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EACB response to AMLA Consultation on Draft Guidelines on Business-Wide Risk Assessment July 2026

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Public consultation questions

Question 1: Do you agree that the proposals set out in these draft GLs can be applied across all obliged entities and allow for an effective application of a risk-based and proportionate approach towards compliance with AML/CFT requirements?

Provision/ Guidelines paragraph	Comment
5	*We believe paragraph 5(c) should further specify the dedicated information flow to the AML Representative*
6	*We welcome the draft guidelines' risk-based and proportionate approach. However, the proportionality principle in paragraphs 6–8 appears to be framed primarily around reducing complexity for smaller or less complex OEs. We believe it would be beneficial to also acknowledge that for large, complex, and internationally active institutions, a "one-size-fits-all" group methodology can be disproportionately rigid. Further guidance on how the proportionality principle should apply to more complex OEs, including multi-jurisdictional financial groups operating across multiple sectors would be welcome. In particular, the guidelines could clarify that, for complex groups, proportionality may also entail the use of more granular and data-intensive methodologies, going beyond the minimum requirements where appropriate, to ensure that the assessment adequately reflects the group's specific risk profile and complexity. Complex groups routinely apply structured risk taxonomies with multiple assessment levels and multi-entity consolidation. Without explicit acknowledgment, supervisors in different jurisdictions may interpret "proportionate" differently for complex groups. For these reasons we propose adding language that explicitly allows such institutions the necessary flexibility to adapt the group methodology significantly for subsidiaries in different sectors or jurisdictions, provided this is well-documented and justified by the specific risk profile. To address the above point, we suggest adding the following wording to paragraph 6 (or, alternatively, as a new sub-paragraph under paragraph 8):* *"Conversely, obliged entities with complex structures, multiple business lines, or cross-border operations may need to apply more detailed or data-intensive BWRA methodologies than the minimum requirements prescribe, where this is necessary to achieve a meaningful and proportionate understanding of their risk exposure. Such approaches should not be treated as disproportionate."* *Finally, it would be helpful to clarify that the provisions in the*

	proportionality section of the Guidelines, allow the parent undertaking to perform the BWRA on behalf of its branches, provided that the assessment remains proportionate and appropriately calibrated to the specific risks of each branch.
8	*In some Member States, the NSA has established the criteria for conducting the self-assessment exercise by banks. Confirmation is requested regarding the possibility of continuing to use the current models based on the indications provided by one's NSA. On this point, it is asked whether it should be the NSA itself to update the previously provided guidelines through the preparation of new models, or if the burden of updating and adapting to the new provisions falls on the obligated entity.* *Additionally, in relation to par.8(a), further clarification would be helpful on how proportionality should apply within groups comprising complex and non-complex OEs. It states that non-complex OEs "may adopt less elaborate BWRA methodologies", while par.11 requires parent undertakings to ensure that subsidiaries perform their BWRAs using "a coordinated approach and a common methodology".* *In this context, three possible interpretations could arise. First, each entity could calibrate its methodology according to its nature, scale and complexity. While this would be consistent with par.8(a), it could raise questions regarding the consistency with the requirement for a common methodology under par.11. Second, the group methodology could be designed based on the most complex entity and applied uniformly across all entities. While this would ensure methodological consistency, it could result in disproportionate requirements for simpler entities and appear inconsistent with the objective of proportionality set out in par.8(a). Third, the group could apply a common methodological framework while allowing for entity-level calibration of the scope, depth and granularity of the assessment. Under this approach, less complex entities could apply simplified indicators or assess a narrower range of risk areas, while maintaining consistency with the overall group methodology.* *The third interpretation appears to best reconcile the objectives of par.8(a) and 11. However, the GL do not explicitly clarify this point. Further guidance would therefore be helpful to ensure that proportionality is applied consistently within groups and to avoid divergent supervisory expectations. In the absence of such clarification, simpler entities within a group could face challenges either for not applying the full depth of the group methodology or, conversely, for being subject to an overly complex methodology that is not commensurate with their risk profile.*

