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Global AML Trends 2026

Emerging Threats, Regulatory Shifts and the Tools to Stay Ahead

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About Speakers

Vasantha Mohan

Vasantha holds a Master’s in Law specialising in Banking Laws and Anti-Money Laundering and is CAMS and CGSS certified. With over 35 years of experience, she has worked closely with regulators and international financial institutions, building financial crime risk frameworks, sanctions monitoring programmes, and compliance systems across multiple jurisdictions.

Sridhar Rajam

Sridhar is a Certified Anti-Money Laundering Investigator (CAMI) with over 30 years of experience in compliance, risk, and audit, including more than 20 years in AML and financial crime prevention. He has contributed to the development of UAE regulatory standards through the FERG sub-committee and has maintained active engagement with the Central Bank of the UAE on supervisory and compliance matters.

About Us

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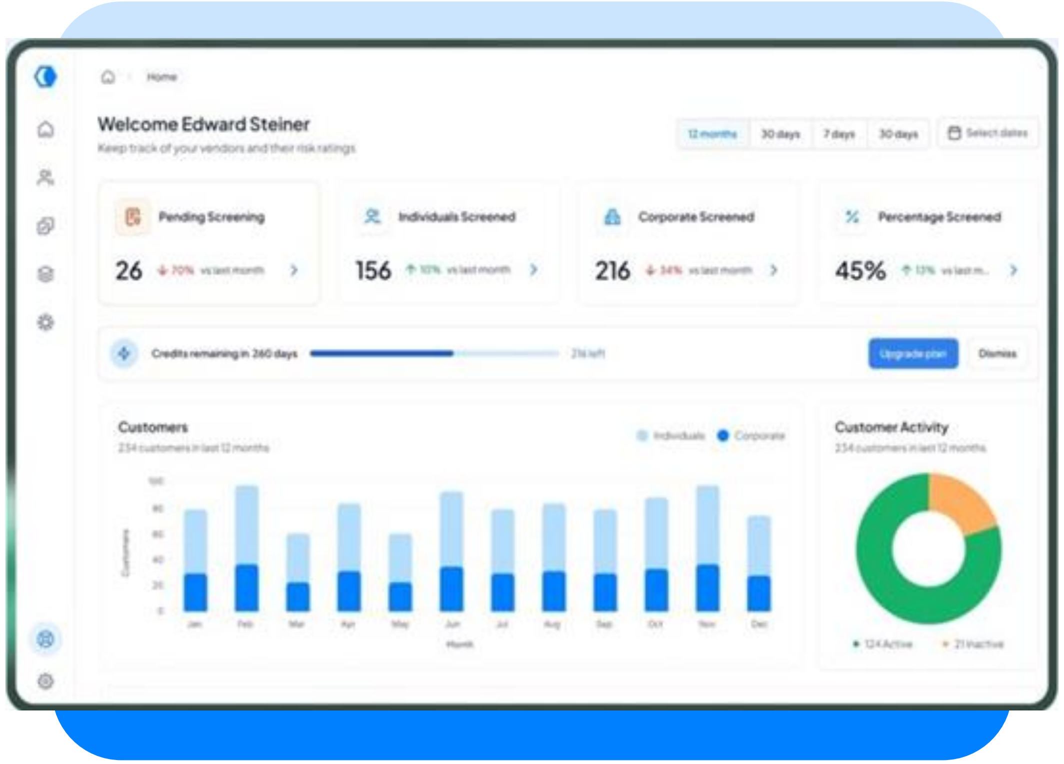
About Citadel365

Citadel365 is a single, integrated AML/CFT platform that turns episodic checklists into a continuous, auditable compliance lifecycle, built by AML/CFT veterans from Vertex Compliance.

Citadel365 supports:

- Customer onboarding with self-KYC and document capture, which shortens the onboarding life cycles
- Sanctions, PEP, and adverse media screening in real time with exportable, timestamped records
- Risk assessment module with configurable scoring, thresholds, and weightages
- Case management with clear controls and audit trails



The software supports DNFBPs, VASPs, banks, fintechs, financial institutions, and regulated entities, shaping their compliance practices for what comes next.

About Vertex Compliance

Vertex Compliance is a leading provider of comprehensive compliance and risk management solutions, dedicated to helping businesses navigate complex regulatory environments.

