



Public consultation on the draft Regulatory Technical Standards on group-wide requirements and on branches and subsidiaries in third countries with legal impediments under article 16(4) and 17(3) AMLR

Fields marked with * are mandatory.

Public consultation on the draft RTS on group-wide requirements and on branches and subsidiaries in third countries with legal impediments under articles 16(4) and 17(3) AMLR

Objective of the consultation

AML A would like to receive feedback on provisions of the draft RTS under article 16(4) and 17(3) of [Regulation \(EU\) 2024/1624](#) ('AMLR') and in particular on the specific questions set out below.

Comments are most helpful if they:

- respond to the question stated;
- indicate the specific point to which a comment relates;
- contain a clear rationale;
- provide evidence to support the views expressed/ rationale proposed; and
- describe any alternative regulatory choices AML A should consider.

Such comments should be sent by **15 June 2026, 23:59 (CET)**.

Personal data protection:

The protection of individuals with regard to the processing of personal data by the AML A is based on Regulation (EU) 2018/1725. Further information on the processing of the personal data is available in the Data

Protection Notice.

All legal details can be found in our [Specific Privacy Statement \(SPS\)](#).

How to provide feedback

All the fields marked with an asterisk (*) are mandatory.

We are using a survey format to help us analyse feedback effectively and efficiently. For this reason, document uploads are not enabled for this exercise, and we kindly invite you to share your comments directly within the survey.

Please note that by submitting your contribution, you acknowledge that it will be published on AMLA's website. Contributions will always be published. The name of organisations submitting their contribution will also always be published. The name of the natural person providing a contribution will be published unless they object to said publication. Please refrain from inserting further personal information beyond what we ask from you. In particular, please refrain from providing confidential information or special categories of personal data (that is "personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person's sex life or sexual orientation"). Your email address will never be published.

Before publication, AMLA staff will perform a limited screening of all contributions provided for the sole purpose of filtering any inappropriate submissions. After this, the replies are made available to the public directly on AMLA's public consultations page.

Please note that your contribution may be subject to a request for access to documents under Regulation 2018 /1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC.

Language disclaimer

AMLA welcomes submissions in all official EU languages. You can change the displayed language of this public consultation using the language selector in the top right corner of the EU Survey platform. Please note that all language versions other than English have been produced using machine translation and may contain inaccuracies. When in doubt, please refer to the English version.

Should you encounter issues with submitting your responses, please contact us by email at public.consultations@amla.europa.eu no later than 48 hours before the deadline of the consultation period.

Respondent profile

* This contribution is made by:

An organisation

* Name of the organisation

200 character(s) maximum

Accountancy Europe

* First name of individual (individual respondent or representative of organisation)

100 character(s) maximum

Iryna

* Surname of individual (individual respondent or representative of organisation)

100 character(s) maximum

de Smedt

* Email (note that your email address will not be published)

100 character(s) maximum

iryna@accountancyeurope.eu

* Publication of your name and surname

- I agree to the publication of my name and surname (note that your email address will never be published).
- Contribution to be published without my name and surname (note that your email address will never be published).

* Which of the following best describes your activity or organisation? Obligated entities are those listed in Article 3 of [Regulation \(EU\) 2024/1624](#).

Maximum 1 selection(s)

- Obligated entity in the non-financial sector
- Obligated entity in the financial sector
- Self-regulatory body in the sense of Regulation (EU) 2024/1624 Article 2(1) point (47)
- Industry association representing non-financial sector obliged entities
- Industry association representing financial sector obliged entities
- Civil society organisation/non-governmental organisation
- Other

* Non-financial sector

Maximum 1 selection(s)

- Auditors, external accountants, tax advisors, other independent professionals that provide assistance or advice on tax matters
- Notaries
- Lawyers and other independent legal professionals

- Trust or company service providers
- Estate agents, other real estate professionals
- Traders in precious metals and stones
- Traders in high-value goods
- Gambling service providers
- Crowdfunding service providers and crowdfunding intermediaries
- Traders or intermediaries in the trade or storage of cultural goods
- Credit intermediaries for mortgage and consumer credits (other than credit and financial institutions)
- Investment migration operators
- Non-financial mixed activity holding companies
- Football agents
- Football clubs

* Please select the country from which you or your organisation carry out your main activities:

BE - Belgium

Public consultation questions

Section 1 - General provisions (articles 1 - 2)

Question 1

Do you have any observations concerning the definitions laid out in article 2?

