To:

Anti-Money Laundering Authority (AMLA)

MesseTurm

Friedrich-Ebert-Anlage 49

60308 Frankfurt am Main

Germany

Milan, 8 May 2026

RE: Feedback to the Consultation Paper on Draft Regulatory Technical Standards under Article 28(1) of Regulation (EU) 2024/1624 on Customer Due Diligence

The Italian Private Banking Association (AIPB) is s a non-profit professional association established in 2004 to promote and support the recognition and distinctive identity of the private banking business within the Italian financial sector. Its membership includes the main domestic and international private banking operators active in Italy, as well as universities, research centres and specialised service providers that contribute to the development of the private banking industry.

AIPB provides a forum for aggregation, dialogue and knowledge-sharing among its members, fostering the development of a robust private banking culture focused on the long-term protection and growth of family wealth. Drawing on the expertise of a broad network of industry professionals, AIPB carries out research, training and advocacy activities aimed at enhancing the quality of private banking services and at supporting the sustainable growth of the Italian private banking market.

In its institutional role, AIPB participates in consultations and working groups with regulatory and supervisory authorities, with the objective of ensuring that the specific features of the private banking service are adequately reflected in the regulatory framework and that rules remain proportionate, risk-based and coherent with the operational reality of the sector.

AIPB wishes first to express its appreciation to the Anti-Money Laundering Authority (AMLA) for the opportunity to comment on the Consultation Paper on Draft Regulatory Technical Standards under Article 28(1) of Regulation (EU) 2024/1624 on customer due diligence (the "Consultation Paper") and welcomes AMLA's efforts to promote a harmonised, risk-based and proportionate framework for customer due diligence (CDD) across the Union and across all categories of obliged entities.

AIPB recalls that it already provided detailed feedback in the context of the European Banking Authority (EBA) public consultation on the draft Regulatory Technical Standards on CDD prepared under Article 28(1) of

Regulation (EU) 2024/1624. In that previous submission, AIPB offered constructive insights and proposals aimed at strengthening and harmonising AML measures while preserving the operational sustainability of the requirements imposed on obliged entities, with particular attention to the private banking segment, which is already highly regulated.

AIPB is pleased to note that a number of the observations expressed in its response to the EBA consultation appear to have been taken into account in the draft RTS submitted by AMLA, especially as regards the need to avoid redundant or excessively severe measures that would increase operational and financial burdens without a commensurate improvement in the effectiveness of controls. Against this background, AIPB welcomes the opportunity to continue this constructive dialogue in the present consultation.

In responding to AMLA's Consultation Paper, AIPB will focus on the following key issues which are of relevance for the Italian private banking sector.

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Article 7(1)

(Remote onboarding solutions and proportionality)

In its previous response to the EBA consultation on the draft RTS under Article 28(1) AMLR, AIPB already highlighted the importance of ensuring full consistency between the CDD framework, the eIDAS regime and the EBA Guidelines on the use of remote customer onboarding solutions. Italian private banking intermediaries have, in recent years, made significant investments to design and implement remote onboarding processes and ICT solutions that are fully compliant with those EBA Guidelines and that have proven effective in managing AML/CFT risks in practice.

AIPB is therefore concerned that, if the new RTS were interpreted as requiring a material re-engineering of these recently implemented solutions – for example, by imposing additional layers of verification that go beyond the EBA Guidelines – this could result in a substantial and, in AIPB's view, unnecessary regulatory burden.

AIPB would therefore strongly encourage AMLA to:

- ensure that the RTS provisions on remote identification and verification are explicitly and coherently aligned with the current eIDAS framework and with the EBA Guidelines on remote onboarding; and
- establish, where appropriate, a structured dialogue with the European Commission and the EBA to confirm that the technical requirements in the RTS do not require obliged entities to overhaul eIDAS-compliant and guideline-compliant onboarding processes that are already delivering strong AML/CFT outcomes.

