EU Anti-Money Laundering Reform

Policy guidance for the new Anti-Money Laundering Authority (AMLA) in times of multiple threats

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The European Union has fundamentally restructured its approach to tackling financial crime, shifting from a fragmented, nationally driven system to a unified, centralized framework. At its core stands the establishment of the new Anti-Money Laundering Authority (AMLA), created to eliminate inefficiencies and close the gaps that fuelled regulatory arbitrage in the single market. This cepInput provides the following strategic policy recommendations for the effective implementation the new framework:

▶ **Build a coherent supervisory architecture**: AMLA should establish clear protocols for cooperation with national supervisors, enhance cross-border intelligence-sharing, and develop standardized frameworks for joint analysis to avoid duplication and ensure consistent enforcement.

▶ **Leverage tools and innovation**: AMLA should deploy AI and digital tools, create repository of best practices, and invest in digital infrastructures that allow proactive detection of financial crime.

▶ **Address sector-specific vulnerabilities**: Effective supervision requires tailored approaches for non-financial obliged entities and crypto-asset markets, ensuring proportionate rules without stifling innovation.

By setting right priorities, the EU can build a resilient and effective AML system and establish itself as a global standard-setter in financial crime prevention.

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1   Introduction

With the creation of the Anti-Money Laundering Authority (AMLA), which began its operations in July 2025, the European Union (EU) has entered in a new era of financial crime prevention. This development marks a significant shift in the supervisory and regulatory approach. Before the creation of AMLA, AML rules in the EU were largely defined and implemented at the national level.[1] That system revealed significant shortcomings: fragmented supervision, uneven implementation of international recommendations, weak cooperation between authorities, and loopholes that facilitated regulatory arbitrage.[2] For years, the absence of a centralized supervisor and a harmonized rulebook created exploitable gaps, leading to major scandals.[3] These inefficiencies not only undermined public trust but also posed obstacles to the smooth functioning of the internal market.

The cross-border nature of financial crime further magnified these weaknesses. Criminal proceeds flowed freely across jurisdictions,[4] while national Financial Intelligence Units (FIUs) cooperated only sporadically, hampered by information asymmetries.[5] This lack of a common supervisory approach left the Union vulnerable to both internal risks and external threats. In light of these challenges, the creation of AMLA was a necessary step to safeguard the integrity of the single market.

The new AMLA-led framework remedies these shortcomings by introducing a harmonized regime for AML and countering the financing of terrorism (CFT). At the core of this new system is the single rulebook, a set of directly applicable regulations that eliminates inconsistencies caused by varied national transpositions. This ensures a genuine level playing field, strengthens cooperation between FIUs, and establishes common supervisory practices.[6] The reform's objectives are clear: to eliminate market distortions, foster fair competition, and enhance transparency and stability across the single market. By ensuring that all market participants operate under consistent rules, it prevents regulatory arbitrage and safeguards the economic order.

Against this backdrop, this cep**Inpu**t examines how the new AMLA framework can be operationalized in practice and provides policy guidance for the Authority's emerging supervisory role.

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1   S. Bergström M. (2016), Money Laundering, in Mitsilegas, V., Bergström, M., Konstantinides, A., Research Handbook on EU Criminal Law, Elgar, pp. 335-354; Van den Broek M. (2015), Preventing Money Laundering, Eleven, p. 475.

2   European Court of Auditors (2021), Special report 13/2021: EU anti-money laundering policy, p.43, available here.

3   S. European Anti-Fraud Office (2025), OLAF and EPPO jointly uncover 9.5 million fraud and money laundering scheme, press release, available here; International Bar Association, Anti-money laundering: banking scandals prompt rethink of EU regime, available here. Incalza, T., 2014, National anti-money laundering legilsation in a unified Europe: Jyske, Common Market Law Review, Vol. 51, No. 6, pp. 1829 – 1850. A

4   Incalza T. (2014), National anti-money laundering legilsation in a unified Europe: Jyske, Common Market Law Review, Vol. 51, No. 6, pp. 1829-1850.