	To further clarify the interaction, we suggest considering the inclusion of the following wording in either of the two paragraphs: *"Where a group applies a common BWRA methodology in accordance with paragraph 11, individual entities within the group may calibrate the depth, scope, and level of detail of their assessment within that common framework in accordance with the proportionality principle, without this being treated as a departure from the common methodology requirement."*
10	*AMLA should clarify that the recommendations in these guidelines, in the "Implementation" section are not intended to govern the way in which the BWRA is practically formalised, which may vary from case to case for legitimate reasons relating to the activities carried out and existing well-established local practices endorsed by supervisors in various member states. For instance, regarding the requirement in Paragraph 10 for obliged entities to aggregate several assessments for distinct business areas into a single entity-level BWRA, obliged entities should not be required to merge them into a single document provided that they maintain set of documentations with sufficiently clear articulations to give a clear overview of the risks.*
11	*While the Guidelines aim for a proportionate approach, further clarification is needed for groups. The requirement for a "coordinated approach and a common methodology" for all branches and subsidiaries needs to be balanced against the need to reflect specific local risks. We request clarification on the permissible level of deviation from the group-wide methodology to adequately address local specifics (e.g., local products, customer bases, or legal environments). Guidance on resolving potential conflicts between a local entity's risk assessment and the group-level view would be beneficial to ensure a truly risk-based, rather than a purely formalistic, approach.* *Additionally, we suggest rewording paragraph 11 to avoid the automatic requirement for branches to conduct a separate BWRA, particularly where they carry out limited activities. The parent undertaking should be able to determine, on a risk-based basis, whether a branch should conduct its own BWRA or whether its risks can be adequately addressed as part of the group-level BWRA.*
13	*It would be highly appreciated if the Guidelines could provide practical examples regarding the evaluation criteria and the coordination between the ML/TF risk assessment and the*

	assessment of risks related to the non-implementation and evasion of targeted financial sanctions (TFS), including with regard to the treatment of residual risks. *Paragraphs 11 and 13 could benefit from further clarification. Paragraph 11 specifically addresses OEs acting as parent undertakings and requires a group-wide risk assessment providing a holistic view of the group's ML/TF and TFS risk exposure. Paragraph 13, however, allows OEs to either integrate TFS risks into their ML/TF risk assessment or conduct a separate assessment. It would be helpful to clarify how the flexibility provided under paragraph 13 should be applied in a group context, in particular whether a parent undertaking may consolidate separate TFS risk assessments into the group-wide risk assessment.* *Furthermore, with specific reference to the assessment of risks related to the non-implementation and evasion of TFS, additional guidance, would be particularly helpful, including:* • *practical examples, on the relevant risk factors to be taken into consideration; or* • *specific triggers, such as significant operations in high-risk jurisdictions for sanctions evasion or a complex international ownership structure*
17	*Further clarification on how the different sources of information should be taken into account within the self-assessment model would be highly appreciated. In particular, it would be useful to better understand whether, and to what extent, such sources are expected to be relevant for the construction of risk indicators.*

Question 2: Do you agree with the proposed minimum requirements for the content of the BWRA set out in these draft GLs?

Provision/ Guidelines paragraph	Comment
4	*In paragraph 4, we note that the BWRA will need to include the assessment of the quality of AML/CFT/non-implementation and evasion of TFS controls and the residual risk, in addition to the assessment of the inherent risk.* *While the assessment of the quality of controls and the residual risk is of an undeniable importance from a risk-management standpoint, the requirement to develop a BWRA set out in article 10 AMLR does not, in our view, imply that the assessment of such components should be subject to the same methodological and documentary requirements as for the assessment of the inherent risk.* *First, Art. 10 AMLR does not explicitly require the assessment*

	of the quality of controls and the residual risk, whereas recital (30) only mentions the identification of inherent risks. It worth mentioning that many financial institutions assess inherent and residual risks in separate assessments, each designed for a determined purpose: – *Art. 8 (1) of Directive 2015/849 (on which Art. 10 AMLR is built) is mostly implemented through the elaboration of risk classifications covering inherent risks only (customers, products/services, transaction features, delivery channels and geographical exposure), which are taken into account for individual assessment of their business relationships (as referred to in Art. 20(2) AMLR); and* – *The mandatory assessment of the quality of controls and residual risks is underlined in Art. 8 (3) of Directive 2015/849 which requires that internal policies and controls are proportionate to the nature, size and risks of individual obliged entities. Therefore, it rather pursues compliance monitoring purposes.* *Requiring a combination of both assessments in a single set of documents to be elaborated by the Compliance Officer according to Art. 10(2) AMLR would therefore bring confusion.* *Besides, it would also unduly disrupt existing organizations where each assessment is drafted by internal functions which are the best suited, given their daily tasks and responsibilities (i.e. AML compliance officer generally drafts inherent risk assessment, whereas monitoring of the quality of controls and net risks is often carried out by internal control/audit functions). Recommendations of this guideline should remain neutral from an operational perspective.* *In the light of the above, these guidelines should limit minimal requirements relating to the BWRA to the assessment of inherent risk (all the more so as the listed sources seem to be essentially relevant for such assessment). As regard the assessment of the quality of controls and residual risk, AMLA could recommend to use for their internal assessments datapoints to be reported to competent supervisors according to the RTS based on Article 40(2) AMLD, and following similar weighting methodology.*
5	*Par.5(c) requires OEs to ensure that the BWRA is drawn up by the Compliance Officer (CO), while par.9 allows OEs to rely on third parties for assistance, provided that the proposal and*