Vertex specialises in AML, KYC, and regulatory compliance, offering tailored solutions to meet the unique needs of various industries.

We also provide consulting services pertaining to FATCA/CRS, Data Protection Laws, and Trade Finance Compliance.

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Disclaimer

- ✓ This session is intended to enhance compliance awareness and operational readiness.
- ✓ It does not constitute legal advice.
- ✓ Requirements may vary by sector, supervisory authority, and licence conditions.
- ✓ Entities should align final implementation with applicable UAE laws, executive regulations, and sector-specific guidance.

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Scope of the Webinar

- Global regulatory shifts influencing AML compliance.
- The evolving UAE AML/CFT landscape and enforcement priorities.
- Emerging financial crime threats and evolving typologies.
- Building effective, risk-based compliance programmes.
- Preparing your organisation for the compliance challenges of 2026.

The 2026 AML Landscape at a Glance

Enforcement Intensifying

Global regulators are shifting from paperwork compliance to measurable outcomes. Fines, licence revocations and criminal referrals are all up across every major jurisdiction.

Technology Cutting Both Ways

AI, deepfakes and synthetic identities are arming financial criminals with tools that outpace legacy KYC systems. The same AI is also powering the best compliance programmes.

Risk Landscape Expanding

Crypto, sanctions complexity, FRAML convergence and geopolitical fragmentation mean compliance teams are managing more risk surface area with the same or fewer resources.

The three forces shaping AML in 2026 are mutually reinforcing and each demands a different response.

The Rules Are Being Rewritten

FATF effectiveness doctrine • EU AMLA • US GENIUS Act • Regulatory divergence

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FATF in 2026: Effectiveness Over Formality

What Has Changed

Mutual evaluation now tests real-world outcomes, not just policy documents

Countries failing effectiveness tests face grey-listing regardless of legislative completeness

FATF June 2025 update: persistent VASP Travel Rule gaps flagged across 59% of jurisdictions[1]

December 2025 Horizon Scan: deepfakes flagged as a tool to bypass AML controls

The FATF Effectiveness Test

1. Is it deterring crime?
2. Is supervision risk-based?
3. Are controls effective?
4. Is the CO empowered?

1. (FATF Sixth Targeted Update on Implementation of FATF Standards on Virtual Assets and VASPs, June 2025)

East Meets West: Fragmentation and Divergence

EU AMLA: Operational July 2025

Europe's new Anti-Money Laundering Authority is now live. A single rulebook across 27 jurisdictions. Direct supervisory powers over high-risk firms. Cross-border data sharing. [1]

US GENIUS Act: July 2025

Stablecoin regulation now law in the United States. AML and sanctions compliance embedded into the federal stablecoin frameworks.

Geopolitical Fragmentation

US-EU regulatory divergence is widening. Sanctions complexity is rising. Alternative payment systems are bypassing traditional banking rails. Sanctioned vessel profiles more than doubled between 2023 and 2025. [2]

For organisations operating internationally: inconsistent controls across regions attract scrutiny and create vulnerability.

1. (EU AMLA) 2. (LexisNexis Risk Solution)

GCC in Focus: The Region Is Moving Fast

Jurisdiction	Key 2025–2026 Development	Compliance Impact
UAE	FDL 10/2025 and CR 134/2025, which came into force in October 2025, and December 2025 respectively.	Full framework overhaul. Enforcement surge. Zero-tolerance enforcement posture.
Saudi Arabia	PDPL full enforcement. Continues to prohibit VASP activity. FATF alignment deepening.	Data protection now intersects with AML KYC/CDD obligations.
Bahrain	CBB AML rulebook updates reflecting FATF Round 5 methodology.	Risk-based supervision tightening across financial institutions.
Kuwait / Qatar / Oman	FATF mutual evaluation cycles progressing. Enforcement frameworks being modernised.	Watch: supervision intensity increasing across all GCC members.

The GCC is no longer a light-touch environment. Every jurisdiction in the region is tightening its framework.