5   European Commission (2009), Report of the High-Level Group on Financial Supervision in the EU, available here. Kirschenbaum, J., Véron, N., 2018, A better European Union architecture to fight money laundering, Policy Contribution, No. 19. Available at: https://www.bruegel.org/2018/10/a-better-europeanunion-architecture-to-fight-money-laundering/.

6   Kirschenbaum J., Véron N. (2018), A better European Union architecture to fight money laundering, Policy Contribution, No. 19.

2   Single AML rulebook for the EU

The EU's new AML framework rests on two pillars: a directly applicable AML Regulation[7] and a complementary AML Directive[8] that each EU member state must individually implement and incorporate into its own national laws. From 10 July 2027, the AML Regulation will replace the existing patchwork of national rules with a uniform set of requirements for all member states, ensuring immediate and consistent application. It provides obliged entities (OEs) with common rules on internal policies, customer due diligence, ownership transparency, reporting obligations, record-retention as well as measures to mitigate risks deriving from anonymous instruments.

Importantly, the AML Regulation applies not only to financial institutions but also to a broad range of non-financial OEs, including crypto-asset service providers (CASPs), crowdfunding service providers and intermediaries, mortgage and consumer credit intermediaries (other than credit institutions and financial institutions), and non-financial mixed activity holding companies.

The new system places AMLA at its centre entrusted with a dual mandate as both regulator and supervisor. AMLA is tasked with completing the EU's single rulebook. AMLA is responsible for completing the EU's single rulebook by drafting detailed technical standards on matters such as customer due diligence and risk management procedures.

Starting from 2028, AMLA will directly supervise selected high-risk cross-border institutions (approximately up to 40), including banks, payment service providers, and cryptocurrency firms. These institutions will no longer be subject to fragmented oversight by multiple national supervisors, but instead to centralized EU-level supervision. In parallel, AMLA will exercise indirect supervision by coordinating national authorities and FIUs, ensuring effective and consistent enforcement across member states, reviewing high-risk sectors (such as crypto-asset service providers (CASPs), and resolving disputes between national supervisors.

This dual role strengthens compliance in the most vulnerable sectors, fosters a shared supervisory culture, and improves information exchange across the EU. Direct supervision by AMLA targets those entities where national oversight has proven insufficient, while indirect coordination ensures proportionality and consistency across the wider market.

The AML Directive, by contrast, is not directly applicable but provides the legal framework that member states must implement into national law. Directive sets minimum standards for how national governments, and their authorities should implement and enforce those rules, ensuring effective public oversight. It defines the powers of national supervisory authorities, the functioning of FIUs, the rules for cross-border cooperation, and the sanctions applicable to breaches. This allows for a degree of flexibility while ensuring a common baseline for institutional and organizational mechanisms, such as

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[7]   Regulation (EU) 2024/1620 of the European Parliament and of the Council of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010, PE/35/2024/INIT, OJ L, 2024/1620.

[8]   Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive(EU) 2019/1937, and amending and repealing Directive (EU) 2015/849, PE/37/2024/INIT, OJ L, 2024/1640.

national supervisory authorities and FIUs. This ensures that public authorities are adequately structured to enforce the harmonised rules of the Regulation, while leaving member states limited flexibility in institutional design.

Together, the Regulation and Directive create a coherent EU-wide AML/CFT system: the Regulation provides a single, predictable rulebook for the obliged institutions, while the Directive ensures that public authorities are equipped to enforce it effectively. This integrated approach strengthens the single market by safeguarding integrity, promoting trust, and closing opportunities for financial crime. Over time, it also positions the EU as a potential global standard-setter in the fight against money laundering and terrorist financing.

3   AMLA's first annual work programme

The establishment of AMLA marks a major step forward, but the road ahead involves both challenges and opportunities. Transitioning from a decentralized to a centralized AML/CFT framework requires not only new legal powers but also close cooperation between AMLA, national authorities, and the private sector. Following the EU's "better regulation" principles will be crucial for ensuring long-term success.