	approval remain within the OE. In this regard, clarification would be welcome on whether the CO is expected to personally draft the BWRA or rather oversee and coordinate its preparation, including the consolidation of inputs and submission of the BWRA to the management body. *This interpretation would appear consistent with Art.10(2) AMLR, which provides that the management body approves the risk assessment "on the proposal of the compliance officer".* *In practice, particularly for complex or multi-entity OEs, the BWRA is typically developed through contributions from multiple functions and areas of expertise. The CO's role is to coordinate and integrate these inputs into a coherent assessment, which is then proposed to the management body.* *Therefore we suggest to amend par.5(c) to align the AMLR, as follows:* "Ensure that the BWRA is drawn up under the responsibility of the Compliance Officer and proposed by the Compliance Officer to the management body for approval in accordance with Article 10(2) of the AMLR, and, where such body exists, communicated to the management body in its supervisory function." *Additionally, with regard to par.5(d) we support the intent but consider the formulation overly broad in two respects.* *First, the BWRA is a strategic risk assessment document. Its findings and conclusions are implemented through operational policies, procedures, internal guidance, and escalation processes. For employees and external parties performing delegated operational tasks, what matters is that they understand the applicable operational requirements that flow from the BWRA. Training on the BWRA document directly is unlikely to improve operational compliance, whereas training on the policies and procedures that implement the BWRA outcomes is directly actionable in daily work.* *Second, the reference to "persons in comparable positions, including agents and distributors" could be interpreted to require that external contractors and outsourced service providers receive training on the BWRA itself. The BWRA contains sensitive information, sharing this level of detail with external parties raises information security concerns and goes beyond what is necessary for effective operational compliance. Therefore we would suggest amending par.5(d), as follows:* *"Ensure that relevant employees are aware of the BWRA and its implications for the OE's risk management. Ensure that all employees, agents, distributors, and other persons in comparable positions whose function so requires are trained*

	on the policies, procedures, and controls that implement the BWRA outcomes, to the extent necessary for them to understand how these affect their daily work, in line with Art.12 of the AMLR."
10	*Paragraph 10 states that OEs should assess whether activity lines require separate assessments and that, "in the latter case, OEs should ultimately aggregate them into a single entity-level BWRA." While this approach is appropriate, the guidelines do not provide further guidance on how such aggregation should be performed in practice.* *This methodological question is particularly relevant for OEs with multiple business lines, where different aggregation approaches (such as simple averaging, weighted averaging, selection of the highest risk score, or qualitative synthesis based on expert judgement) may lead to materially different entity-level risk profiles. Similar considerations arise in relation to the consolidation of risk assessments at group level under paragraph 31. Therefore we would suggest to include the following wording to clarify paragraph 10, which is:* *"the entity should apply a documented and justified aggregation methodology that produces a meaningful entity-level view of risk exposure across business lines."*
11	*To enhance legal certainty, the term "common methodology" for group-wide risk assessments should be defined more precisely. We request clarification on whether this term refers to mandatory risk categories, a specific scoring model, uniform data sources, or a governance framework. A clearer definition of the core components of the methodology would help ensure a consistent and effective implementation across the group while preventing an overly rigid, "box-ticking" exercise.*
15	*With regard to the section on "Methodology and sources of information", we would like to provide the following comments on paragraphs 15, 16 and 17.* *For paragraph 15 on "Evidence-based judgement", we suggest clarifying that expert judgement based on relevant data should remain acceptable where it follows a defined methodology and is properly documented.* *For paragraph 16, we suggest clarifying that, where risk rating levels diverge from those expected in Annexes II and III, the documentation requirement should apply only where the outcome materially differs from the expectations set out in those Annexes. In this respect, Annex III should be understood as providing an indicative list of higher-risk factors rather than a list of factors that automatically result in a high-risk classification.* *For paragraph 17, we suggest deleting the reference to the*