5000 character(s) maximum

As a general comment, Accountancy Europe strongly supports the objectives of the AMLR and this RTS to establish clear and harmonised requirements for group-wide AML/CFT policies, procedures and controls. However, for accountants, auditors and other non-financial professions operating through networks of legally separate and independent firms, or partnerships at Member State level, the practical and legal feasibility of applying the proposed requirements raises significant concerns.

In particular, the draft RTS does not provide sufficient clarity on when these provisions apply to structures that are not organised as traditional corporate groups, creating uncertainty regarding their scope and interaction with existing legal, regulatory and governance frameworks.

Our main concerns relate to:

- practical feasibility of implementing and enforcing group-level compliance obligations across networks of legally independent firms
- legal and operational constraints on information sharing, particularly in cross-border and third-country contexts
- the lack of clear definitions of key concepts and terms, and
- the risk of divergent interpretations and inconsistent application across jurisdictions

AMLA's proposed approach could require networks, partnerships and similar structures established for legitimate commercial or professional reasons to make material changes to their operating models solely to comply with this RTS. This raises proportionality concerns, particularly where such changes may conflict with existing legal, regulatory or governance frameworks applicable to independent firms. The resulting operational burden could be significant, while the extent to which such changes would enhance AML/CFT effectiveness remains unclear. This would exceed what is necessary to achieve the objectives of Article 16 AMLR and would be inconsistent with the proportionality principle in Recital 45 AMLR. The proposed implementation timeline

also appears unrealistic given the scale of the required changes.

Similar discussions arose during FATF's review of Recommendations 18 and 23. Following consultations with supervisors and obliged entities, the Recommendations were revised to reflect implementation costs, legal and operational constraints, and the fact that group-wide requirements cannot readily be applied to the non-group structures commonly found in the accounting and audit sector. These discussions highlighted the need for proportionate AML/CFT measures reflecting the legal and operational realities of such structures.

The proposed information-sharing requirements between legally independent entities also raise practical, legal and data protection challenges. We assume AMLA has consulted relevant data protection authorities, including the European Data Protection Board, and assessed compatibility with EU data protection rules. We would welcome greater clarity on the outcome of this assessment and its impact on the drafting of the RTS.

This response reflects input from Accountancy Europe's AML working group, comprising representatives from both the private sector and supervisory authorities. It therefore highlights not only challenges for obliged entities but also practical issues supervisors may face in applying and enforcing the RTS.

Re Article 2, we consider that several definitions are drafted too broadly for the non-financial sector and risk capturing structures that lack the legal or operational characteristics necessary to support group-equivalent AML/CFT obligations. The definitions of "structure", "network", "partnership" and "franchise" rely heavily on concepts such as cooperation, common business strategy, branding, profit- or cost-sharing, or shared compliance policies. The RTS appears to treat these indicators of coordination as indicators of control. Unless amended, it may apply to structures that lack the characteristics necessary to implement and enforce group-equivalent AML/CFT obligations.

These definitions don't sufficiently distinguish between integrated structures capable of exercising enforceable AML/CFT oversight and looser commercial, professional, or brand-based arrangements that may involve coordination or shared infrastructure but not centralised compliance authority. In practice, in the non-financial sector, common branding or joint market positioning often exists without any corresponding power to impose harmonised AML/CFT controls across separate legal entities. We therefore recommend:

- clarifying that the existence of a "structure" requires not only a common business, professional or commercial framework, but also legally enforceable governance integration relevant to AML/CFT
- narrowing the definitions of "network", "partnership" and "franchise" so that they do not inadvertently capture arrangements based primarily on brand, referrals, common tools, or shared services where there is no effective compliance authority, and
- expressly distinguishing coordination from control

Section 2 - Minimum group-wide requirements (article 3)

Question 2

Do you find the minimum requirements listed in article 3 of the draft RTS related to internal policies, procedures and controls sufficient and clear?

If not, could you please indicate which other requirements, or further clarification, you think should be added and/or revised?

5000 character(s) maximum

Article 3 is generally clear in formal terms, but it is not practical or sufficiently adapted to structures that do not operate as integrated groups. Article 3 requires, among other things, a group-level organisation and coordination structure or body with sufficient decision-making powers, adequate allocation of functions and responsibilities, group-level information flows, identification of conflicts, group-wide assessment of risks, periodic information exchange among control and compliance functions, and consistent implementation across all obliged entities.

These requirements raise significant legal challenges and are disproportionate to the intended objectives.