In July 2025, AMLA published its first Annual Work Programme (AWP)[9], setting out its foundational phase and strategic priorities for strengthening the EU's AML/CFT framework. The AWP outlines AMLA's initial milestones and lays the groundwork for its dual mandate as both a regulator and supervisor. At the first place, the authority is establishing its governance structures and internal rules of operation and interaction with other organizations, including a code of conduct for their staff.

By July 2026, AMLA must submit to the Commission a series of Regulatory Technical Standards (RTS), Implementing Technical Standards (ITS), and Supervisory Guidelines on key issues such as risk assessment, customer due diligence (CDD), and internal controls. These instruments will form the backbone of the EU's single AML rulebook.

One of the strategic focuses for AMLA is developing a future-ready digital infrastructure. A major part of this involves taking over and improving existing systems that help track financial crimes, including preparing for the transfer of the EuReCA[10] system from the EBA and designing a new, central database for AML/CFT information and the FIU.net platform.[11]

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[9]   AMLA (2025), Work Programme 2025: From Vision to Action, available here.
[10] EuReCA is a European reporting System for material CFT/AML weaknesses launched by the European Banking Authority in 2022; s. Commission Delegated Regulation (EU) 2024/595 of 9 November 2023 supplementing Regulation (EU) No 1093/2010 of the European Parliament and of the Council with regard to regulatory technical standards specifying the materiality of weaknesses, the type of information collected, the practical implementation of the information collection and the analysis and dissemination of the information contained in the Anti-money laundering and counter terrorist financing (AML/CFT) central database referred to in Article 9a(2) of that Regulation, C/2023/7534, OJ L, 2024/595.
[11] S. European Commission (2025), 'Next-Generation' FIU.net, available here.

Inter-institutional cooperation is another key priority. AMLA has already signed Memoranda of Understanding (MoUs) with European Supervisory Authorities (ESAs)[12] and the European Central Bank (ECB)[13] to formalize inter-institutional cooperation. AMLA is also establishing formal agreements with major EU law enforcement agencies like Europol and Eurojust, the European Public Prosecutor's Office (EPPO)[14], and OLAF[15]. These arrangements are intended to ensure that intelligence on financial crime is swiftly exchanged with competent authorities, enabling faster and more effective investigations.

Moreover, AMLA is actively building a robust FIU Support & Coordination Framework, focusing on enhancing information exchange, joint analyses, and strategic threat assessments across EU FIUs. This new framework, established under Article 39 of the AMLA Regulation, has a clear purpose: to streamline cooperation, ensure the secure exchange of information, and mediate when national FIUs disagree or fail to cooperate. Planned initiatives include developing ITS on templates and formats for Suspicious Activity Reports (SARs) and Suspicious Transaction Reports (STRs). Furthermore, AMLA is forming a FIU Delegates Group, with the first meeting scheduled for the third quarter of 2025. In its working programme, AMLA also mentioned launching pilot cases for joint analysis procedures, with the first cases planned for 2026 as well as conducting a comprehensive mapping of all national FIUs to understand their structures, capabilities, and areas for improvement.

Finally, the AWP underscores the importance of private-sector engagement. By creating standardized reporting channels for obliged entities, AMLA seeks to improve the quality of suspicious activity reports. Better reporting from the private sector will, in turn, strengthen authorities' ability to detect and disrupt criminal networks operating across borders.

Taken together, AMLA's first Annual Work Programme reflects a strong emphasis on institution-building, digital transformation, and cooperative frameworks.