	"manner in which such sources were used", as this would introduce an overly granular documentation requirement.
21	*For paragraph 21, we suggest adding the sentence "to the extent deemed relevant and material to the OE" after the reference to "outsourcing arrangements and any use of new or emerging technologies".* *This clarification would help ensure that OEs are not interpreted as being required to document, with the same level of detail, arrangements or technologies that are not material from an AML/CFT perspective.*
23	*On minimum requirement 2, par.23 requires OEs to "at least refer to the data points listed in the RTS on Art.40(2) AMLD" when beginning the identification of inherent risks. This raises a question regarding the relationship between the BWRA and the supervisory risk assessment framework.* *The RTS under Art.40(2) AMLD concern the supervisory risk assessment methodology, i.e. the methodology used by supervisors to assess OEs. As acknowledged in Section 3.4 of the consultation paper, the BWRA constitutes the OE's own risk assessment. In this context, it is not entirely clear why OEs should be required, as a minimum, to refer to the supervisory assessment data points when identifying their own inherent risks.* *In addition, the RTS under Art.40(2) AMLD have not yet been finalised. As a result, OEs are currently unable to fully assess the implications of a provision that refers to an instrument whose final content remains under development. We therefore suggest amending par.23 as follows, to clarify the nature of the reference:* "For this purpose, OEs may consider the data points listed in the RTS on Article 40(2) of the AMLD as a non-exhaustive reference, supplemented by any additional relevant quantitative and qualitative indicators." This should preserve the intent of ensuring comprehensive data coverage while respecting the distinct purposes of the self-assessment and supervisory assessment. *In par.24 the guidelines do not provide further indications as to how OEs should determine whether a particular method is considered suitable, nor do they include criteria, examples or benchmarks that could support this assessment.* *This may be particularly relevant for groups operating across multiple jurisdictions, where differing supervisory interpretations of what constitutes a "suitable" method could lead to divergent expectations and potentially affect the consistent application of the guidelines. Further guidance on this point would therefore be beneficial. We believe the*

	inclusion of illustrative examples (such as risk matrix approaches linking likelihood and impact; qualitative-descriptive assessments supported by structured narrative; scenario-based scoring with defined indicators and thresholds; hybrid approaches combining quantitative and qualitative elements) would be beneficial. This would provide a common reference frame for practitioners and supervisors without prescribing a single methodology, consistent with AMLA's chosen approach under Policy Issue 2 (Option A). *Finally, we would welcome some additional clarity on the meaning of "operational realities" as it could have a broad interpretation. Therefore, we would suggest to replace the term with "practical implementation".*
26	*On minimum requirement 3, par.26 would benefit from further clarification to ensure that the assessment of control effectiveness is supported by an appropriate framework, process and governance arrangements, thereby promoting transparency and objectivity in the assessment process.* *We suggest revising par.26 as follows: "OEs should be able to demonstrate a clear process and governance framework to conclude whether current policies, procedures and controls are effectively mitigating inherent risks and to identify where gaps or weaknesses remain."* *In addition, we suggest deleting the reference to "clearly linking them together and explaining", as an overall explanation of how controls mitigate risks in practice should be sufficient, when considered together with the proposed requirement in par.26.* *Par.27 requires OEs to assess control quality "both from a design and implementation point of view." While this distinction is welcome, further clarification on the meaning of "implementation" would be beneficial.* *In particular, it is not clear whether the assessment of implementation is intended to refer to a verification that a control has been implemented, or to an assessment of whether the control is operating effectively in practice. These are materially different assessments and may result in different conclusions regarding the quality of the control.* *In established internal control and audit frameworks, including the IIA Standards and COSO framework, a well-recognised distinction exists between "design effectiveness" and "operating effectiveness". Design effectiveness assesses whether a control is appropriately designed to mitigate the relevant risk, whereas operating effectiveness assesses whether the control functions as intended in practice and on a consistent basis over time. These concepts are widely understood by practitioners, auditors and supervisors. Therefore we would suggest amending par.27:* *"OEs should assess the quality of control measures both from*