A Jurisdiction in Transformation

FDL 10/2025 • CR 134/2025 • FATF 2026 MER • Multi-regulator landscape

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UAE's New Legal Framework: What Changed and Why It Matters

FDL No. 10 of 2025 *In effect: 14 October 2025*	CR No. 134 of 2025 *In force: 14 December 2025*
Replaces FDL 20 of 2018, the apex AML/CFT/CPF statute	Operative executive regulation implementing FDL 10/2025
ML imprisonment: 1–10 years and fine of AED 100K–5M (standard)	DNFBP scope defined, includes six categories: commercial gaming, real estate agents, DPMS, lawyers, accountants, and TCSPs [1]
Aggravated ML: temporary imprisonment and fine of AED 1M–10M	EWRA mandatory: must integrate NRA findings [2]
Legal person ML conviction: fine of AED 5M–100M	BO identification: 25% threshold → control → senior management fallback [3]
Failure to file STR: imprisonment and fine of AED 100K–1M	CDD: 3-tier EDD/standard/SDD framework [4]
TF: life imprisonment or ≥10 years	Record-keeping: minimum 5 years from end of relationship [5]
STR filing: immediately via goAML, no delay	High-risk countries: mandatory EDD and countermeasures [6]
All entities must hold a licence, registration or enrolment	Compliance Officer with appropriate authority and independence [7]

1. (Art.3) 2. (Art.5) 3. (Art.10) 4. (Art.6-16) 5. (Art. 25) 6. (Art.23) 7. (Art.22)

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Zero Tolerance: The FATF MER and the UAE Enforcement Surge

AED 339M

Fines issued in June 2025 alone [1]

AED 1B

Maximum fine under CB Law 2025 [2]

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Tolerance for non-compliance

What UAE Regulators Will Scrutinise in the MER

- Effective implementation of FDL 10/2025 and CR 134/2025, not just formal adoption
- Senior management personal accountability and CO independence
- TFS screening applied without delay and without any value threshold
- Risk-based supervision in practice: EWRAs updated, CRAs reflecting NRA findings
- goAML registration and timely STR/SAR filing
- Evidence of genuine outcome: suspicious activity detected, escalated and acted upon

1. (Lexology, June 2025) 2. (FDL 6/2025)

Navigating the UAE's Multi-Regulator Architecture

CBUAE

Financial Institutions:
Banks, Exchange Houses, Insurance, Finance Cos, Registered Hawala

VARA

Virtual Asset Service Providers:
Dubai-licensed VASPs.

DFSA

DIFC-based:
Financial Services, DNFBPs, and VASPs operating within DIFC

ADGMRA

DNFBPs & NPOs
Designated Non-Financial Businesses and Non-Profit Organisations

FSRA

ADGM-based:
All financial services and activities within the Abu Dhabi free zone

MoET

DNFBPs:
Real Estate, DPMS, Accountants, Corporate Services

MoJ

Legal Professionals:
Lawyers, Notaries, Independent Legal Professionals

GCSRA

Commercial Gaming:
Licensed Gaming Operators, Gaming Suppliers and Related Service Providers

Key principle: Jurisdiction choice is a strategic compliance decision. Each regulator has its own rulebook, inspection cycle and enforcement appetite.

goAML, the Travel Rule and Must-Have Obligations

goAML Registration

Mandatory for all regulated entities regardless of whether a suspicious transaction has ever occurred. Failure to register is treated as an automatic internal controls failure under supervisory inspection. [1]

TFS Screening

No monetary threshold. Screen every customer at every stage [2]. Update systems immediately on any sanctions list change. 5-business-day deadline for CNMR/PNMR filing after a confirmed or partial match. [3]

Travel Rule

Wire transfers ≥ AED 3,500: originator and beneficiary information must accompany every international transfer. [4] VASPs face heightened FATF scrutiny, 59% of Travel Rule jurisdictions had no enforcement actions as of June 2025.

Tipping-Off Prohibition

No person, including lawyers and compliance officers, may disclose that an STR has been filed, or that an investigation is underway. Breach carries imprisonment. Intra-group exception applies under CR 134/2025 Art. 19.

1. (MoET DNFBPS Guidelines V2 Section 10) 2. (MOEC Cir. 3/2025) 3. (MOEC Cir. 2/2022) 4. (CR 134/2025 Art. 28)

The Criminal Innovation Agenda

AI fraud • Crypto risks • FRAML convergence • Geopolitical complexity

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AI-Enabled Fraud: Deepfakes, Synthetic Identities and KYC in Crisis

The Threat Landscape

Deepfake fraud up 58%

Biometric fraud attempts using AI-generated video/audio rose 58% year-on-year. Injection attacks (bypassing the camera, not the person) rose 40% [1]. FATF December 2025 Horizon Scan: deepfakes explicitly flagged as a control bypass risk.

