NICE Actimize

Insights Article

NICE Actimize Response to AMLA's Business-Wide Risk Assessment Consultation

AMLA's consultation on the draft Guidelines for Business-Wide Risk Assessment (BWRA) closed on 15 July 2026. To supplement our formal consultation response, this article summarises the role of BWRAs within the EU AML Package, outlines key themes from our response and considers how obliged entities should begin thinking about operational readiness.

Putting the BWRA into Context

The EU AML Package represents a significant shift in how anti-money laundering and counter-terrorist financing obligations will apply to firms operating in the European Union. A central objective of the package is to support greater consistency across member states and move towards a more harmonised framework for obliged entities.

The BWRA is a crucial component of this regulatory package, as it establishes the basis of a firm's entire control framework, including KYC, customer risk rating, sanctions screening and transaction monitoring. It should help firms understand their most significant risks, assess whether current controls are adequate and identify where remediation or additional investment may be needed.

The BWRA Consultation

AMLA's draft Guidelines expand on the AML Regulation to set more detailed expectations for how obliged entities should identify inherent risk, assess control effectiveness and determine residual risk.

NICE Actimize supports the risk-based approach and recognises that assessments should be proportionate to an institution's size, complexity and risk profile. However, we also recommend additional clarification to help firms implement the Guidelines effectively without creating unnecessary operational burdens.

Response and Recommendations

Our recommendations focus on where the draft Guidelines could be clarified to preserve proportionality, strengthen risk management and support more consistent implementation.

BWRA Topic	Draft Guideline Focus	NICE Actimize Response
Proportionality	Recognises that the BWRA should be proportionate, risk-based, documented and kept up to date.	Supports this approach but recommends clearer wording to ensure that proportionality also applies to data granularity, quantitative analysis, evidential expectations, methodology and review frequency.
Dynamic risk identification	Refers to a holistic view of risk factors and emerging risks.	Recommends that BWRAs include forward-looking scenario analysis covering risk exposures, including technology-enabled, cross-border and emerging typology risks.
Technology and cyber-enabled risk	References new or emerging technologies.	Recommends more explicit consideration of cyber-enabled financial crime, reliance on critical third-party technology providers and the use of AI or machine learning across the customer lifecycle.
Control effectiveness	Requires firms to assess how controls mitigate inherent risks.	Recommends a stronger, clearer link between material risks and mitigating controls.
Residual risk	Requires firms to determine residual risk and implement remediation measures.	Recommends clarifying that the existence of a control does not necessarily equate to effective mitigation. The residual-risk assessment should consider control-design effectiveness, operating effectiveness, data quality, testing results, known limitations and associated action plans.
Sources of information	Identifies sources that should inform the BWRA.	Recommends treating information sources as relevant and proportionate inputs rather than as a prescriptive checklist.
Operational implementation	Requires clear methodology, risk factor weighting and up-to-date information.	Highlights practical challenges related to fragmented data, system complexity, cross-border operations and model governance, as well as the need to connect BWRA outputs with customer risk assessment and transaction monitoring.
Event-driven refresh	Requires the BWRA to be kept up to date.	Recommends clearer operational guidance on when targeted updates may be required, including material changes to products, customer segments, geographies, delivery channels, outsourcing arrangements, typologies, sanctions exposure, regulatory findings or control failures.

Taking the Opportunity to Address Long-Standing BWRA Issues

Many of the expectations in AMLA's draft BWRA Guidelines will be familiar to more mature financial services institutions. While some obliged entities may not need to overhaul their existing processes, two long-standing challenges remain:

1. Ensuring that the BWRA focuses on the institution's material financial-crime risks
2. Establishing the BWRA as the basis for downstream controls rather than treating it as an isolated annual exercise

These issues continue to feature in financial-crime regulatory findings across the EU. Standardising BWRA approaches and processes without addressing the underlying weaknesses would represent a missed opportunity. Our full response focuses on these areas and provides recommendations intended to strengthen the foundation established by AMLA's draft Guidelines.

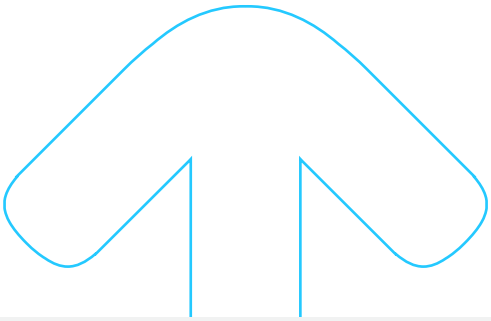
Why We Participated

NICE Actimize is committed to helping institutions detect financial crime, prevent fraud and strengthen regulatory compliance. As the EU AML framework continues to evolve, industry participation can help ensure that regulatory expectations remain practical, proportionate and effective.

Our experience supporting institutions across KYC, customer risk rating, sanctions screening, transaction monitoring, regulatory reporting and investigations provided practical perspectives that informed our response to AMLA's consultation.

Additional Resources

- Direct updates from AMLA, including public consultations and consultation responses
- Details on AMLA's consultation on the draft Guidelines for BWRA AMLA consultation page
- For NICE Actimize perspectives on the EU AML Package: NICE Actimize AMLA resource hub



About NICE Actimize

As a global leader in artificial intelligence, platform services, and cloud solutions, NICE Actimize excels in preventing fraud, detecting financial crime and supporting regulatory compliance. Over 1,000 organizations across more than 70 countries trust NICE Actimize to protect their institutions and safeguard assets throughout the entire customer lifecycle. With NICE Actimize, customers gain deeper insights and mitigate risks. Learn more at www.niceactimize.com.