	a design effectiveness and an operating effectiveness point of view. The design effectiveness assessment should determine whether adequate controls exist and are appropriately designed to mitigate the risk. The operating effectiveness assessment should verify that controls are functioning as designed in practice and are operating effectively on an ongoing basis."
29	*Paragraph 29 states that OEs' methodology should "recognise that inherently high-risk factors by their nature cannot be completely mitigated by control measures." We support this principle. However, the guidelines do not elaborate on how this principle should be reflected in the assessment of residual risk.* *In particular, it would be helpful to clarify whether the guidelines envisage that inherently high-risk scenarios should remain subject to a minimum level of residual risk regardless of the strength of the control framework, whether there are limits to the extent to which controls may be considered to reduce inherent risk, or whether it is sufficient for OEs to document and justify their assessment of residual risk while acknowledging that inherent risk cannot be eliminated entirely.* *Additionally, we suggest clarifying that residual risk should be understood as the outcome of an aggregated assessment, whereby:* • *inherent risks are assessed across multiple risk drivers; and* • *the effectiveness of the control environment is evaluated holistically, taking into account the combined and potentially interdependent impact of multiple controls and mitigating measures.* *In this context, the reference to "remaining residual risks" would benefit from further clarification to ensure that it refers to the overall residual risk exposure at the level of the OE, rather than suggesting an additional layer of analysis beyond the assessment of residual risk associated with each inherent risk.* *Absent such clarification, the Guidelines could be interpreted as requiring overly granular and operationally burdensome methodologies, such as strict one-to-one mappings between individual risks and controls, which may not adequately reflect the integrated nature of risk management frameworks.*
31	*Paragraph 31 states that a parent undertaking should "take into account the overall residual risk scores resulting from the BWRAs performed by its branches and subsidiaries." As this is the only provision addressing the group-wide risk assessment under Article 16(1), further guidance on how entity-level assessments should be consolidated into a group-wide view would be helpful.* *The reference to taking entity-level residual risk scores into*

	account does not provide further indications as to how such consolidation should be performed in practice. For groups operating across multiple jurisdictions, a range of approaches may be conceivable, including the use of the highest residual risk score for a given risk type, weighted averaging based on the size or significance of individual entities, qualitative synthesis based on expert judgement, or a combination of these approaches. Each of these methodologies may result in materially different group-wide risk profiles. *Without further guidance, groups may need to develop and implement consolidation methodologies without a clear understanding of whether the chosen approach aligns with supervisory expectations. Further to this point, we believe that paragraph 31 could benefit from the addition of the following clarifying wording:* *"When consolidating entity-level residual risk scores into a group-wide risk assessment, the parent undertaking should apply a documented consolidation methodology that produces a meaningful and representative view of the group's overall risk exposure. The methodology may include selection of the highest entity-level residual risk score per risk category, weighted aggregation, qualitative synthesis, or a combination. The methodology should be appropriate to the group's structure and complexity and should be documented and justified."* *Paragraph 31 states that a parent undertaking should "take into account the overall residual risk scores resulting from the BWRAs performed by its branches and subsidiaries." As this is the only provision addressing the group-wide risk assessment under Article 16(1), further guidance on how entity-level assessments should be consolidated into a group-wide view would be helpful.* *The reference to taking entity-level residual risk scores into account does not provide further indications as to how such consolidation should be performed in practice. For groups operating across multiple jurisdictions, a range of approaches may be conceivable, including the use of the highest residual risk score for a given risk type, weighted averaging based on the size or significance of individual entities, qualitative synthesis based on expert judgement, or a combination of these approaches. Each of these methodologies may result in materially different group-wide risk profiles.* *Without further guidance, groups may need to develop and implement consolidation methodologies without a clear understanding of whether the chosen approach aligns with supervisory expectations. Further to this point, we believe that paragraph 31 could benefit from the addition of the following clarifying wording:* *"When consolidating entity-level residual risk scores into a*

