

AMLR and AMLA 2027

– the EU's new rulebook

What is changing?

- A single, directly applicable rulebook, anti-money laundering regulation (AMLR), replaces fragmented national approaches from 10 July 2027.
- Anti-money laundering authority (AMLA) is already the central supervisory authority, having taken over AML/CFT mandates on 1 January 2026; direct supervision of selected cross-border groups begins 1 January 2028.
- Beneficial ownership (BO) transparency is materially strengthened: threshold standardized at 25% (15% for higher-risk entities), with 14-day discrepancy reporting and 28-day BO update deadlines.
- Auditability and decision traceability expectations increase significantly.
- New EU-wide limits: €10,000 cash payment cap (with customer identification required from €3,000), and €10,000 CDD trigger for occasional transactions (€1,000 for crypto), both from July 2027. The crypto Travel Rule is already in force; AMLR extends it to self-hosted wallet transfers from 2027.
- Supervisory scrutiny intensifies from July 2027, with most of AMLA's 23 technical standards due by 10 July 2026 and formal adoption continuing into early 2027.

New requirements for banks/firms

- Identify and verify ultimate BO's using central registers and reliable independent sources
- Compare internal BO findings against central registers
- Detect, evidence, and report discrepancies within defined timelines
- Invite clients to correct inaccurate register data, where identified
- Apply consistent customer due diligence (CDD) controls across all EU entities
- Accept eIDAS-compliant digital verification methods
- Maintain full audit trails, including sources, timestamps, changes, and decision rationale
- Demonstrate compliance to national supervisors and AMLA through reconstructable evidence

Checklist to ensure entire client book is up-to-date

- ☐ Standardized CDD and BO processes cross jurisdictions?
- ☐ eID/eIDAS verification fully implemented?
- ☐ Discrepancy reporting within AMLR's 14/28-day windows?
- ☐ EDD and risk-based decisions fully documented?
- ☐ Automation reducing manual onboarding work?
- ☐ Audit trails and entity data consolidated?
- ☐ Exposure to new cash and BO thresholds mapped?

How to meet the changes

Area	What to do
Operational model	• Standardize CDD and BO processes across jurisdictions • Replace fragmented, manual workflows with orchestrated, evidence-led processes • Refresh existing client books in bulk and at scale, prioritizing risk • Shift from periodic re-papering to discrepancy- and change-driven reviews • Embed risk-based decisions that are defensible, documented, and auditable • Prepare for AMLA-style supervision, not just local regulatory reviews
Technology enablement	• Automate onboarding, BO checks, and ongoing monitoring • Consolidate entity data, ownership structures, and risk signals • Use corporate digital identity (CDI) for persistent, auditable client profiles • Orchestrate cross-border and crypto compliance for Travel Rule obligations, including extended requirements for self-hosted wallet transfers
Strategic readiness	• Audit current compliance frameworks against AMLR's finalized and draft technical standards • Invest in scalable, digital-first solutions for CDD and BO • Prepare early for AMLA supervision and technical standards implementation

Get AMLA ready with the EC360 Corporate Digital Identity (CDI) platform

- Fast, frictionless KYC public data and document collation
- Secure, targeted client outreach and private information exchange
- Unified corporate identity profiles from multiple trusted sources
- Automated UBO identification and unwrapping across complex structures
- Multi-source BO verification with clear data provenance and IDP document extraction
- Registry comparison and discrepancy detection, mapped to AMLR's 14-day window
- Structured, supervisor-ready discrepancy reporting and evidence
- Bulk and scalable client book refresh and remediation on demand
- End-to-end audit trails and data lineage

Partner with **Encompass** for faster onboarding and remediation, and defensible compliance by design.

Act early → ensure compliance, accelerate approvals, reduce operational risk, build regulator trust

About Encompass

Encompass enables fast, accurate identity validation and verification of corporate clients, and a gold standard approach to KYC. Our award-winning corporate digital identity (CDI) platform and innovative solutions incorporate real-time data and documents from authoritative global public data sources and private client information to create and maintain digital risk profiles. By delivering structured KYC data and CDI profiles directly into core banking applications, Encompass powers successful AI initiatives, ensuring insights are accurate and actionable.