AIPB remains at the disposal of AMLA, the Commission and the EBA to provide further evidence from the private banking sector on the effectiveness of existing remote onboarding frameworks and to contribute to any cross-institutional work aimed at achieving a balanced, technology-neutral and proportionate approach in this area.

Article 11

(Understanding the ownership and control structure of the customer)

AIPB fully supports the objective of Article 11, namely to ensure that obliged entities have an adequate understanding of the customer's ownership and control structure, in line with Article 20(1)(b) of Regulation (EU) 2024/1624 ("AMLR"). However, AIPB is concerned that some of the information requirements in Article 11, as currently drafted, go beyond what is strictly necessary to meet this objective and risk creating disproportionate operational burdens, particularly for low-risk customers and relatively simple structures.

In particular, Article 11(2) and (3) require obliged entities, whenever the ownership and control structure includes more than one legal entity or legal arrangement, to obtain detailed information on all intermediate entities, including: a description of the structure; the legal form of each entity/arrangement and the existence of any nominee shareholders; the jurisdiction of incorporation or registration (or governing law for trusts); and, where applicable, the precise percentage and subdivision of shares or interests at each level. This effectively treats any multi-layer structure as inherently complex, even when it is common and low-risk in practice, and goes beyond the level of detail expressly required by AMLR for standard situations.

AIPB believes that Article 11 should better reflect the risk-based approach by differentiating between situations where such granular mapping is necessary and situations where a more proportionate set of information is sufficient. AIPB would therefore invite AMLA to consider the following amendments:

- clarify in Article 11(2) that the obligation to obtain a comprehensive, granular description of all intermediate entities (including legal form, jurisdiction and detailed shareholding breakdown) applies where the customer presents at least a standard or elevated ML/TF risk, or where specific risk indicators are present (for example, use of opaque vehicles, unusually long chains of ownership, or links to high-risk jurisdictions in accordance with European Commission list);
- allow obliged entities, in low-risk situations and for straightforward structures, to rely on a simplified description of the ownership and control structure that focuses on the identification and verification of beneficial owners in accordance with AMLR, without a systematic requirement to document every intermediate layer in detail.

AIPB believes that these changes would maintain a high level of transparency and understanding of ownership and control, while avoiding a systematic expansion of documentation and analysis requirements that seems not to be clearly grounded in AMLR and that may generate significant costs and complexity without commensurate benefits in terms of ML/TF risk mitigation.

Article 12(1)(b)

(Reference to non-EU jurisdictions)

AIPB welcomes AMLA's effort in Article 12 to define "*complex corporate structures*" and to link the more burdensome obligations (including the requirement to obtain an organigram) to those cases only. Nevertheless, AIPB is concerned that the wording of Article 12(1)(b), which currently refers to situations where "*the customer and any legal entities present at any of these layers are registered in jurisdictions outside*

the EU", may be too broad and not fully aligned with the risk-based and equivalence-oriented approach of AMLR.

Treating the mere fact that entities are registered in non-EU jurisdictions as a criterion for complexity may lead to a systematic escalation of obligations for structures involving jurisdictions that have robust AML/CFT regimes and are widely recognised as equivalent or broadly equivalent to the EU framework. AIPB would therefore respectfully suggest that Article 12(1)(b) be refined as follows (new wording in bold font):

"(b) the customer and any legal entities present at any of these layers are registered in jurisdictions outside the EU ***that do not impose AML/CFT obligations equivalent to those set out in Regulation (EU) 2024/1624 or that are otherwise identified by the European Commission as presenting high ML/TF risks***".

This would ensure that the classification of "complex corporate structures" remains focused on genuinely higher-risk situations instead of automatically encompassing any structure involving non-EU entities.

Art. 18

(Understanding of the purpose and intended nature of the business relationship or the transaction)

AIPB would welcome additional clarification from AMLA as to the manner in which the obligation to obtain an "*effective understanding*" of the purpose and intended nature of the business relationship or occasional transaction should be applied in low- and standard-risk scenarios.