4   Beyond the rulebook: policy advice for AMLA

While the legal architecture for the new AML framework is now in place, its true success depends on how effectively it is implemented and adapted to emerging challenges.
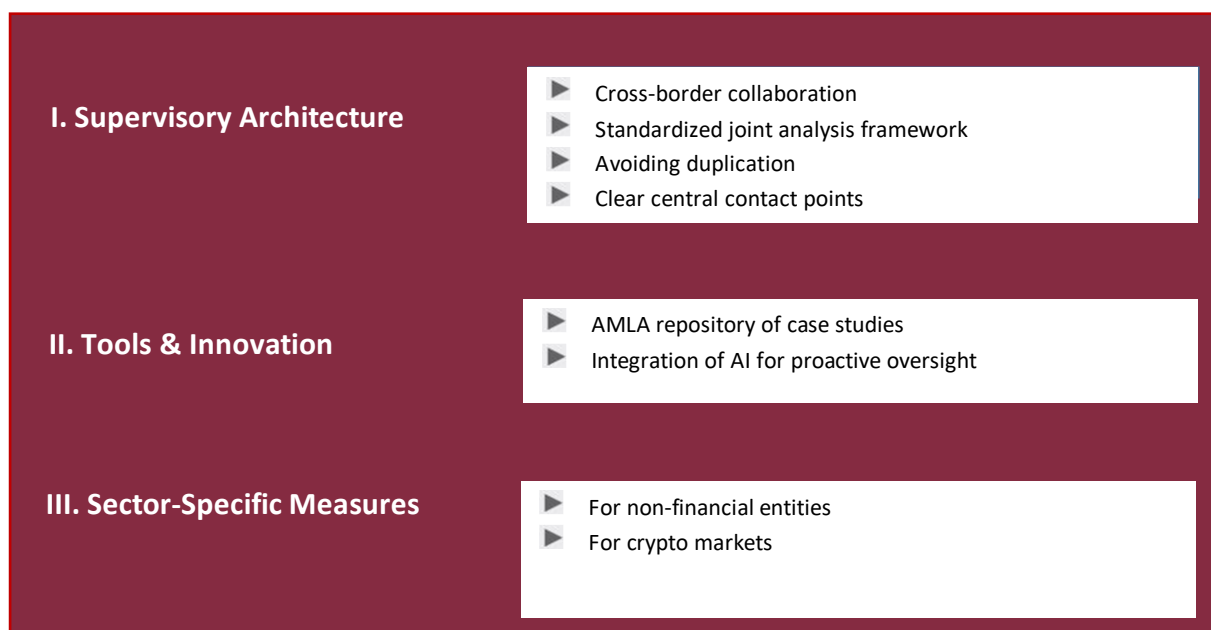
This cep**Input** suggests the following key policy recommendations for AMLA grouped into three policy focus areas to address specific vulnerabilities in the new system and to foster a more resilient and preventive regulatory environment.

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[12] S. 2025 Multilateral Memorandum of Understanding between AMLA and the ESAs, ESAs 2025 25, available [here](#).

[13] ECB & AMLA (2025), Memorandum of understanding on cooperation and information exchange between the European authority for anti-money laundering and countering the financing of terrorism and the European central bank, available [here](#).

[14] Cf. Allegrezza S., (2022), A European Public Prosecutor Office to Protect Common Financial Interests: A Milestone for the EU Integration Process, in Ambos K., Rackow P. (eds), Cambridge Companion on Euro-pean Criminal Justice.

[15] AMLA (2025), Work Programme 2025: From Vision to Action, p. 10, available [here](#).

Fig. 1: Three policy focuses for AMLA

I. Supervisory Architecture	▶ Cross-border collaboration ▶ Standardized joint analysis framework ▶ Avoiding duplication ▶ Clear central contact points
II. Tools & Innovation	▶ AMLA repository of case studies ▶ Integration of AI for proactive oversight
III. Sector-Specific Measures	▶ For non-financial entities ▶ For crypto markets

Source: own illustration.

4.1 Building a coherent supervisory architecture

4.1.1 Enhancing collaboration and combating cross-border threats

AMLA's Work Programme rightly prioritizes the strengthening of the Financial Intelligence Unit pillar. Financial crime networks exploit cross-border vulnerabilities, creating a negative externality that no single national authority can effectively address.[16] However, the current emphasis on facilitating data exchange could be further elevated into a more proactive, collective intelligence operations.

Beyond drafting guidelines, AMLA should lead regular peer assessments and thematic reviews coordinated across NCAs and FIUs. Critically, these assessments should include public identification of best practices and areas for improvement, alongside structured mutual-assistance programs, enabling weaker authorities to benefit from stronger ones.