Despite being clear and feasible for structures that are groups, the requirements are not practically implementable under many of the current structures present in our sector.

Section 3 - Information sharing (articles 4 - 9)

Question 3

Do you foresee any operational or legal challenges including challenges related to legal privilege in implementing the provisions related to information sharing within entities of a group? If so, could you please indicate which ones?

Do you foresee any operational or legal challenges in ensuring that information sharing from third countries and to third countries within entities of a group is adequate to regulatory standards in the Union? Do you have any suggestion that would make it better suited operationally or legally?

5000 character(s) maximum

Yes, we foresee significant operational and legal challenges with the information-sharing requirements, particularly for our sector which includes diversified professional services and partnerships. Firstly, within a “group” or network, differences in regulatory status among member entities (some being “obliged entities” under AMLR, others not) and variations in professional confidentiality laws (including legal professional privilege in some jurisdictions) can impede seamless sharing of AML/CFT information. For instance, a member firm engaged in legal consulting may hold information protected by strong professional secrecy rules that cannot be freely shared with other “group” entities or a central compliance function. The RTS should explicitly clarify that sharing of information must not breach legal privilege or national confidentiality laws.

Secondly, sharing information from and to third-country affiliates poses challenges. Although the objective of the RTS is not intended to be extraterritorial, the practical effect of certain provisions may be to require implementation across an entire network or structure, including entities located in third countries. Legal restrictions on governance arrangements, information sharing, ownership structures or professional regulation may prevent full implementation in certain jurisdictions.

For example, some jurisdictions outside the EU impose data privacy, bank secrecy, or other legal blocks that conflict with the RTS’s information-sharing requirements (Article 4-9 framework). Even though the draft RTS suggests mitigating measures, e.g. obtaining customer consent for data transfers (Article 12) or limiting access to information (Article 13), these steps might not always be feasible or fully effective. Customers may withhold consent, and local laws may prohibit sharing data irrespective of consents.

Section 4 - Additional measures for branches or subsidiaries in third countries of obliged entities and parent undertakings in the Union (articles 10 - 16)

Question 4

Do you foresee any operational or legal challenges in implementing the minimum actions and additional measures required under section 4 of the draft RTS where third-country law restricts the application of group-wide AML/CFT policies, procedures and controls?

If so, please describe the challenges and provide practical examples.

5000 character(s) maximum

N/A

Question 5

Do you foresee any challenges in applying the provisions relating to information sharing within the group where third-country law restricts the ability to access, process or exchange information for AML/CFT purposes (article 12 and 13 of the draft RTS)? If so, please explain.

5000 character(s) maximum

See our considerations regarding third country situations under question 3.

Question 6

Do you consider the proposed framework for additional supervisory actions (article 16 of the draft RTS) appropriate and workable in practice, including the addressee of supervisory decisions and the feasibility of applying restrictions or closure measures in cross-border structures? If not, please explain.

5000 character(s) maximum

Please refer to our replies to the other questions with an overview of the practical and legal challenges that we foresee.

Section 5 - 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 (articles 17 - 20)

Question 7

Do you find the criteria provided in section 5 effective to identify the parent undertaking in the Union in cases where two or more obliged entities not in a parent-subsidary relationship whose head office is located outside of the Union?

Do you find the criterion of annual turnover applicable in your specific sector?

5000 character(s) maximum

We refer to our previous answers. We recognise AMLA's objective of increasing legal certainty and supervisory transparency by providing sequential criteria and a notification process for identifying such a parent undertaking. However, from a non-financial OE perspective, the criteria may not always identify the entity best placed to perform Union parent functions in practice.

Article 17 places significant weight on "sufficient prominence", including the average number of customers, the amount of incoming and outgoing transactions where applicable, and, failing that, total annual turnover.

Article 18 looks at strategy-setting rights, ability to decide on important transactions, coordination of management or control functions, critical outsourcing, and then full-time equivalent compliance staff.

Article 19 further attaches responsibility for implementing group-wide requirements to the entity identified under Articles 17 and 18.

For non-financial sectors, these criteria may not always correlate with AML/CFT capability. For example:

- the entity with the largest turnover may not be the entity with the strongest compliance function
- transaction volume may be inapposite or much less meaningful in sectors where the provision of services, rather than payment flows, is the main risk vector, and
- customer numbers may not reflect complexity or sensitivity of the client base

We therefore have reservations about the use of annual turnover as a fallback criterion. While it may be easy to measure, it may not be a reliable proxy for control, risk understanding, or compliance capability.

