DUFAS

Dutch Fund and
Asset Management
Association

info@dufas.nl
www.dufas.nl

DUFAS Response
RTS on Group-wide requirements

To: AMLA
From: The Dutch Fund and Asset Management Association (DUFAS)
Date: 15 June 2026
Contact: Manouk Fles, Manager Regulatory Affairs, email: mf@dufas.nl

Introduction

DUFAS welcomes the opportunity to respond to the draft RTS on group-wide AML/CFT requirements under Regulation (EU) 2024/1624. DUFAS supports the objective of strengthening effective and proportionate group-wide AML/CFT governance and promoting greater consistency across the Union.

From the perspective of the asset management sector, further clarification would however be beneficial in a number of areas to support practical and proportionate implementation. In particular, greater clarity is needed on the treatment of collective investment undertakings, fund managers, fund-of-fund structures, seeded funds and fund distribution structures under the Draft RTS, as these raise important sector-specific questions regarding the scope and application of the group-wide requirements. These issues are addressed in more detail in our responses to Questions 1 and 8–10.

Question 1

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

The definitions introduced in article 2 would benefit from further clarification, in particular the concepts of “structure”, “network”, and “partnership”, which appear broad and may capture structures that do not operate as integrated AML/CFT groups in practice.

In particular, the current drafting appears to imply a broad interpretation of these concepts. Further clarification would therefore be beneficial regarding the types of relationships and arrangements that are intended to fall within these definitions, especially in the asset management sector. The Draft RTS refers to networks and partnerships, but does not expressly address common asset management structures involving fund managers and collective investment undertakings.

Additionally, the term “control function” is neither legally defined nor even mentioned in the AMLR. Therefore, it appears to go beyond the mandate conferred by Article 16(4) AMLR to introduce obligations on such functions.

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?

The Draft RTS establishes a set of minimum requirements for group-level internal policies, procedures, and controls. In particular, the Draft RTS requires the establishment of a group-level compliance function, as well as the preparation of an annual report on the implementation of group-wide policies, procedures, and controls. While the underlying objectives are broadly clear, further clarification would be beneficial to support consistent and proportionate implementation, particularly for large, diversified asset management groups.

In current practice, many international asset managers operate through governance models, whereby global standards are set centrally (within or outside the EU) and supplemented by local entity-level frameworks. These entities often maintain independent boards, Money Laundering Reporting Officers ("MLROs"), and AML/CFT frameworks tailored to their business models, and may operate as sibling entities rather than within a parent–subsidiary structure. As a result, there may be limited operational alignment or direct oversight across entities, which is a key consideration for how group-level coordination requirements are expected to operate.

While we understand the objective of enhancing consistency and oversight, further explanation would be helpful to ensure that AMLR Article 16 requirements do not result in duplicative or overlapping reporting layers with existing governance arrangements, including global compliance frameworks, regional oversight, and entity–level controls. It would be helpful to confirm whether these requirements may be implemented through coordinated, rather than centralized, governance arrangements.

Further uncertainty arises as to the extent to which a designated EU "parent" (including where it is a sister entity) is expected to exercise direct operational control over AML functions, and how the annual reporting requirement should interact with existing global or regional reporting frameworks.

At the same time, additional clarity on the application of proportionality would be beneficial, particularly for lower-risk business models such as asset management. In particular, we would welcome further guidance on how the proportionality principle should be applied to section 2 of the RTS (Minimum group-wide requirements). Absent such clarity, there is a risk that requirements become overly prescriptive and process-driven, rather than focused on meaningful outcomes. We therefore recommend that the Draft RTS explicitly allow firms to apply a risk-based approach and rely on existing group compliance frameworks and reporting lines where these meet AMLR objectives.

Suggested clarifications:

- Clarification would be beneficial that the AMLR Article 16 obligations may be implemented through coordinated governance, oversight and reporting arrangements across relevant obliged entities, and should not be interpreted as requiring full operational centralization of AML functions where effective local governance and control arrangements already exist.
- Clarification would be beneficial on how a designated EU undertaking may discharge its coordination and oversight responsibilities through formal governance arrangements, including committees, reporting lines, escalation frameworks, and other coordination mechanisms across relevant obliged entities.