As a matter of fact, while Articles 20 and 25 of Regulation (EU) 2024/1624 ("AMLR") unequivocally establish that obliged entities must, in all cases, understand the purpose and intended nature of the relationship or transaction, Article 25 expressly provides that the more detailed set of information is to be obtained only "*where necessary*".

Article 18 of the draft RTS helpfully translates this set of information into a structured list of categories (including, inter alia, the reason for requesting the product or service, its intended use, the estimated amount of envisaged activity, the source and destination of funds, and the customer's business or occupation), but could be interpreted by certain authorities as requiring that most or all of these elements be collected systematically, irrespective of the risk profile of the customer or transaction.

In order to avoid an overly prescriptive application, and to preserve the proportionality and risk-based approach envisaged by AMLR, AIPB respectfully invites AMLA to clarify that: (i) an "*effective understanding*" of the purpose and intended nature may, in low- and standard-risk situations, be achieved on the basis of a more limited and streamlined set of information (for example, a concise indication of the main economic rationale, an indicative range of expected activity and essential information on the customer's occupation or business); and (ii) the full range of informational elements listed in Article 18 of the draft RTS is required only where justified by the ML/TF risk associated with the customer or transaction, including in the context of enhanced due diligence.

Art. 27

(Scope of Source of Wealth (SOW) verification)

With specific regard to the verification of the source of wealth for customers – natural persons and non-natural persons that do not publish financial statements – AIPB notes that, compared to the

verification of the source of funds, a broad reading of SOW may open a significantly more complex and costly scenario, insofar as "wealth" in an economic sense encompasses the full set of material, immaterial and financial assets attributable to the customer, whether held directly or through intermediated structures. In practice, this could be interpreted as requiring obliged entities, in addition to income-related documentation, to collect or reconstruct extensive evidence of the customer's patrimonial situation (for example, multiple land and asset registries, company and vehicle registers, and detailed information on existing investments and other wealth components, including – in some cases – positions held with other intermediaries or even assets linked to family members), with significant operational costs, potential data-protection concerns and a high risk of client resistance.

Against this background, AIPB would respectfully invite AMLA to further specify, in the RTS, the expected perimeter of SOW verification, at least in terms of the breadth and granularity of checks to be carried out as a function of the ML/TF risk level, clarifying that a more limited and pragmatic understanding of the customer's overall wealth is sufficient in low and standard-risk cases, while more intrusive and document-intensive SOW investigations should be reserved for genuinely high-risk situations or where specific red flags are present.

Articles 29 and 30

(Screening of customers and beneficial owners)

AIPB has not identified any material inconsistencies between the requirements set out in Section 7 (Articles 29–30) of the draft RTS and the EBA Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures. In AIPB's view, the two instruments are, in principle, capable of co-existing: the RTS primarily define the substantive obligations relating to TF and sanctions screening within the AMLR framework, whereas the EBA Guidelines focus on the governance and organisational arrangements that institutions should put in place to ensure effective implementation of restrictive measures.

However, AIPB is concerned that the absence of any explicit cross-reference or coordination clause between the RTS and the EBA Guidelines may, in practice, give rise to overlaps, duplications and divergent supervisory expectations at national level. There is a risk that competent authorities might require obliged entities within the EBA's remit to comply fully and separately with both sets of requirements, rather than applying the EBA Guidelines as the organisational framework through which the RTS obligations are implemented, thereby creating an unnecessary "double layering" of standards on the same sanctions-screening processes.

Against this background, AIPB would respectfully suggest that AMLA consider including in Section 7 of the RTS at least an explicit coordination clause, clarifying that, for entities within the scope of the EBA Guidelines on restrictive measures, the implementation of the RTS requirements on TF and sanctions screening should take place in a manner that is consistent with, and builds upon, those Guidelines.

Such a clarification would enhance legal certainty, reduce the risk of unnecessary duplication and help ensure genuinely harmonised expectations across the Union.

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AIPB thanks AMLA for the opportunity to comment on the draft RTS and remains available to provide any additional clarification or input that may be considered useful.