	group-wide risk assessment, the parent undertaking should apply a documented consolidation methodology that produces a meaningful and representative view of the group's overall risk exposure. The methodology may include selection of the highest entity-level residual risk score per risk category, weighted aggregation, qualitative synthesis, or a combination. The methodology should be appropriate to the group's structure and complexity and should be documented and justified." *Paragraph 31 states that a parent undertaking should "take into account the overall residual risk scores resulting from the BWRAs performed by its branches and subsidiaries." As this is the only provision addressing the group-wide risk assessment under Article 16(1), further guidance on how entity-level assessments should be consolidated into a group-wide view would be helpful.* *The reference to taking entity-level residual risk scores into account does not provide further indications as to how such consolidation should be performed in practice. For groups operating across multiple jurisdictions, a range of approaches may be conceivable, including the use of the highest residual risk score for a given risk type, weighted averaging based on the size or significance of individual entities, qualitative synthesis based on expert judgement, or a combination of these approaches. Each of these methodologies may result in materially different group-wide risk profiles.* *Without further guidance, groups may need to develop and implement consolidation methodologies without a clear understanding of whether the chosen approach aligns with supervisory expectations. Further to this point, we believe that paragraph 31 could benefit from the addition of the following clarifying wording:* *"When consolidating entity-level residual risk scores into a group-wide risk assessment, the parent undertaking should apply a documented consolidation methodology that produces a meaningful and representative view of the group's overall risk exposure. The methodology may include selection of the highest entity-level residual risk score per risk category, weighted aggregation, qualitative synthesis, or a combination. The methodology should be appropriate to the group's structure and complexity and should be documented and justified."*

Question 3: Do you agree with the proposals for additional sources of information to be taken into account when carrying out the BWRA set out in these draft GLs?

The inclusion of a broad range of information sources is a positive step towards a comprehensive BWRA. However, practical challenges may arise where these ***diverse sources provide***

conflicting information. *For instance, a National Risk Assessment (NRA) may classify a specific sector as posing a 'medium risk', while reports from non-governmental organisations or credible media sources may classify the same sector as presenting a 'high risk'.*

It would be useful for the Guidelines to clarify whether certain sources should be given greater consideration when reconciling conflicting information, in particular official sources such as NRAs and Supranational Risk Assessments, or to provide guiding principles in this regard.Furthermore, it would be useful to clarify that the expectation to consult a broad range of external sources should be applied in a proportionate manner, taking into account the size, nature and risk profile of the obliged entity..

In this regard, we suggest clarifying that the selection and number of sources of information should be determined through a risk-based approach, rather than by reference to an arbitrary number of sources. To this end, we suggest amending paragraph 18 as follows:

"In all cases, OEs should determine on a risk-based approach the type and number of sources of information considered […]".

In addition, we believe it is important to ensure that the additional sources of information are considered in a flexible and proportionate manner. The sources listed in paragraph 19 should be understood as non-exhaustive and as providing a reference framework, rather than as mandatory sources that obliged entities are expected to consider in all cases.

We suggest amending paragraph 19 as follows:

"In this regard, obliged entities may choose among the following non-exhaustive list of additional sources of information when preparing their BWRA".

Similarly, we suggest replacing the wording "is to be taken into account" in paragraph 19 with "should be considered when deemed relevant", in line with a risk-based approach and with the approach currently reflected in the EBA Guidelines (EBA/GL/2021/02).

We also suggest reviewing the list of additional sources of information to ensure alignment with the sources already recognised at Level 1. In particular, some references, e.g. "fraud observatories" appear broader than expected or may create uncertainty as to their relevance and applicability for all obliged entities. We therefore suggest reconsidering the inclusion of the following categories of sources or clarifying their relevance and application:

- Information from public authorities and official authorities such as fraud observatories, central banks, statistical organisations and academia.
- Information from sanctions and watchlists maintained by competent authorities to identify persons, entities, jurisdictions or patterns relevant to ML/TF and TFS evasion risks.
- Industry-level and professional sources of information shared by relevant industry bodies, professional associations or SRBs, including public-private partnerships and inter-agency cooperation forums.
- Information from civil society, such as corruption indices and country reports.
- Information from credible and reliable commercial organisations, such as risk and intelligence reports.

