

An aerial photograph of a city skyline, likely San Francisco, with a blue overlay. The image shows various skyscrapers and buildings, with the Transamerica Pyramid being a prominent feature on the right side. The sky is a clear blue, and the overall tone of the image is professional and modern.

AlixPartners

What compliance leaders need to know (and do) about AMLA's priorities and Work Program 2025

SEPTEMBER 2025

Introduction

The Frankfurt-headquartered European Anti-Money Laundering Authority (“AMLA”), formally known as the Authority for Anti-Money Laundering (“AML”) and Countering the Financing of Terrorism (“CTF”), represents the EU’s most ambitious initiative to date in the fight against financial crime. AMLA was established on 26 June 2024 and is expected to become fully operational by 2028.

However, according to Bruna Szego, AMLA’s inaugural Chair, the authority is already taking an active role. Its 2025 Work Program clearly intends to shape supervision and enforcement from the outset. As several regulatory leaders have publicly noted, enforcement measures are not a distant prospect but are on the horizon.

AMLA’s establishment comes at a time of escalating regulatory complexity and geopolitical uncertainty. Insights from our 2025 Global Risk Survey, which reflects the views of more than 1,000 compliance leaders, underscore the stakes: 63% of European compliance leaders expect financial crime to increase in the following year. Yet, fewer than half consider their technology effective for risk detection, and only about 44% feel ‘very prepared’ to meet emerging regulatory demands.

This Whitepaper offers practical guidance for compliance leaders of banks and other regulated entities on recalibrating compliance frameworks, strengthening organizational resilience, and positioning for success under AMLA’s evolving supervisory regime.

AMLA's agenda directs a new rulebook for European banks

With its Work Program 2025 publication, AMLA has begun to operationalize its mandate, introducing a new supervisory architecture and expanding the regulatory perimeter for banks and other regulated entities. Two core pillars are particularly noteworthy:

1. direct supervision and harmonized oversight, and
2. the expansion of regulatory scope.

1. Direct supervision and harmonized oversight

AMLA's most transformative function will be its authority to supervise selected high-risk financial institutions directly. Initially, AMLA is expected to designate 40 such institutions across Europe, with the scope likely to evolve¹.