Further step would be the establishment of permanent cross-border teams under AMLA's leadership. These teams, composed of experts from national FIUs, law enforcement agencies, and supervisory authorities, would conduct continuous, pre-emptive analysis of high-risk typologies, such as illicit finance linked to ransomware attacks, sanctions evasion, or virtual asset misuse.[17] Their findings and operational recommendations should be shared in with relevant stakeholders.

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[16] Cf. European Commission, 2019, Report from the Commission to the European Parliament and the Council on the interconnection of national centralised automated mechanisms (central registries or central electronic data retrieval systems) of the Member States on bank accounts, COM(2019) 372 final.

[17] Cf. Levi, M., Antonopoulos, G., 2022, Through a glass darkly': Organised Crime and Money Laundering Policy Reflections - An introduction to the special issue, Trends in Organized Crime 24, pp. 1-5.

This model would transform AMLA from a passive coordinating authority into an operational hub with genuine added value. By fostering cross-border joint intelligence, the EU can shift from a reactive paradigm (responding to crimes after they occur) to a proactive system capable of detecting and disrupting criminal networks before significant harm materializes.

4.1.2   Standardizing the joint analysis framework

Joint analysis of cross-border financial crime is one of AMLA's most promising tools, but without clear and uniform standards, it risks becoming fragmented and inconsistent.[18] In the absence of clear and uniform standards, joint analysis risks becoming fragmented, with potential delays, disputes, or perceptions of bias in case selection. [19]

To address these risks, AMLA should establish a standardized joint analysis framework built on transparent, objective criteria for case prioritization. Relevant criteria could include: the potential societal impact of the crime, the complexity of the cross-border network involved, the scale of illicit financial flows, and the degree of multi-jurisdictional cooperation required. Consistent application of these criteria would enhance predictability, strengthen trust among national FIUs, and provide greater legal certainty for all participants.[20]

In addition, AMLA should regularly publish evaluation reports on joint cases, highlighting successful strategies, common obstacles, lessons learned and identifying areas for improvement. This structured feedback loop would improve future collaboration, foster institutional learning, and demonstrate transparency and accountability to stakeholders. Ultimately, a standardized, data-driven approach would significantly enhance the EU's collective capacity to combat sophisticated cross-border financial crime.

4.1.3   Streamlining cooperation and avoiding duplication

The introduction of AMLA's direct and indirect supervisory powers carries the inherent risk of adding a further layer of oversight to existing national supervisory structures. If not carefully designed, this dual structure could create inefficiencies, overlapping responsibilities, and unnecessary administrative burdens for obliged institutions.

To avoid duplication, AMLA should establish clear and robust protocols for information sharing and task allocation between itself and national supervisors, particularly within the framework of Joint Supervisory Teams (JSTs). These protocols must define in detail the roles of home and host supervisors, clarify the division of responsibilities, and set out practical modalities for day-to-day cooperation. Furthermore, transparent dispute-resolution procedures for disagreements between national supervisors should be introduced to ensure consistency and seamless enforcement.

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[18]   European Commission (2019), Report from the Commission to the European Parliament and the Council assessing the framework for cooperation between Financial Intelligence Units, COM(2019)371 final.

[19]   EUROPOL (2017), Financial Intelligence Group, From Suspicion To Action. Converting financial intelligence into greater operational impact, p. 40.

[20]   S. Commission (2019), Report from the Commission to the European Parliament and the Council assessing the framework for cooperation between Financial Intelligence Units COM(2019) 371 final, Brussels, 24 July 2019, p. 11.

By eliminating duplication and overlap, AMLA would reduce compliance costs for well-functioning firms while ensuring consistent and effective supervision across member states. This approach would strengthen regulatory clarity, efficiency, and trust, allowing AML oversight to reinforce rather than hinder the functioning of competitive EU markets.

4.1.4   Defining the role of central contact points in cross-border AML supervision

AMLA´s mandate to develop Regulatory Technical Standards (RTS) on central contact points (CCPs) by July 2026 is of central importance for ensuring effective cross-border supervision of payment service providers (PSPs), CASPs, and e-money Institutions (EMIs). In essence, CCPs function as designated representatives of firms operating in a host member state without a full physical presence there. They act as an intermediary channel of communication between the competent authority of the host state and the firm's head office or main establishment, thereby ensuring that supervisory requests, information flows, and compliance obligations can be managed efficiently across borders. CCPs are not substitutes for full branches. Instead, they provide a legally recognized point of accountability, enabling supervisors to engage directly with firms that operate cross-border at scale.

