Insights Article

NICE Actimize Response to AMLA’s Ongoing Monitoring Consultation

Introduction

AMLA's consultation on the draft Guidelines on Ongoing Monitoring of a Business Relationship represents another important step in operationalising the EU AML Package. The consultation seeks to provide greater clarity on how obliged entities should keep customer information up to date, identify changes in risk and ensure that customer due diligence (CDD) remains relevant throughout the lifecycle of a customer relationship. The draft guidelines are intended to support a risk-based approach while promoting greater consistency across the European financial services sector.

To supplement our formal consultation response, this article highlights key themes from the draft guidelines, presents NICE Actimize's recommendations and explores what firms should consider as they prepare for implementation.

Putting Ongoing Monitoring into Context

Ongoing monitoring is a cornerstone of effective AML compliance. While CDD is often associated with onboarding, the true challenge lies in maintaining accurate customer information over time and identifying when changing circumstances warrant further review.

The EU AML Package reinforces the expectation that firms continuously assess customer risk, maintain up-to-date information and respond appropriately to changes in customer behaviour, ownership structures, products, services and other relevant risk factors. AMLA's draft guidelines are intended to provide a more consistent interpretation of these obligations across Member States.

The Ongoing Monitoring Consultation

The draft guidelines provide further detail on the responsibilities of obliged entities throughout the customer lifecycle.

Key areas include:

- Keeping customer information up to date
- Applying a risk-based approach to reviewing customer data
- Identifying event-driven review triggers
- Monitoring higher-risk relationships
- Incorporating technology and automation into monitoring processes
- Maintaining effective controls over customer risk throughout the customer lifecycle

NICE Actimize

Key Recommendations

Topic	Draft Guideline Focus	NICE Actimize Recommendation
Scope of Customer Data Updates	Requires firms to keep relevant customer information current using a risk-based approach.	Clarify which CDD data elements should be subject to ongoing monitoring and permit firms to determine relevance on a risk-sensitive basis.
Dormant and Inactive Relationships	Provides limited guidance on inactivity scenarios.	Clarify how firms should treat dormant or inactive relationships and whether reactivation should constitute an event-driven review trigger.
Event-Driven Reviews	Establishes trigger-based monitoring expectations.	Provide additional examples and implementation guidance to support consistent interpretation.
Operational Implementation	Applies across institutions with differing business models.	Preserve flexibility so firms can tailor monitoring approaches based on risk, customer type and sector characteristics.

Why Clarification Matters

For many firms, the challenge is translating the principle of ongoing monitoring into practical, risk-based processes, when determining which customer information needs to be kept current and how to approach dormant or inactive relationships.

From NICE Actimize's perspective, greater clarity on the scope of customer data updates, proportionality and inactivity scenarios would help firms apply the guidelines more consistently while allowing flexibility for different business models and customer risk profiles.

Preparing for Operational Readiness

Although the final guidelines are not yet published, firms can begin assessing their readiness across key areas, including:

- Data governance and customer information management
- Customer lifecycle and event-driven monitoring
- Trigger management and risk-based review scheduling
- Integration of onboarding and ongoing due diligence
- Automation and workflow orchestration

Firms should also consider whether their existing KYC capabilities can adapt to evolving regulatory expectations while maintaining operational efficiency.

Conclusion

AMLA's ongoing monitoring guidelines play an important role in reinforcing expectations for continuous customer risk assessment and the maintenance of accurate customer information throughout the lifecycle of a business relationship. While NICE Actimize supports the overall risk-based approach, additional clarification would help firms achieve more consistent and effective outcomes.

As institutions prepare for the EU AML Package, ongoing monitoring should be viewed not as a standalone compliance activity, but as a critical component of an integrated customer lifecycle risk management strategy that spans onboarding, due diligence, screening and continuous risk assessment.

Visit Our Comprehensive AMLA Insights and Readiness 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.