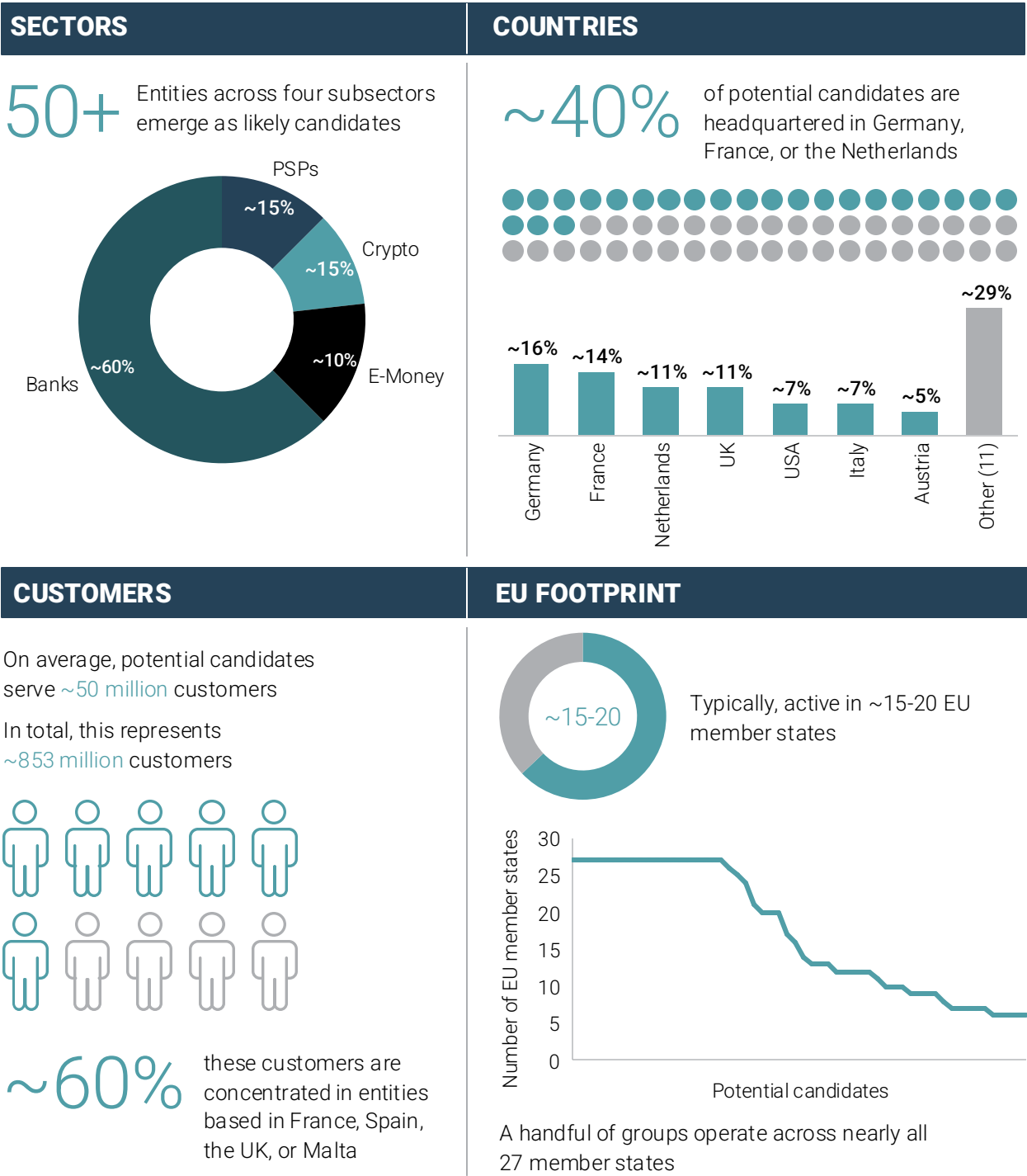
Some observers anticipate that AMLA will closely align its approach with the European Banking Authority's ("EBA"), assessment of inherent money laundering risks across financial services. This is expected to include crypto-asset service providers, financial market infrastructure entities, and payment and e-money institutions, all of which are considered to carry significant money laundering risk.

¹ According to the EBA's draft Regulatory Technical Standards (RTS) under Article 12(7) of the AMLA Regulation (AMLAR), entities may be selected for AMLA's direct supervision if they are active in at least six EU Member States, including their home state, with 'active' defined as having either more than 20,000 resident customers or over €50 million in inbound and outbound transaction volume per jurisdiction. Entities that meet this cross-border threshold are then subject to a risk-based assessment. This assessment follows a three-step methodology: first, inherent risk is scored from 1 (low) to 4 (high) based on quantitative factors such as customer counts, transaction volumes, outstanding loans, and exposure to high-net-worth clients. Second, the quality of AML/CFT controls is graded from A (very good) to D (poor) using qualitative indicators such as the number of deficiencies, outsourcing of AML tasks, and the level of dedicated staffing. Third, residual risk is determined by combining the inherent risk and control quality into categories ranging from low to high. For groups, these residual risk scores are aggregated—typically via weighted averaging—to produce a group-level residual risk score on a 1–4 scale.

For the banking sector, AMLA’s direct supervision will likely begin with the highest-risk cross-border institutions, particularly those with systemic exposure or a track record of compliance deficiencies.

To bring these (albeit still preliminary) parameters to life, we have analyzed organizations that are potentially in the pool of *likely candidates* for direct supervision through AMLA. Our analysis has identified the following characteristics:

Key findings – Indicative characteristics of potential candidates



Source: AlixPartners research, figures are indicative; AMLA’s official list will only be published in 2027

As mentioned, it is essential to note that the actual scope may ultimately differ from our analysis. In any case, which European financial institutions will be designated as high-risk for direct supervision remains to be seen.