Synthetic Identity Fraud

"Frankenstein identities”: real SSNs combined with fabricated names, credit history and social media profiles. No victim to report it. Losses estimated at USD 20–40B globally per year. 8.3% of digital account creations flagged as suspicious in 2025.

AI-Powered Phishing and Impersonation

Personalised, multi-language phishing campaigns generated at scale. Pig-butchering scams, romance fraud and investment fraud are all AI-amplified. Traditional transaction monitoring was not designed to catch this.

30% of enterprises will find standalone ID verification unreliable by 2026 [2]

58% rise in deepfake biometric fraud attempts YOY

USD 40B Estimated annual losses to synthetic identity fraud globally

1. Entrust: 2026 Identity Fraud Report, Nov 2025) 2. (Gartner press release, Feb 2024)

Crypto and Virtual Assets: Regulation Tightens as Risk Expands

VARA Warning: Major Weaknesses (Q4 2025)

VARA issued formal warnings after supervisory reviews found multiple VASPs failing to address AI risks, proliferation financing, and TFS in their Business Risk Assessments. Quarterly BRA reviews now mandatory. Thematic review Q2 2026, enforcement to follow. [1]

Travel Rule: Implementation Gap Persists

FATF June 2025: 59% of jurisdictions with Travel Rule laws have still not conducted supervisory findings or enforcement. AML/CFT obligations for VASPs mirror those of financial institutions, with global supervision continuing to evolve.

DeFi, Privacy Coins and Sanctions Evasion

Decentralised finance and privacy-enhancing technologies are being used to layer proceeds and evade sanctions. Dark pool transactions, self-hosted wallets and mixing services remain active vectors. Blockchain analytics are now table stakes for VASP compliance.

UAE and GCC VASP Framework Maturing

CMA and VARA established a coordinated VASP licensing and supervision framework across the UAE. The UAE's federal framework [2] explicitly includes virtual assets and cryptographic technologies in the definition of Funds.

1. (Guidance on Rule III D Risk Assessments, Nov 2025) 2. (FDL 10/2025, Art. 1)

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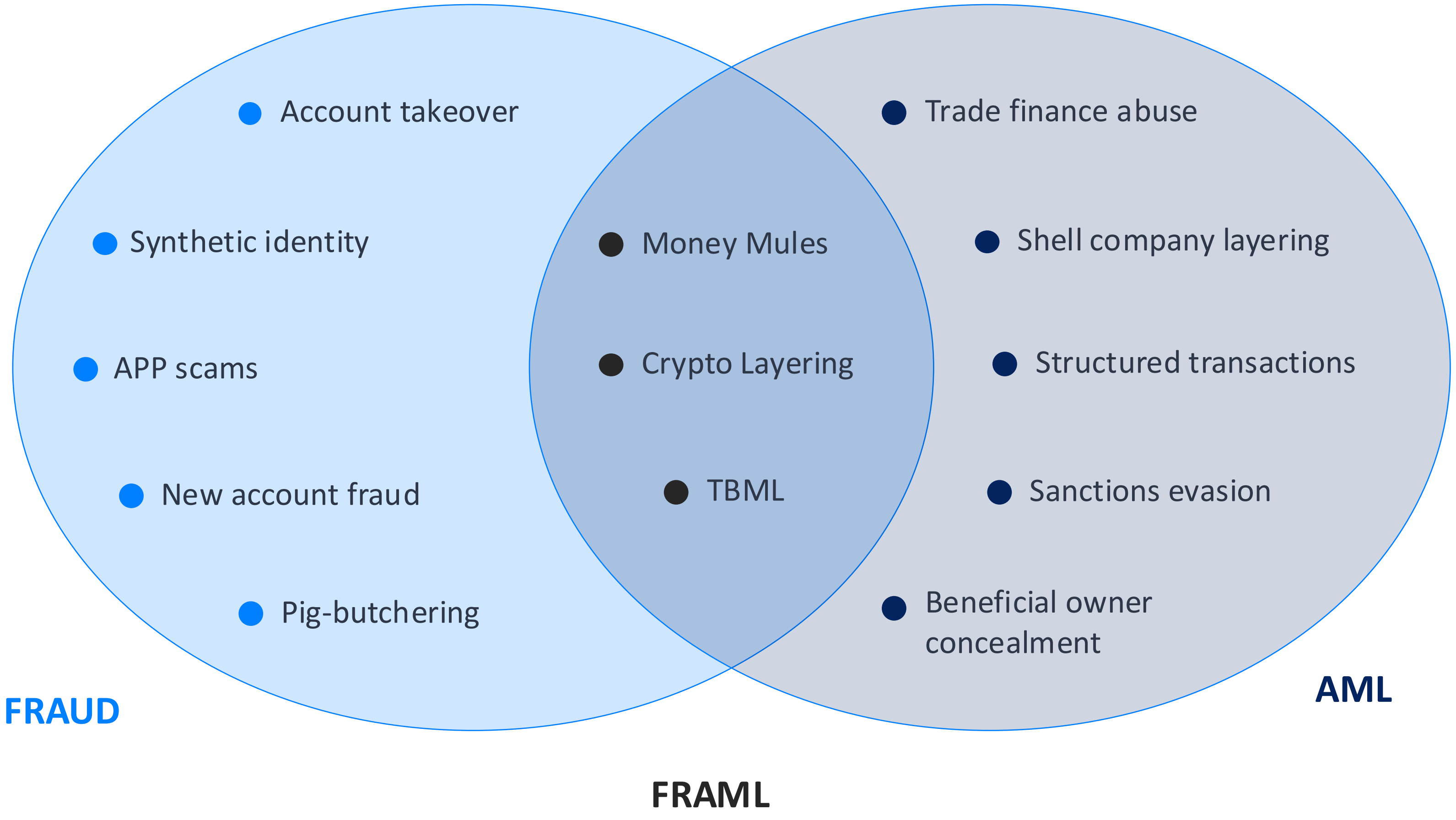
FRAML: When Fraud and AML Become One Problem