The RTS must therefore provide a clear definition of the circumstances under which the establishment of a CCP is required, as well as clarify their functions. At the same time, however, a blanket obligation for every institution engaged in cross-border activity to establish a CCP would create disproportionate burdens, especially for smaller providers. Conversely, diverging national practices would undermine legal certainty and create enforcement gaps.

In order to reconcile these competing considerations, the RTS should introduce a risk-based set of criteria determining when the appointment of a CCP is appropriate.[21] Such criteria could include the proportion of revenue generated in a host state, the number of customers served there, or the risk profile of the business model. This form of "smart regulation" would direct enhance supervisory oversight towards firms with substantial or higher-risk cross-border activity, while avoiding undue burdens on smaller players.

Equally important is a uniform definition of CCP functions. Without clarity, the effectiveness of CCPs would vary across member states, resulting in miscommunication, supervisory delays, and accountability gaps. RTS should therefore specify that CCPs must act as the single point of contact for the competent authority in the host member state, coordinate and respond to information requests, serve as a liaison between the host authority and the firm's head office on all AML/CFT matters, and facilitate on-site supervisory visits and inspections. Standardising these functions ensures that supervisory expectations are both clear and consistent throughout the EU, thereby eliminating a major source of regulatory uncertainty for firms.

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[21]   S. German Federal Ministry of Finance (2018), Strategy to counter money laundering and terrorist financing. p. 11, available here.

4.2 Tools and innovation for effective supervision

4.2.1   Enhancing compliance with a repository of case studies and best practices

The harmonization of the AML/CFT framework marks a decisive step forward. Yet, its complexity poses significant challenges for smaller OEs, which often lack the resources to translate abstract legal provisions into operational routines. Compliance still remains heavily influenced by divergent national supervisory interpretations, creating uncertainty and inefficiency. To mitigate these information asymmetries, AMLA should place greater emphasis on measures that enable OEs to assume more responsibility for their own compliance.

A cornerstone of AMLA's supervisory framework will be the establishment of a central database of information.[22] According to current plans, this database will consolidate data from national supervisory authorities, including the results of thematic reviews and horizontal supervisory actions in high-risk areas or activities. [23] While this is a valuable step, it primarily supports supervisory coordination rather than directly assisting obliged entities in improving compliance practices.

To maximize its impact, AMLA should go beyond this approach and develop a publicly accessible, searchable repository of anonymized case studies and best practices. Such a database would provide concrete examples of effective compliance strategies across different sectors from traditional banking to emerging areas such as CASPs. By offering practical illustrations of how customer due diligence, risk assessments, and other key obligations can be successfully implemented, the repository would reduce ambiguity, strengthen legal certainty, and foster a shared understanding of what constitutes sound compliance in practice.

This approach would not only streamline compliance efforts but also raise the overall quality of risk management across the EU. By supplying a public good in the form of structured knowledge and practical guidance, AMLA would empower all market participants, particularly small and medium-sized enterprises (SMEs), to meet their obligations more efficiently and at lower cost. Crucially, this approach avoids excessive prescriptiveness: instead of layering on detailed micro-rules, AMLA would foster a culture of self-responsibility and peer learning, encouraging firms to adopt solutions that work in practice while meeting regulatory objectives.

4.2.2   Integrating AI for proactive oversight and compliance

The exponential growth of financial data, combined with the increasing use of artificial intelligence (AI) by criminal actors, presents a fundamental challenge for supervisors and financial institutions. Without systematic integration of AI tools, oversight risks becoming reactive, inefficient, and unable to keep pace with evolving threats.