At the same time, and to ensure consistency across the EU, AMLA will work to harmonize supervisory practices among national authorities. This will involve issuing binding technical standards, coordinating joint supervisory teams, and facilitating peer reviews. The overarching goal is to reduce regulatory fragmentation and prevent arbitrage, both of which have historically weakened the effectiveness of the EU's AML framework.

AMLA will also formalize cooperation with the European Central Bank and the European Supervisory Authorities through memoranda of understanding, ensuring alignment across prudential and AML supervision.

This combination of direct supervision and a harmonized oversight model marks a shift from reactive enforcement to proactive risk management. For banks, this will require a reassessment of internal controls, enhanced data quality, and preparation for more intrusive and standardized supervisory engagement.

2. Regulatory expansion

AMLA's agenda includes a significant broadening of the EU's regulatory framework. The authority will play a central role in developing the EU's single rulebook for AML/CTF, consolidating and updating existing directives and regulations into a coherent, directly applicable legal framework.

The expansion spans several dimensions

01

A broader scope of obligated entities

AMLA will oversee not only traditional financial institutions but also crypto-asset service providers, crowdfunding platforms, and other emerging market participants.

02

Enhanced transparency requirements

New rules will strengthen beneficial ownership disclosures, cross-border data sharing, and the use of digital identity tools.

03

Sanctions enforcement

AMLA will coordinate verification of compliance with EU sanctions regimes, particularly in light of heightened geopolitical tensions and evolving threat landscapes.

AMLA's rulemaking will be driven by risk assessments, stakeholder consultations, and alignment with international standards such as those of the Financial Action Task Force (FATF). Crucially, its regulatory output will be binding, reducing the interpretive leeway that has historically resulted in uneven implementation across member states.

Banks will need to navigate a more complex and prescriptive compliance environment during this expansion. Institutions will need to invest in scalable compliance systems, integrate financial crime risk considerations into their core operations, and prepare for heightened board-level accountability.

AMLA’s supervision meets a market not yet ready

As AMLA begins implementing its supervisory mandate, a widening gap is emerging between regulatory ambition and market readiness. Many European banks face structural challenges, including outdated infrastructures, fragmented oversight, and talent shortages within risk functions.

Our 2025 Global Risk Survey identified three priority areas for compliance leaders seeking to address these challenges, strengthen operational resilience, and align more effectively with AMLA’s evolving expectations.

1. Readiness deficit of European banks

According to the survey

37%

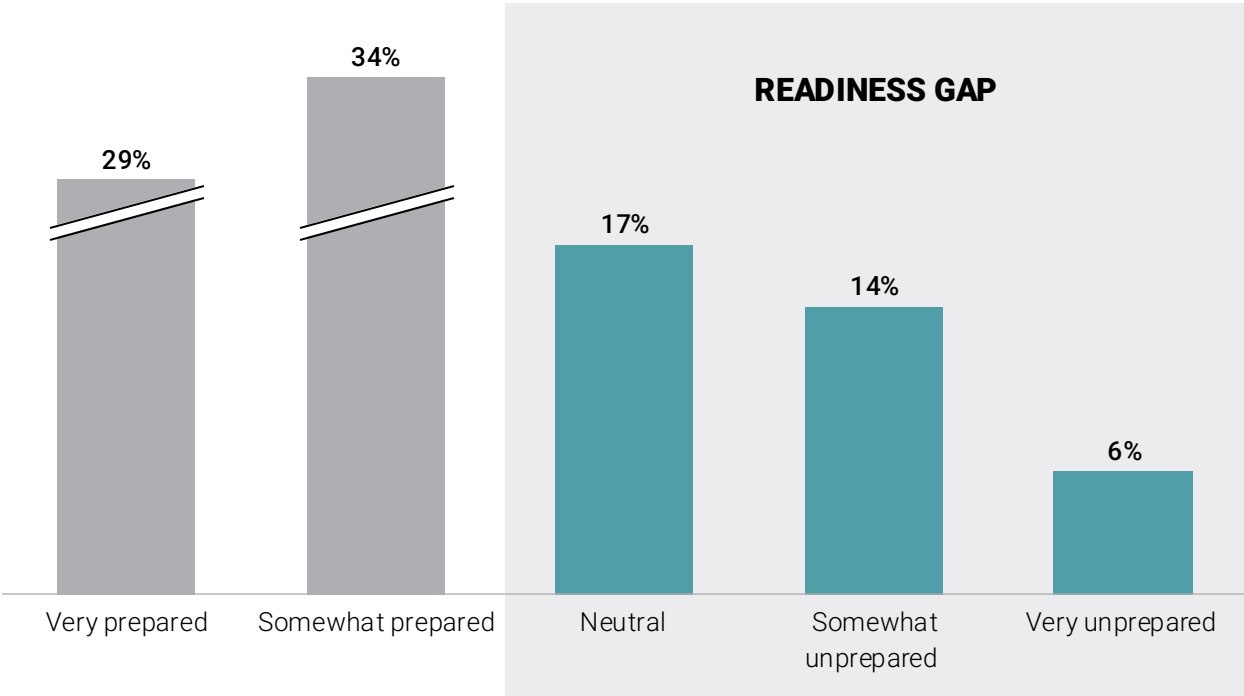
of European compliance leaders do not feel prepared to adapt to changes in international regulation.