Why It Matters

- ✓ Criminals operate across both domains simultaneously
- ✓ Siloed teams miss cross-domain signals
- ✓ EU regulators now treat APP scams as both fraud AND AML issues
- ✓ Unified data = faster detection

Geopolitical Risk: Shadow Fleets, Sanctions Complexity and New Typologies

Shadow Fleet Explosion

Sanctioned vessel profiles more than doubled between 2023 and 2025. [1] Ships change flags, ownership structures and names at speed. AIS spoofing, ship-to-ship transfers and port call evasion are now standard typologies for commodities-linked sanctions evasion.

Alternative Payment Rails

Traditional USD correspondent banking is being bypassed by sanctioned jurisdictions using alternative payment systems, barter arrangements and bilateral currency agreements. These channels operate outside standard SWIFT/AML infrastructure.

Proliferation Financing Risk Rising

FDL 10/2025 and CR 134/2025 treat proliferation financing on the same level as money laundering and terrorism financing. UAE MOET Circular 7/2025: Iran sanctions re-imposition requires immediate full-customer re-screening.

NRA 2024: UAE-Specific Typologies

Three elevated-risk profiles per UAE 2024 NRA: complex offshore structures with no economic rationale; individuals linked to unlicensed virtual asset services; customers from high-corruption or weak-enforcement jurisdictions. EWRAs should integrate these findings.

1. (LexisNexis Risk Solutions, Feb 2026)

What Good Looks Like in 2026

Risk-based compliance • AI in compliance • The evolving CO role

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Risk-Based Compliance in 2026: From Checklists to Demonstrable Effectiveness

What Regulators Now Require

EWRA integrated with NRA findings

Business risk assessments must demonstrate they have used the 2024 UAE NRA. Gaps between NRA risk profile and your own programme requires proper documentation. [1].

CRA review frequencies met

Risk-Based CRA update. Say, for High risk: 6 months. Medium/medium-high: 1 year. Low-medium: 1.5 years. Low: 2 years. STR filing auto-escalates customer to high risk immediately [2].

Outcome evidence, not just policy

Enforcement actions increasingly reference outdated systems and manual processes as contributing factors. Senior management must be able to demonstrate their programme works.

Consolidated visibility across the business

Fragmented, siloed point solutions fail the group-wide consistency test [3]. Regulators expect an enterprise-wide view of risk [4].

One Platform. Complete Lifecycle.

