements when branches or subsidiaries are located in third countries where the minimum AML/CFT requirements are less strict than those set out in the AMLR:
  - i. Additional measures and the minimum actions to be implemented by obliged entities when there is a legal impediment in a third country;
  - ii. The additional supervisory actions required in these cases.

Mandate under Article 17(3) AMLR aims at ensuring that policies, procedures and controls equivalent to those applied in the Union are applied in those jurisdictions where the group and/or parent undertaking operates.

# AMLR's framework : definitions

## Article 2 - Structures and sub-structures

Structure

Network

Partnership

Franchise

i. includes **at least two obliged entities**

ii. under **common ownership, common management or common compliance control**

## Article 2 - Control function

A function that is independent from the commercial functions it controls and that is responsible to provide an objective assessment of the obliged entity's risks, review or report on those

# Key elements of the draft RTS

## Article 3 – minimum requirements regarding group-wide policies, procedures and controls

- Requirements **in addition to** the requirements set out in Article 16 AML Regulation
- Key requirements:
  - Set up, implement and maintain an **organisation and coordination structure or body** at group level with sufficient decision-making powers
  - **Information exchanges** between functions and between the group and local level
  - Measures in place to identify and mitigate **conflicts of interests**
  - Carry out and update the **business-wide risk assessment at group level**
  - **Regular review** of the group-wide risk assessment
  - Ensure that the management body and the control functions have the **necessary information** at group level
  - Communication of the group-wide policies, procedures and controls to relevant staff

# Key elements of the draft RTS

## Articles 4-8 – Information sharing within a group

- Information sharing with a **list of information** to be shared across the group on
  - Customer due diligence
  - Transactions, services and activities
  - Risk assessments
  - Suspicious transaction and activity reporting
  - Other relevant information
- Information sharing within groups **whose head office is outside the Union**
- Information sharing for **supervisory purposes**
- Information sharing for **partnerships for information sharing**
- Information sharing for **certain categories** of obliged entities

# Key elements of the draft RTS

## Articles 10-14 – minimum actions to be implemented by branches and subsidiaries in third countries

- 5 scenarios where a **third country law may prevent the AMLR applicability**:
  - individual risk assessments,
  - sharing and processing customer data within the group or OE,
  - disclosure of information linked to STR reporting,
  - sharing customer data for the purpose of supervision; and
  - record retention.
- **Minimum actions**:
  - Reporting of impediment to supervisor of the home Member State;
  - Exploring if consent from the customer is possible to overcome the legal impediment;
  - If consent is not viable, obliged entity or parent undertaking must take additional measures;
  - Inform of additional measures taken to supervisor of the home Member State

# Key elements of the draft RTS

## Article 15 – additional measures for branches and subsidiaries in third countries

- A total of **nine additional measures are proposed** for obliged entities to apply where they encounter a legal impediment in a third country.
- Obligated entities and parent undertakings may **choose from these measures** to effectively manage and mitigate any heightened risks arising from such legal impediments.
- These additional measures are expected to be implemented on a **risk-sensitive basis**.

## Article 16 – supervisory actions

- The supervisors have at their disposal a **toolkit of supervisory measures** to request from the obliged entity or parent undertaking in case of non-compliance.
- Supervisors of the home Member State can **request further additional measures** such as business and operation restrictions.
- There is an expectation that supervisors **request these actions** following an assessment.

# Key elements of the draft RTS

## Articles 17-20 - Criteria for identifying the parent undertaking in the Union in cases of two or more obliged entities whose head office is located outside of the Union

### Determination of **sufficient prominence by order of importance**

- Any holding company at the highest level of consolidation
- The higher of :
  - the number of customer of the previous three years **or**
  - the average amount of incoming and outgoing transactions in the last three years
- Highest total turnover

### Determination of **sufficient understanding of operations by order of importance**

- Circumstances indicating sufficient understanding of operations
- Number of full-time equivalent staff in compliance function

### Determination of whether the entity has **the responsibility of implementing group-wide requirements**

**Notification** to the supervisor

# Key elements of the draft RTS

## Section 6 - Conditions for the application of group-wide requirements to structures sharing common ownership, management or compliance control

Conditions for the application of group-wide requirements to structures with any of the following:

- **Common ownership**
- **Common management**
- **Common compliance control**

Criteria to identify the **parent undertaking** in the Union for structures other than groups

Notification to supervisor in case parent undertaking **is an obliged entity**

Notification to the supervisor in case parent undertaking **is not an obliged entity**

# Next steps

- 16 June: End of public consultation
- Assessment of responses and update of the cost-benefit analysis
- Q3 2026: Submission of the draft RTS to the European Commission
- Publication of the RTS by the European Commission
- **10 July 2027: The AMLR, including RTS, is applicable in EU member states**



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