This readiness gap is especially concerning in the context of rapidly evolving sanctions regimes, as only

29%

of European compliance leaders feel ‘very prepared’.

How prepared do European compliance leaders feel about addressing new regulations?



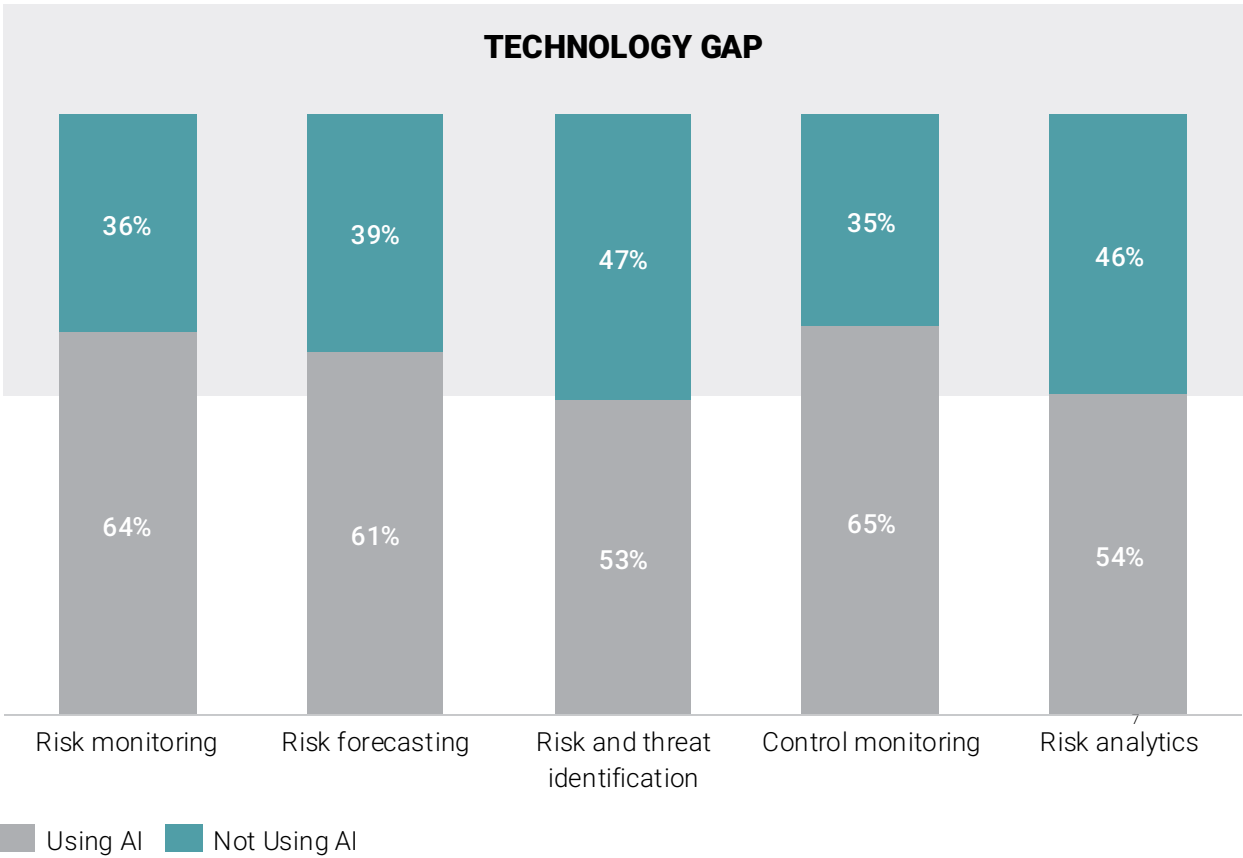
Static compliance models are no longer adequate in an environment defined by shifting enforcement priorities and regulatory divergence across jurisdictions.