Finally, we suggest further clarifying the sources of information that OEs should consider when performing their BWRAs, and to further acknowledge the role of broader internal risk event data in supporting data-driven assessments. For OEs with mature data environments, internal risk event data, such as screening and monitoring alert data, financial crime incident and loss data, and customer due diligence review outcomes, represents a key source of quantitative evidence on actual risk exposure and can provide valuable inputs into the identification and assessment of inherent

risks. Making this explicit would help clarify that, where available, OEs should leverage relevant internal data as part of their risk assessment. Additionally, to maintain consistency with a risk-based approach, we suggest replacing the wording "should also make use of" in paragraph 20 with "should also consider when deemed relevant", in line with the current EBA Guidelines. This would clarify that, where available and relevant, OEs should leverage internal quantitative data as part of their risk assessment, while preserving proportionality in the application of the requirement. To address these points, we suggest to expand paragraph 20 adding the following wording:

"OEs should also consider when deemed relevant their own quantitative risk event data, including, where available, screening alert volumes and outcomes, transaction monitoring alert data, fraud loss and incident data, and outcomes of customer due diligence reviews, as inputs into the identification and assessment of inherent risks."

Question 4: Do you foresee any operational challenges in implementing these GLs?

Provision/ Guidelines paragraph	Comment
3	*The draft guidelines define the scope of the BWRA by reference to ML/TF risks and risks of non-implementation and evasion of TFS, in line with Article 10(1) AMLR. In practice, however, many financial groups assess other financial crime risks within the same assessment framework. This integrated approach reflects the interconnected nature of financial crime risks and can support efficient risk management and governance arrangements.* *The guidelines do not currently clarify whether OEs applying an integrated financial crime risk assessment methodology may include additional financial crime risk types within the same BWRA document, alongside the ML/TF and TFS assessments required under Article 10(1) AMLR.* *We suggest that AMLA clarify that OEs may include additional financial crime risk types within the same assessment document, provided that the ML/TF and TFS components required under Article 10(1) AMLR are clearly identifiable and separately assessable within the overall assessment framework.*
5	*The guidelines require each entity's BWRA to be approved by the management body (paragraph 5(c)). The parent undertaking must then perform a group-wide risk assessment based on the completed entity-level BWRAs (paragraph 11), taking into account overall residual risk scores (paragraph 31). This sequencing may create practical challenges for groups operating across multiple jurisdictions, as management body approval cycles may not be aligned across entities. Entities may have different meeting frequencies, lead times or internal approval processes, which may affect the timing of entity-level approvals and, consequently, the completion of the group-wide assessment. In a group with entities across multiple*

	jurisdictions, these timing dependencies may create delays to the overall assessment process. *We suggest that AMLA clarify whether provisional entity-level BWRA results may be used for group-wide consolidation while management body approvals are pending, provided that final approved versions are incorporated subsequently and any material changes are appropriately reflected. This would support realistic implementation timelines while maintaining appropriate governance standards.* *Additionally, the training requirement referred to in paragraph 5(d) should be applied on a role-based and need-to-know basis. Relevant staff should understand the practical implications of the BWRA for their daily activities, including applicable risk factors, vigilance measures and mitigation actors. However, they should not be expected to master the full technical methodology, scoring model or weighting approach unless this is relevant to their role. In particular, training on the assessment of the quality of controls should be tailored to the functions concerned, as such level of detail would not be relevant for staff who do not perform control, testing, or inspection-related tasks.*
5	*Many financial sector OEs currently apply the EBA ML/TF Risk Factor Guidelines (EBA/GL/2021/02) as a key reference for their risk assessment methodology. The transition from the EBA-driven framework to the AMLA guideline framework will require methodology updates, tool adjustments, and internal governance approvals. Clarity on whether the EBA guidelines will be formally superseded, continue in parallel, or be incorporated by reference into the AMLA framework would help OEs plan their transition effectively.* *We suggest AMLA address the transitional relationship between these guidelines and EBA/GL/2021/02 in the final text or a separate communication, including a clear effective date and transition period.*
11	*For fictional groups where no corporate structure is in place to support the collection and exchange of relevant information or data, we foresee practical challenges in implementing the Guidelines. In particular, entities within such groups may face difficulties in performing their individual risk assessments and aggregating the results at the level of the parent undertaking.*
15	*While we support the requirement for the BWRA to be documented and based on clear methodology, the requirement under paragraph 15 to apply risk-based weighting to relevant risk factors may raise operational challenges. In practice, determining which factors are the most relevant or have the greatest impact may depend on the obliged entity's*