AI can transform oversight for both private firms and public authorities. For obliged entities, AI models can classify and prioritize Suspicious Transaction Reports (STRs) and Suspicious Activity Reports (SARs), automate routine reporting tasks, and strengthen customer identification and onboarding processes. This reduces false positives and lowers compliance costs. For FIUs and supervisors, AI tools can process

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[22]   Art. 11 of the AML Regulation.
[23]   AMLA (2025), Work Programme 2025: From Vision to Action, p. 17.

and analyse the vast inflow of reporting data at scale, rapidly identifying new typologies and enabling more effective collaboration with the private sector.[24]

For better oversight, AMLA should integrate a predictive analytics engine powered by machine learning, integrated with its central AML/CFT database. Such a system could detect unusual transaction patterns, new criminal typologies, and emerging risks before they become widely recognized. Supervisors could then use these insights to prioritize resources, conduct targeted thematic reviews of high-risk sectors, and issue early warnings to obliged entities. By embedding predictive AI into its oversight, AMLA would secure a decisive information advantage over criminal networks and shift the EU's AML system from a reactive to a proactive model of financial crime prevention.

4.3 Addressing market-specific vulnerabilities

4.3.1 Engaging non-financial entities from the outset

AMLA's current Work Programme prioritizes the development of Regulatory Technical Standards (RTS) on risk assessment methodologies for financial obliged entities by July 2026. These standards are intended to serve as the foundation for later adaptation to the non-financial sector (NF-OEs). However, the business models and risk exposures of NF-OEs differ fundamentally from those of financial institutions. Simply transferring financial-sector rules risks creating disproportionate compliance burdens and ineffective supervision.[25]

AMLA should therefore establish a dedicated working group for NF-OEs. t should include representatives of non-financial sectors, national supervisors with domain expertise, and consumer protection agencies. Their participation would ensure that RTS reflect the operational realities, risk typologies, and compliance capacities of NF-OEs.

Several key differences distinguish NF-OEs from financial institutions. First, financial institutions are primarily transaction-based, with high volumes of standardized financial flows. NF-OEs, by contrast, often engage in occasional transactions (e.g. crowdfunding campaigns), which creates different detection and monitoring challenges.[26] Second, NF-OEs are frequently used in entry or layering stages [27] of money laundering (e.g. integrating illicit funds into real estate or layering through crypto-assets). Their vulnerabilities often relate to pseudonymity of digital platforms (CASPs, crowdfunding) or fragmented regulatory oversight (intermediaries).[28] Third, financial institutions are integrated into a heavily regulated, centralized supervisory system. In opposite, NF-OEs are dispersed across diverse sectors, often supervised by sector-specific or local authorities with varying levels of expertise in AML/CFT.

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[24]   Cf. Mouzakiti F. (2020), Cooperation between Financial Intelligence Units in the European Union: Stuck in the middle between the General Data Protection Regulation and the Police Data Protection Directive, New Journal of European Criminal Law, Vol. 11, No. 3, pp. 351-374.

[25]   Friedrich C., Quick R. (2019), An analysis of anti-money laundering in the German non-financial sector, Journal of Management and Governance, Vol. 23, pp. 1099-1137.

[26]   Cf. Riccardi M., Reuter P. (2024), The Varieties of Money Laundering and the Determinants of Offender Choices. Eur J Crim Policy Res 30, pp. 333–358.

[27]   Cf. Cassella, S. (2018), Toward a new model of money laundering: Is the "placement, layering, integration" model obsolete?. Journal of Money Laundering Control.

[28]   FATF (2018), Professional Money Laundering. Report, p. 19.

Given these differences, AMLA should design sector-specific RTS rather than transpose existing financial-sector standards. Such RTS should consider sector-specific risk typologies and transaction frequency and scale, which may require different thresholds for monitoring. Moreover, technological requirements should be taken into account, particularly in digital sectors such as CASPs and crowdfunding platforms, where AI-driven monitoring or blockchain analytics may be necessary. To secure cutting-edge expertise, AMLA could foster public-private partnerships with technology providers and analytics firms.

Tailored RTS will ensure that AMLA's rules are both effective against unique NF-OE vulnerabilities and proportionate to their compliance capacities. By engaging NF-OEs from the outset, AMLA can close critical structural loopholes and strengthen the integrity of the EU's AML framework.