2. Technology and data blind spots

Technological resilience remains a critical vulnerability. According to our 2025 Global Risk Survey, 24% of European compliance leaders do not feel prepared to address financial crime and compliance risks over the next 12 months. This fragility is particularly concerning given the sector's growing reliance on interconnected digital infrastructure to deliver compliance outcomes, coupled with the rapid emergence of artificial intelligence.

On average, 41% of European banks report not using advanced technology or AI in key compliance functions, leaving significant capability gaps in risk detection, monitoring, and response.

In which functions of European banks are advanced technologies such as AI currently used?

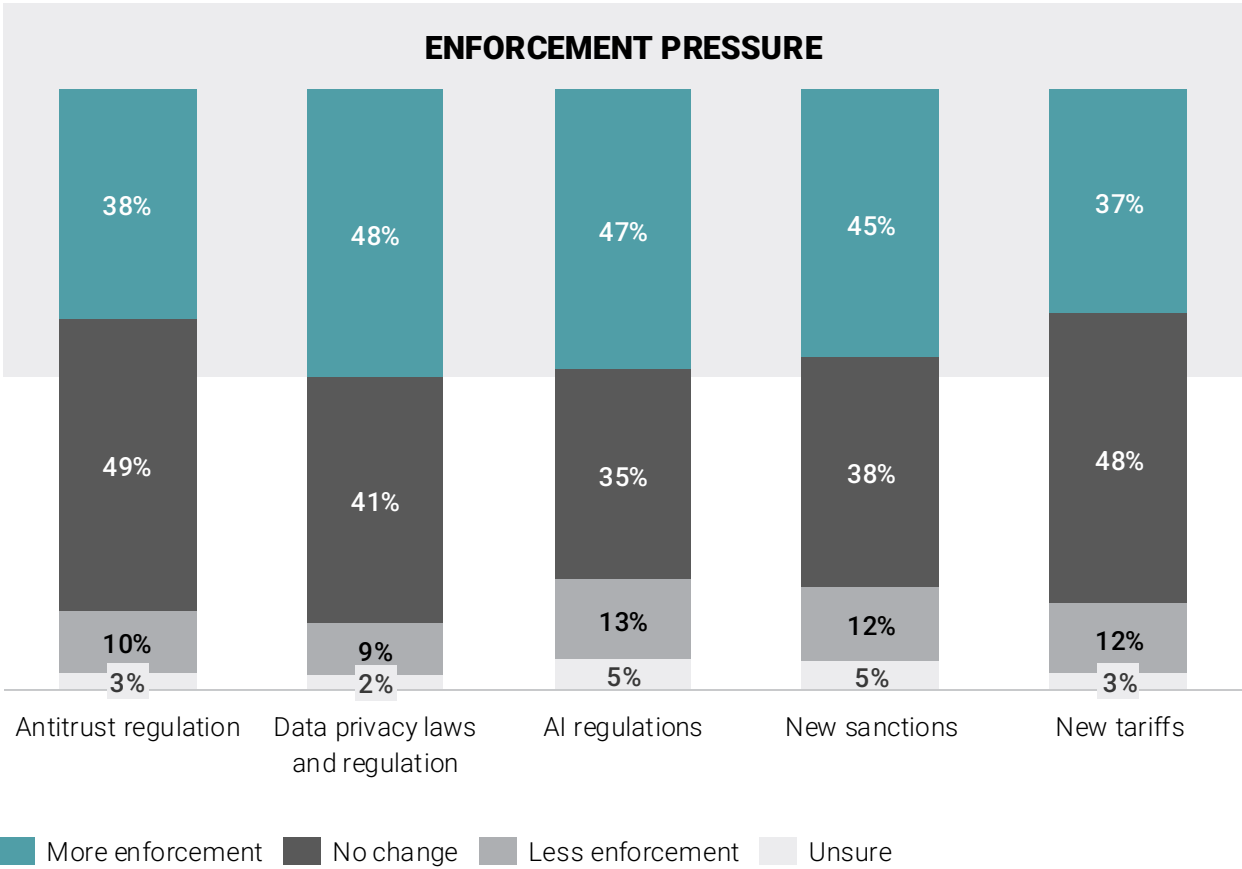


To close this capability gap, compliance leaders must prioritize integrated platforms, establish clear accountability, and ensure a measurable return on technology investment.

3. Compliance leadership under strain

Our 2025 Global Risk Survey finds that, on average, 43% of compliance leaders expect heightened regulatory enforcement in sanctions, AI regulation, and data privacy. These developments coincide with AMLA’s rulemaking and direct oversight taking shape, positioning AML/CTF as an increasingly central priority for boards and compliance functions. The layering of new regulatory requirements and intensifying scrutiny is placing additional pressure on compliance teams already contending with resource constraints and operational complexity.

In which areas do European banks expect increased regulatory enforcement?



Undisputedly, European banks must ensure that compliance functions are not merely reactive to emerging regulations but structurally equipped to manage them efficiently. Compliance efforts risk becoming fragmented and ineffective without precise oversight mechanisms, clearly defined responsibilities, and integrated escalation channels.

Strategic and tactical options for compliance functions