More fundamentally however, the proposed provisions appear difficult, if not impossible, to implement in practice within networks of legally independent firms. The framework seems to be based on assumptions that may be appropriate for traditional group structures with a parent undertaking exercising control over subsidiaries, but these assumptions do not reflect the legal and operational realities of many professional services networks.

In such networks, the coordinating entity may establish common policies, standards or frameworks, but it does not possess the legal authority to direct, enforce or compel compliance by independent member firms. Nor do member firms have the ability to exercise control over one another. As a result, assigning responsibilities and powers that presuppose such authority creates a significant disconnect between the obligations set out in the RTS and the legal reality of the structures to which they would apply.

This approach risks creating legal uncertainty regarding accountability and compliance, while also imposing considerable administrative burdens on firms and supervisors alike. Requirements should therefore be aligned with the actual governance arrangements and decision-making powers that exist within these structures, rather than assuming a level of control that is neither legally nor operationally present.

Section 6 - Conditions for the application of group-wide requirements to structures sharing common ownership, management or compliance control (articles 21 - 24)

Question 8

Do you find the conditions listed in article 21 sufficiently clear and effective to identify the structures that shall apply requirements similar to groups?

If not, please explain.

5000 character(s) maximum

No, we do not. Article 21 is one of the provisions that gives rise to the greatest concern from a non-financial OE perspective. Article 21(2) provides that structures sharing common ownership, management or compliance control shall be subject to group-equivalent requirements where they fulfil at least one of a wide range of conditions. These include:

- common majority shareholders or partners
- a common management body or majority thereof

- a homogeneous business strategy or model
- shared profit or cost-transfer mechanisms
- reporting to one another
- common policies and procedures
- mandatory AML/CFT policies developed by one entity or another person
- common control-function arrangements
- common periodic reporting, central compliance operations or costs
- shared audits, and
- common branding or marketing arrangements combined with common audits, reviews, risk assessments or control functions

These conditions are broad and may capture many non-financial structures that are not integrated for compliance purposes. The central issue is that Article 21 regulates indicators of coordination as if they were indicators of control. Shared branding, common methodologies, periodic reviews, or some form of centralised support do not necessarily mean that one entity can require another to adopt and implement group-equivalent AML/CFT controls.

As explained in our response to question 1, the current wording in the draft may essentially require structures that are purely designed for genuine business purposes to fundamentally change their operating model solely for the purposes of complying with this RTS. Such an outcome would be highly disproportionate, and would impose significant legal, operational and organisational burdens, the necessity and added AML/CFT value of which remain unclear.

As an illustrative example, consider a multinational audit network comprising independent national partnerships that share a common brand, methodologies and professional standards, but which do not operate under a single controlling parent undertaking. Under the draft RTS, such a network could potentially be regarded as a “structure” with common compliance control and therefore become subject to group-equivalent AML/CFT requirements. However, and as pointed out earlier, in many networks, no individual member firm possesses the legal authority to direct, supervise or enforce compliance measures across all other member firms. As a result, obligations premised on the existence of a group-wide decision-making or enforcement structure may be difficult, or in some cases impossible, to implement in practice without fundamentally altering the legal and governance arrangements of the network. This could include requirements relating to group-wide controls, the appointment of a group compliance officer, or the implementation of information-sharing arrangements across the entire structure.

As another example, we note that the proposed provision may capture small obliged entities that share certain characteristics, such as common ownership or common management, even where they operate separately or exclusively within the same jurisdiction and are supervised by the same competent authority. In such circumstances, the implementation of the proposed requirements could generate additional compliance costs and administrative burdens without delivering a commensurate enhancement of AML/CFT outcomes.

These examples highlight the need for greater clarity regarding the circumstances in which networks and similar structures are intended to fall within scope and how the proportionality principle referred to in Recital 45 is to be applied in practice. AMLA seems to recognise this concern in recital 27, which states that pure cooperation agreements, the use of common technical tools only, customer referrals, exchanges of best practices, the use of the same name or branding only, or outsourcing arrangements of compliance control to the same service provider should not fall within scope. Yet Article 21(2)(c)(v) expressly includes common branding, marketing or franchising arrangements combined with common audits, reviews, risk assessments or control functions. This creates interpretive uncertainty and risks inconsistent supervisory approaches.