Customer Onboarding | Name Screening | Customer Risk Assessment | Case Management

1. (MOEC Circular 4/2025) 2. (Implementation Guide for DNFBPs on CRA, Nov. 2024) 3. (CR 134/2025 Art. 32) 4. (CR 134/2025 Art. 5)

Using AI to Fight AI and the Compliance Officer's Evolving Role

Liveness Detection

Passive and active liveness checks at onboarding detect deepfake injection attacks in real time. Moving beyond document scans to multi-signal biometric assurance.

Behavioural Analytics

Continuous monitoring of transaction patterns, account behaviour and device signals detects account takeover and mule activity that static rules miss entirely.

AI-Powered Risk Scoring

Dynamic, configurable risk scores that update with customer behaviour, not just at onboarding. Automatically escalates customers whose profile changes materially.

The Compliance Officer's Evolving Role

Operational overseer	Strategic risk leader
Unstructured Reporting	Reports to board, direct access to senior management [1]
Checklist executor	Outcome architect
Reacts to alerts	Anticipates threats using AI-assisted analytics

1. (CR 134/2025 Art. 22)

DNFBPs:
The Closing Net

Real estate • Accountants • TCSPs • Lawyers • DPMS

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Why DNFBPs Are Now in the Crosshairs

Real Estate

Concluding transactions on purchase/sale of real estate: full CDD applies regardless of transaction value[1]. UAE 2024 NRA: real estate identified as a key ML vulnerability. MoET-supervised.

Accountants

DNFBP when preparing, conducting or executing financial transactions on behalf of customers. Managing funds, bank accounts, company formation, managing legal persons. MoET-supervised.

TCSPs

Five trigger activities including acting as nominee director/shareholder, providing registered office, acting as trustee. 2024 NRA identifies nominee structures as a key typology, requiring UBO due diligence and scrutiny of complex ownership structures.

Lawyers

Legal professional secrecy carve-out applies to information obtained under professional secrecy. But STR obligation applies when acting on financial transactions not for legal advice[2]. MoJ-supervised.

DPMS

Risk-Based compliance and cash transactions ≥ AED 55,000 is just a trigger. But note: TFS screening obligation has no monetary threshold, which applies to all customers regardless of transaction value.

1. (CR 134/2025 Art. 3(2) 2. (FDL 10/2025) 3. (MOEC Cir. 3/2025)

DNFBP Compliance Readiness: What You Need to Demonstrate Right Now

Governance

- ✓ MLRO/CO appointed at management level with independent reporting line[1]
- ✓ Senior management non-transferable accountability documented
- ✓ AML programme reviewed and approved by Senior Management

Risk Assessment

- ✓ EWRA updated to reflect UAE 2024 NRA findings
- ✓ Review the AML programme against the NRA 2024 and fix the identified gaps.
- ✓ CRA review schedule in place[2]

CDD and Screening

- ✓ Three-tier CDD framework implemented: EDD / Standard CDD / SDD[3]
- ✓ BO identification at 25% threshold with control and senior management fallbacks[4]
- ✓ TFS screening applied without threshold to all customers, all transactions[5]

Reporting and Records

- ✓ goAML registration confirmed: mandatory regardless of STR history
- ✓ STR/SAR filed immediately without delay[6] Records retained minimum 5 years from end of relationship[7]

1. (CR 134/2025 Art. 22) 2. (MoET CRA Guide) 3. (MoET Cir. 6/2025) 4. (CR 134/2025 Art. 10) 5. (MOEC Cir. 3/2025) 6. (CR 134/2025 Art. 18; FDL 10/2025 Art. 18) 7. (CR 134/2025 Art. 25)

5 Things Every Compliance Professional Should Do

Update your EWRA and CRA to reflect the UAE 2024 NRA

This is not optional. MOEC Cir. 4/2025 is explicit.

Confirm your goAML registration and STR filing readiness

Every regulated entity must be registered. Unregistered status is an automatic inspection failure.

Stress-test your deepfake and synthetic identity controls

Standalone document checks are no longer sufficient. Liveness detection, behavioural analytics and continuous monitoring should be in place or on the roadmap.

Review your BO identification programme for nominee structures

The 2024 NRA specifically calls out nominee arrangements as a key typology. Apply EDD. Document your reasoning.

Invest in integrated, not siloed, compliance technology

Fragmented systems fail the enterprise-wide consistency test. Enforcement actions increasingly cite outdated, disconnected tools as contributing factors.

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