As European banks prepare for the operational reality of AMLA's supervisory regime, compliance functions face a critical inflection point. The expectations set by the new European regulatory architecture are no longer aspirational. They are structural, enforceable, and fast-approaching. Meeting them will require more than incremental or cosmetic upgrades to policies or systems.

Compliance leaders now should focus on three key levers to embed resilience, adaptability, and credibility at the core of their programs.

LEVER #1

Rethink regulatory adaptability as a core competency

Treating adaptability to regulatory change as a core strength requires building compliance frameworks that rapidly incorporate evolving rules, guidance, and supervisory expectations. The EU's Single Rulebook for AML/CFT replaces fragmented national approaches with harmonized standards across all member states. At the same time, AMLA will directly supervise selected high-risk institutions and coordinate oversight with national regulators.

Compliance teams should prepare by continuously monitoring regulatory developments and maintaining processes to update internal policies and procedures in real-time. For example, as AMLA issues new regulatory technical standards or guidelines, a dynamic framework would enable banks to adjust controls and workflows immediately without waiting for lengthy remediation projects. This ability to pivot quickly in response to new rules or regulator feedback is no longer optional but a critical competency.

Equally essential is embedding a robust risk-based approach within this adaptable framework. Under the new regime, regulators expect firms to comply with rules and demonstrate that resources and controls are aligned with the areas of highest risk. This means regularly recalibrating risk assessments and customer due diligence to reflect emerging threats or typologies identified by AMLA.

Practical steps to embed adaptability might include establishing a dedicated regulatory change unit within compliance, leveraging regulatory technology to track developments, and maintaining modular policies that can be swiftly amended across all business units.