- Clarification would be beneficial that the designation of a "parent" undertaking does not necessarily imply direct operational control over local AML functions, and that local MLRO and entity-level responsibilities may continue alongside the AMLR Article 16 framework.
- Additional clarification on the application of proportionality and practical implementation expectations would support more consistent implementation across different sectoral operating models.

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?

The Draft RTS mandate extensive information sharing within groups, including customer data, transaction information, risk assessments, and suspicious activity reporting data. While we understand the objective of enhancing group-wide risk management, further clarification would be beneficial to support consistent and proportionate implementation, particularly for firms operating across multiple jurisdictions, systems, legal entities, and business lines where information barriers may apply. Importantly, this does not apply only to cross-border or multi-jurisdictional group structures. For example, questions may arise regarding the extent to which information can be shared between an asset manager and a legally separate pension administration entity within the same group.

In addition, the interaction with data protection, banking secrecy, and confidentiality laws in third countries remains a significant practical consideration. While the Draft RTS acknowledge a "need-to-know" principle, the practical application of this principle and the thresholds for determining necessity are not sufficiently clear. There is a risk that the current drafting could result in broader information sharing than is necessary under the AMLR.

Suggested clarifications:

- The RTS should more clearly distinguish between mandatory and optional information sharing requirements and align more closely with the AMLR standard that information should be shared only where necessary for AML/CFT purposes. In this context, it would be preferable to remove "at least" from paragraph 1 and to limit the list of information required to be shared, as the current list appears overly extensive and may result in the exchange of information beyond what is necessary in practice. Consistent with Recital 10, firms should be able to apply a "need-to-know" assessment rather than being expected to share the full list of information in all circumstances.
- Further clarification would be beneficial regarding how AML/CFT information-sharing obligations should be reconciled with data protection, confidentiality, banking secrecy and other legal restrictions, particularly in third-country contexts and in group structures involving separate business lines or information barriers.

- Clarification would also be helpful regarding the extent to which entities may rely on information, controls and assessments already available within the group, without creating unnecessary duplication of CDD and risk assessment processes. In particular, firms should be able to rely on information provided by other group entities where appropriate controls and governance arrangements are in place.
- In this context, we note that the current wording stating that each obliged entity "shall remain fully responsible for its own risk assessments and decisions, even when such decisions are based on information shared at group level" may unintentionally undermine effective group-wide reliance arrangements. Clarification would therefore be beneficial to confirm that entities may reasonably rely on information and assessments provided within the group, while remaining responsible for the appropriate application of AML/CFT obligations in their own activities.

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.

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 (articles 12 and 13 of the draft RTS)? If so, please explain.

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.

Answer to questions 4-6:

Operational and legal challenges may arise where third-country laws restrict the application of group-wide AML/CFT policies, procedures and controls, including the ability to access, process or exchange information for AML/CFT purposes. In particular, practical difficulties may arise in assessing whether customer or beneficial owner consent can legally overcome local restrictions, in obtaining such consent in practice, and in implementing additional measures where restrictions remain in place.

Additional challenges may also arise from conflicting legal obligations relating to data protection, confidentiality and reporting restrictions in third countries, particularly where entities are required to share information with the parent undertaking or EU home supervisors. In practice, international groups may face operational complexity in applying enhanced reviews, monitoring obligations, onsite checks, independent audits and reporting requirements across multiple jurisdictions and legal entities.

This may be particularly relevant in internationally operating asset management groups relying on local intermediaries, delegated arrangements or jurisdiction-specific distribution structures, where customer information and AML/CFT responsibilities may not always be centrally held or directly accessible.

While additional measures and supervisory actions may assist in mitigating risks, legal and operational restrictions in third countries may still limit effective implementation. The potential requirement to terminate business relationships, restrict transactions or close down operations where ML/TF risks cannot be effectively mitigated may also create significant legal, operational and client-related consequences in cross-border structures.

Further clarification would therefore be beneficial regarding supervisory expectations, the proportional application of additional measures and supervisory actions, and the extent to which firms may apply a risk-based approach where full compliance with group-wide requirements is restricted by third-country law.

In addition, Articles 10–13 require notifications to be made "no later than 28 calendar days of the following", but the relevant trigger date is not entirely clear. Clarification would be welcome as to when the 28-day period starts to run. We suggest replacing this wording with "within 28 calendar days after identifying the relevant restriction or prohibition", which would provide greater legal certainty and facilitate consistent implementation across firms.