4.3.2   Addressing the unique challenges of the crypto-asset market

The regulation of crypto-assets in the field of AML compliance requires a distinct from traditional financial supervision and instead grounded in technology-aware, principles-based approaches. The decentralized, pseudonymous, and rapidly evolving nature of this market renders existing AML/CFT mechanisms, designed for conventional intermediaries such as banks, largely inadequate. The absence of physical presence, the rapid proliferation of decentralized finance (DeFi) structures,[29] and the technological sophistication of the ecosystem pose challenges for the oversight. The main difficulty lies in the fact that traditional supervisory approach is less effective in a decentralized ecosystem, while the absence of harmonized risk assessment standards across jurisdictions opens the door to regulatory arbitrage.

Against this background, AMLA should adopt a technology-neutral and principles-based methodology for crypto-assets. Rather than targeting specific asset classes (such as Bitcoin or stablecoins), the framework should focus on underlying functions and risks. The guiding principle should be "same risk, same regulation" ensuring that comparable risk profiles should be subject to equivalent regulatory standards, regardless of technological form.[30] At the same time, the framework should be flexible enough to accommodate emerging innovations without necessitating constant revision. By focusing on inherent risk factors such as privacy features or cross-chain transfers, the regulatory approach would provide predictability, strengthen legal certainty for legitimate firms and create a level playing field.[31]

A second priority is the development of specialized AML solutions tailored to crypto assets. Traditional transaction monitoring systems are not well suited to decentralized and pseudonymous networks. To close this gap, AMLA should encourage the development of dedicated AML tools. This can be achieved through the establishment of a regulatory sandbox to enable controlled testing of new analytics platforms and smart contract auditing services; the issuance of clear supervisory guidance on the use and validation of third-party blockchain analytics tools; and the promotion of public-private partnerships

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[29]   Williams J., Francis J.(2025), Anti-Money Laundering (AML) in DeFi Platforms: Global Enforcement Trends.

[30]   Financial Stability Board (2023), Global Regulatory Framework for Crypto-Asset Activities. Umbrella public note to accompany final framework, available here.

[31]   BIS (2025), An approach to anti-money laundering compliance for cryptoassets, BIS Bulletin No 111, p. 5.

with blockchain analytics firms to ensure the continuous exchange of knowledge about evolving criminal typologies and best practices. Importantly, this approach strengthens market security without resorting to heavy-handed state intervention in technological development.

Finally, regulatory capacity remains an obstacle: many supervisors lack sufficient expertise in blockchain technology, smart contracts, and DeFi operations. To address this, AMLA should establish a dedicated crypto-asset unit staffed with experts, including crypto analysts, data scientists, and law enforcement experts in cybercrime. Such a team would enable AMLA to anticipate risks, harmonize supervisory practices, and ensure regulatory responses remain aligned with technological realities. In doing so, AMLA would position itself as a global leader in the governance of crypto-assets and the fight against financial crime.

5   Conclusion

The creation of the AMLA represents a decisive step towards a consistent and effective EU-wide AML/CFT regime. By introducing a single rulebook and centralized supervision, the EU addresses long-standing weaknesses of fragmentation, regulatory arbitrage, and uneven enforcement. The challenge now lies in translating this legal framework into a resilient supervisory practice.

To succeed, AMLA must prioritize three areas: establishing a coherent supervisory architecture that avoids duplication and fosters genuine cross-border intelligence; leveraging innovation, particularly AI, to shift from reactive to proactive oversight; and addressing sector-specific vulnerabilities, especially among non-financial obliged entities and in the crypto-asset market. Each of these priorities reflects the need for AMLA to balance uniform standards with sectoral differentiation, central oversight with national cooperation, and regulatory certainty with flexibility in the face of technological change.

Looking ahead, AMLA's ability to operationalize these priorities will determine whether the EU can not only safeguard the integrity of its single market but also set global benchmarks in financial crime prevention. If implemented effectively, the reform will enhance trust in European financial markets and strengthen the Union's role as a leader in shaping the future of global AML governance.

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