Agility in regulatory compliance will increasingly distinguish leading institutions. Banks that proactively cultivate regulatory adaptability will avoid penalties under stricter EU oversight and turn compliance into a competitive advantage by responding to regulatory change faster than peers.

LEVER #2

Accelerate investment in effective technology

Closing the compliance readiness gap requires targeted investment in modern technology. Regulators have clarified that manual processes or legacy systems are insufficient for combating financial crime. Meeting AMLA’s heightened expectations means deploying advanced analytics, artificial intelligence, and machine learning tools for transaction monitoring, sanctions screening, and anomaly detection.

Modern AI-driven monitoring systems can process vast volumes of transactions and client data in real time, detecting subtle patterns that traditional rule-based approaches might miss. This increases the likelihood of identifying illicit activity and reduces false positives, allowing compliance teams to focus on genuinely high-risk alerts.

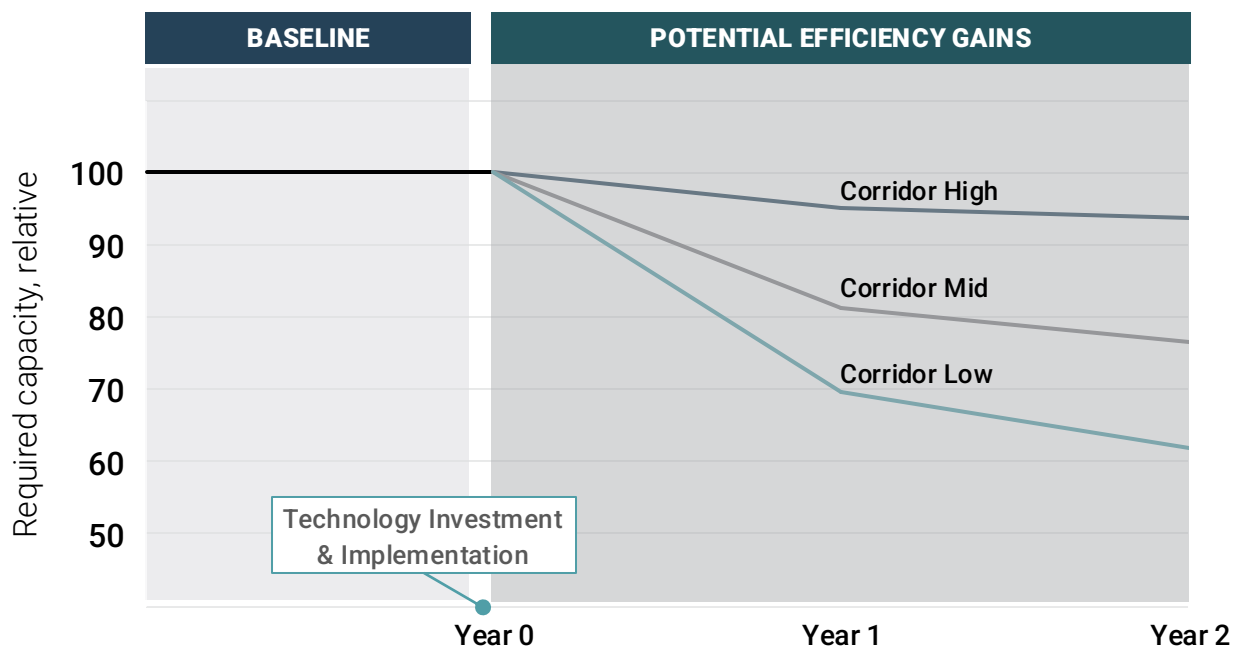
Firms that fail to leverage intelligent automation risk falling into technical deficits and regulatory breaches, while those that embrace it will be better positioned to identify risks promptly and meet AMLA’s data-driven supervisory standards.

Beyond monitoring, investment should also focus on data management and regulatory reporting capabilities as regulators issue frequent ‘data calls’ requiring rapid, detailed reporting on customers, transactions, and risks.