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-subsidiary relationship whose head office is located outside of the Union? Do you find the criterion of annual turnover applicable in your specific sector?

The Draft RTS sets out a methodology for identifying the "parent undertaking in the Union" where two or more EU obliged entities share a common head office outside the Union but there is no parent-subsidiary relationship between them. While we understand the objective of establishing a clear point of accountability within the EU, we do not consider that the proposed criteria will always identify a single parent undertaking effectively.

The qualitative and quantitative criteria — including operational control, risk management capacity, customer and transaction metrics, and decision-making authority over AML/CFT policies — may point to different entities, particularly in complex international group structures or where business models and AML frameworks differ materially.

This issue may arise in international financial groups where legal ownership, AML governance authority, and operational AML oversight are distributed across different EU entities. In practice, cross-border entities often operate through separate legal entities that do not share common management or compliance control, particularly where activities differ significantly. For example, an asset management company subject to the UCITS Directive and/or AIFMD may operate alongside an investment firm subject to MiFID. In such cases, indicators such as turnover, customer numbers, or transaction volumes may point to different entities.

It is also unclear whether the concept of a "group" is intended to include all obliged entities within the EU. Section 6 of the RTS introduces criteria for grouping entities based on common ownership or management and common compliance control, but it is unclear whether these same criteria should also inform the application of section 5. This creates uncertainty as to whether all EU entities within a broader organization should automatically be treated as a single group under the RTS.

Suggested clarifications:

- Clarification would be beneficial regarding the hierarchy and interaction of the RTS criteria, including "sufficient prominence", where legal ownership, governance authority, operational AML oversight and quantitative indicators point to different EU entities within the same group structure, including where entities do not sit within a single parent-subsidiary chain and operate materially different businesses.
- Clarification under Article 16 AMLR would be beneficial to confirm that the designation of a parent undertaking does not automatically require all EU entities to be treated as a single group, particularly where there is no shared management, governance, business or risk characteristics, or control framework. It would also be helpful to clarify that firms may apply a risk-based approach to determine that certain entities fall outside the EU group where they are operationally and functionally independent.
- Clarification would be helpful on whether the scope of the "group" for the purposes of section 5 is intended to align with section 6, including whether common ownership or management and common compliance control are presupposed, and how the criteria should be applied where such features are absent.
- Clarification would be beneficial regarding how the accounting-law concepts of "group" and "parent undertaking" should operate in layered internal structures, given that the AMLR definition of "group" incorporates accounting consolidation concepts through reference to Article 22 of Directive 2013/34/EU.
- Clarification would also be helpful on how the parent selection criteria should apply where legal ownership resides in a holding entity while AML governance and operational oversight are exercised through regulated operating entities with separate governance and compliance frameworks aligned to their specific activities.

Regarding notification to the supervisor, DUFAS notes that the draft RTS provides limited clarity on the circumstances in which a supervisor may reject the entity identified by the group as the parent undertaking in the Union and designate another entity instead. Further clarification of the assessment criteria would enhance legal certainty and support consistent application across Member States.

DUFAS also notes that the draft RTS does not clarify the status of the initially identified parent undertaking while the notification is under assessment or where disagreements between supervisors arise. Clarification on interim arrangements would help avoid uncertainty regarding group-wide AML/CFT responsibilities.

Finally, DUFAS invites consideration of a more proportionate approach to notifications of changes under Article 20(6). As currently drafted, the requirement to notify changes at least one month before implementation may create unnecessary administrative burden where changes are not material from an AML/CFT perspective.

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.

No, the conditions set out in Article 21 are not sufficiently clear to identify with certainty which structures should be subject to requirements similar to those applicable to groups.

In particular, further clarification is needed for the asset management sector. The criteria relating to common ownership, management and compliance control may be interpreted broadly and could potentially capture a wide range of relationships and arrangements that are common in asset management structures. It is therefore unclear whether, and under what circumstances, collective investment undertakings, management companies (ManCos), AIFMs, transfer agents, distributors, fund administrators, seed investors and fund-of-fund structures would be considered to constitute a structure subject to group-like requirements.

Additional guidance and practical examples would help firms assess whether such arrangements fall within the scope of Article 21 and would support a more consistent and proportionate application of the RTS across the asset management sector.

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.

-

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.

-