	business, model, activities, customer base, products, services and delivery channels and geographical exposure. Therefore, the requirement under paragraph 15 to document the methodology, weighting and scoring approach should not be interpreted as requiring an overly granular justification of each individual parameter where this would not be proportionate. In this respect, we would suggest clarifying paragraph 15 so that obliged entities should document the categories of sources relied upon and their relevance to the BWRA, rather than being required to evidence an exhaustive review of all available sources.
16	*A significant operational challenge will be the aggregation and consolidation of individual BWRAs into a meaningful group-wide BWRA. The Guidelines should provide more detail on the expectations for this consolidation process. For instance, it is unclear whether a simple aggregation of risk scores is sufficient or if a qualitative, narrative-based consolidation is expected. Practical guidance on how to reconcile differing risk levels and methodologies from various entities into one coherent group view is needed to make this process feasible and meaningful*
17	*We would suggest clarifying that the obliged entities should document the categories of sources relied upon and their relevance to the BWRA, rather than being required to evidence an exhaustive review of all available sources. An overly broad interpretation of the obligation to document all sources consulted and how they have been used, could undermine the principle*
23	The draft guidelines cross-reference several instruments not yet finalised, including the RTS on Article 40(2) AMLD (referenced in paragraph 23 as the required data point baseline), the Guidelines on Article 9(4) AMLR on Policies, Procedures and Controls, and the Guidelines on Risk variables and Risk factors under Article 20(3) AMLR. OEs are asked to plan their methodology against provisions whose final content is unknown. This is particularly acute for paragraph 23, which requires OEs to "at least refer to" data points from the Article 40(2) RTS. If those data points change materially between draft and finalisation, OEs that have already implemented their methodology may need significant retroactive adjustments. We suggest AMLA publish a coordinated implementation timeline showing expected finalisation dates for all dependent instruments (Article 40(2) RTS, Article 9(4) GLs, Article 20(3) GLs) and indicate whether the BWRA guidelines will be updated once those instruments are finalised. This would allow OEs to plan methodology development with greater certainty.

Question 5: Within the boundaries of the mandate as defined in Article 10(4) AMLR, do you identify any need to introduce additional provisions?

We propose the introduction of a provision clarifying the conditions under which an obliged entity, particularly a subsidiary within a group, can reasonably rely on the group's common methodology and risk assessments. This could function as a "safe harbour" if the subsidiary can demonstrate that it has (a) adhered to the group methodology, (b) considered and documented any material local deviations, and (c) found no significant specific risks not covered by the group framework. This would reduce unnecessary duplication of efforts, especially for lower-risk entities within a well-governed group structure.

In addition to the points outlined, we identify two further areas where additional guidance within the Article 10(4) mandate would contribute to a more consistent application.
The Guidelines would benefit from further clarification on how OEs should aggregate inherent risk assessments across different risk factors at entity level. The guidelines address inherent risk assessment at individual risk factor level (paragraphs 23-24) and residual risk determination (paragraphs 29-30). However, they do not address how OEs should aggregate individual risk factor assessments into an overall inherent risk view at entity level. Paragraph 30 refers to "overall residual risk exposure," implying an aggregated entity-level view is expected, but the guidelines do not address the prior step of inherent risk aggregation. Different aggregation approaches (simple average, weighted average, highest-score selection, expert-judgement-based qualitative synthesis) produce significantly different entity-level risk profiles. Without indicative guidance, divergent practice and inconsistent supervisory expectations may result. To provide further clarity on this aspect, we suggest considering the following wording for a new paragraph after par.24:

"Where an OE's BWRA encompasses multiple areas of assessment, the OE should apply a documented methodology to derive an overall inherent risk view at entity level. The guidelines should acknowledge that the choice of aggregation approach may materially affect the entity-level risk profile and should therefore be documented and justified."

Additionally, further clarification would also be helpful regarding the interaction between the BWRA and supervisory review processes. The BWRA is frequently used as an input to broader prudential and supervisory review processes, including ICAAP, SREP, and the supervisory risk assessment under Article 40(2) AMLD. In practice, the timing of the BWRA cycle needs to be coordinated with these processes. While this may be primarily a matter for the Guidelines on Article 9(4) AMLR, a brief acknowledgment that OEs should consider aligning BWRA timing with relevant supervisory review processes would provide helpful practical guidance. Against this background we suggest adding the following sentence to paragraph 5(a) or paragraph 22:

"When determining the timing and frequency of the BWRA review cycle, OEs should consider the timing of relevant supervisory review processes and ensure that the BWRA is available as an input where required."

Contact:

The EACB trusts that its comments will be taken into account.

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