Advanced analytics can also enhance risk assessment by integrating internal and external data to identify higher-risk customers, sectors, or geographies. Network analytics, for example, can map complex ownership structures to improve beneficial ownership transparency, which is one of the EU’s key priorities.

Crucially, technology investments should be assessed for current capabilities and adaptability to future requirements. Can the solution be configured with new AMLA reporting formats? Can it scale to accommodate greater data volumes or new data types?

Finally, technology adoption supports long-term cost efficiency. While headcount may rise temporarily during implementation and remediation, it typically stabilizes and declines as automation reduces manual workloads, creating a leaner, more sustainable operating model for financial crime risk management.



Technology done right does more than close the readiness gap. It strengthens compliance effectiveness while building operational resilience, and ensure a measurable return on technology investment.

LEVER #3

Reinforce governance and senior-level accountability

Regulators increasingly stress that a culture of compliance must start at the top. In AMLA's emerging supervisory environment, elevating compliance from a back-office function to a strategic business enabler is essential.

Boards and executive management should treat AML/CFT compliance as a core element of the institution's risk management strategy, on par with credit or market risk, rather than a regulatory checkbox. This means integrating AML considerations into strategic planning, holding regular board-level discussions on whether the bank's risk appetite aligns with its AML controls, and ensuring directors are well-versed in key regulatory developments.

The stakes are high: under the EU's sixth Anti-Money Laundering Directive, directors and senior managers are personally liable for compliance failures. Enforcement actions can carry direct consequences for leadership, giving them a vested interest in the program's success.

To reinforce accountability, boards should formalize oversight responsibilities, such as designating a committee or specific member to oversee financial crime compliance and setting clear KPIs (e.g., timely suspicious activity reporting, audit issue closure rates). Compliance leaders should support this with concise, forward-looking reporting highlighting emerging risks, evolving AMLA requirements, and the institution's readiness status.

Framing compliance as integral to business strategy can shift perception: strong AML controls can enable safe expansion into higher-risk markets or products, protect reputation, and strengthen customer trust.

Conversely, weak compliance can trigger enforcement actions, stall strategic initiatives, and lead to significant financial and reputational damage.

Outlook

AMLA's arrival marks the start of a new supervisory era that is centralized, data-driven, and unforgiving of institutional inertia. For European compliance leaders, the implications are tangible: operational, structural, and immediate.

This is not a time for minimal compliance or reactive fixes. With AMLA introducing binding standards, direct supervision, and an expanding regulatory perimeter, banks must close the gap between rising expectations and current capabilities, particularly in technology, governance, and risk alignment.

This challenge presents an opportunity. Compliance functions that embed adaptability, invest in AI-enabled systems, and elevate board accountability will meet AMLA's requirements and lead the market. These institutions will operate more efficiently, detect risks earlier, and respond rapidly to change. Technology-led programs, supported by strong governance, offer a sustainable compliance model in an increasingly complex environment.

Compliance is no longer a defensive cost center. Under AMLA, it is a strategic differentiator that signals institutional integrity, reduces regulatory exposure, and builds trust with customers, investors, and regulators alike.

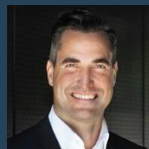
The message is clear: AMLA's agenda is accelerating. European banks that act decisively and strategically now will comply and compete.

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These are the moments when everything is on the line—a sudden shift in the market, an unexpected performance decline, a time-sensitive deal, a fork-in-the-road decision. But it's not what we do that makes a difference, it's how we do it.

Tackling situations when time is of the essence is part of our DNA—so we adopt an action-oriented approach at all times. We work in small, highly qualified teams with specific industry and functional expertise, and we operate at pace, moving quickly from analysis to implementation. We stand shoulder to shoulder with our clients until the job is done and only measure our success in terms of the results we deliver.

Our approach enables us to help our clients confront and overcome truly future-defining challenges. We partner with you to make the right decisions and take the right actions. And we are right by your side. When it really matters.

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