We therefore do not consider Article 21 to be sufficiently clear or appropriately calibrated for the range of structures that may fall within its scope. Further guidance would be necessary to provide greater legal certainty and support a common understanding among obliged entities and supervisors. In particular, consideration should be given to supplementing the provision with practical examples illustrating how the relevant criteria should be applied in different scenarios. The approach adopted by the FATF, which accompanies its standards with illustrative examples and interpretative guidance, provides a useful model in this regard, and could assist in promoting greater consistency and proportionality

Question 9

Do you foresee any legal or operational challenges in implementing the provisions listed in this RTS and in particular by article 21 for the above-mentioned structures?

If so, please describe the challenges and provide practical examples.

5000 character(s) maximum

Yes. We foresee major legal and operational challenges arising from Article 21 for structures other than groups. These challenges are particularly acute where the structure was not established for the purpose of sharing compliance controls and does not have central authority capable of enforcing AML/CFT standards across the member entities.

The key challenges include:

- legal authority and enforceability: a designated parent undertaking may not have legal authority to impose AML/CFT policies, require remedial action, obtain customer information, or compel participation in a common risk-assessment process. This creates a mismatch between regulatory obligation and legal power
- liability without control: if an entity is identified as the parent undertaking under Article 22 and is expected to develop and implement group-equivalent requirements, it may be exposed to accountability for failures in entities that it does not own, manage, or control in a legally enforceable way
- data-sharing and confidentiality constraints: independent OEs may not have the contractual basis, system capability, or legal permission to exchange the type of information contemplated by Articles 4 and 21. This challenge is sharper where professional secrecy or local confidentiality obligations apply
- no shared compliance infrastructure: many non-financial structures do not have common compliance platforms, central investigations teams, or consolidated customer-risk methodologies. Building these solely to satisfy group-equivalent obligations is disproportionate
- governance fragmentation: even where some common management or strategy exists, actual AML/CFT decisions often remain local. The RTS do not sufficiently address how local responsibility and central expectations are to be reconciled in decentralised structures. A practical example would be a professional network in which independent legal or accounting firms use a common brand, participate in common training, undergo periodic quality reviews, and share certain operational standards, but retain full autonomy over client acceptance, AML risk assessment, reporting decisions, and file access. Under Article 21, such a structure could be brought within scope even though the structural means to implement group-equivalent controls do not exist

We therefore recommend that AMLA creates a clear exception for non-integrated structures in which no entity has binding authority to enforce AML/CFT controls or to access and review customer-level information across the structure.

Question 10

Do you find the criteria listed in article 22 effective to identify the parent undertaking in the Union in cases where two or more obliged entities are part of the above-mentioned structures?

If not, please explain and provide practical examples

5000 character(s) maximum

We do not fully find the criteria listed in Article 22 effective to identify the parent undertaking in the Union, in cases where two or more obliged entities are part of the above-mentioned structures. These criteria are broad and may identify an entity that is commercially central without being compliance-central. For example, an entity may manage branding, technology, or common services, but may have no legal authority to impose AML/CFT controls on independent member firms.

Similarly, an entity that manages costs or provides critical services may not be able to access client files or direct local risk decisions. In non-financial structures, the criterion that the entity “provides essential technical information or critical services” is especially broad. It could capture a service company or coordination office whose function is operational support rather than compliance or managerial leadership. The fallback to annual turnover gives rise to the concern that the entity with the highest turnover is not necessarily the one best placed to perform the responsibilities attached to a parent undertaking in the Union.

Another practical example would be a franchise or professional network where the franchisor or coordinating company controls branding and training content but does not control customer acceptance, risk scoring, suspicious transaction reporting, or access to entity-level CDD files. Under our understanding of Article 22, such a company could nevertheless be designated as parent undertaking, even though it would not be able to discharge that role effectively.

Overall, we consider it essential that AMLA engages further with the accounting and audit sector, as well as other designated non-financial professions, in order to develop group-equivalent requirements that are both legally sound and practically implementable.

We recognise that such further engagement may present challenges in terms of the timeline for delivering the RTS to the European Commission. However, given the complexity of the structures involved and the importance of ensuring effective and proportionate requirements, we would encourage AMLA and the Commission to find an approach that allows for the development of a workable way forward. This would help ensure that the RTS fully achieves its intended objectives, while remaining implementable for the entities concerned and effectively applicable for supervisors of OEs. Accountancy Europe stands ready to help find the necessary solutions.

Thank you very much for your feedback.

Contact

[Contact Form](#)

