

The New UAE AML/CFT Law:

Federal Decree
Law No. 10 of 2025 Explained

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Compliance made easy!



Introduction

The UAE's financial regulatory landscape entered a new era. The Federal Decree Law No. 10 of 2025, effective from October 14, 2025, marks the most significant overhaul of the country's Anti-Money Laundering (AML) and Combating Financing of Terrorism (CFT) framework. This new legislation repeals and replaces Federal Law No. 20 of 2018, arriving almost a year after amendments were made through Federal Decree-Law No. 7 of 2024.

The 2025 law doesn't merely update the 2018 law; it transforms how businesses must carry out AML obligations across the Emirates. While the New AML Law is now in force, the Executive Cabinet Resolution No. 10 of 2019 is repealed by Cabinet Resolution No. (134) of 2025 Concerning the Executive Regulations of Federal Decree-Law No. (10) of 2025 Concerning Combating Money Laundering, Terrorist Financing, and the Financing of the Proliferation of Weapons with effect from 14th December 2025.

This means businesses must apply current rules while preparing systems and governance to meet the requirements of the new framework.

Understanding the New UAE AML/CFT Law 2025



In a decisive move to strengthen its position as a trusted global financial hub, the UAE has introduced Federal Decree Law No. 10 of 2025 Regarding Anti-Money Laundering, and Combating the Financing of Terrorism and Proliferation Financing. The law goes far beyond cosmetic updates.

It introduces new criminal offences, expanding enforcement powers, and imposing penalties that can reach AED 100 million for corporate violations. From the introduction of Proliferation Financing as a distinct crime to explicit regulation of Virtual Assets (VAs) and cryptocurrency transactions, the 2025 law addresses emerging threats in an increasingly digital and interconnected world.

Any business entity handling customer transactions or providing designated services must now meet far more rigorous regulatory obligations. For businesses operating across the Emirates, understanding these changes is essential for maintaining compliance and operational continuity.

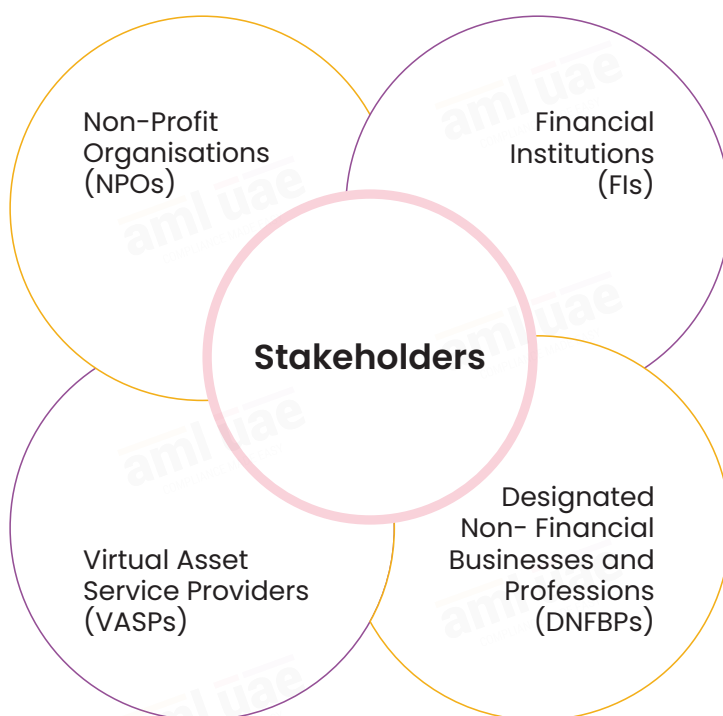
This eBook provides a comprehensive analysis of the Federal Decree Law No. 10 of 2025 Regarding Anti-Money Laundering and Combating the Financing of Terrorism and Proliferation Financing. It shares insights into key changes, examines implications for different stakeholder groups, outlines practical compliance steps, identifies implementation challenges, and offers best practices for navigating this new regulatory environment.

Who are the Stakeholders Under the New UAE AML/CFT Law 2025?



The Federal Decree By Law No. 10 of 2025 casts a wide net across the UAE's business landscape. It provides a clear overview of all stakeholder groups covered under the 2025 Law.

Stakeholders Under the New UAE AML Law 2025



Understanding whether an entity falls under these regulations is crucial for compliance. The law applies to :

- Financial Institutions (FIs)
- Designated Non-Financial Businesses and Professions (DNFBPs)
- Virtual Asset Service Providers (VASPs)
- Non-Profit Organisations (NPOs)

Each category carries specific obligations and faces substantial penalties for non-compliance.

Additional Information



Blog

The New UAE AML/CFT Law - Federal Decree Law No. 10 of 2025 Explained



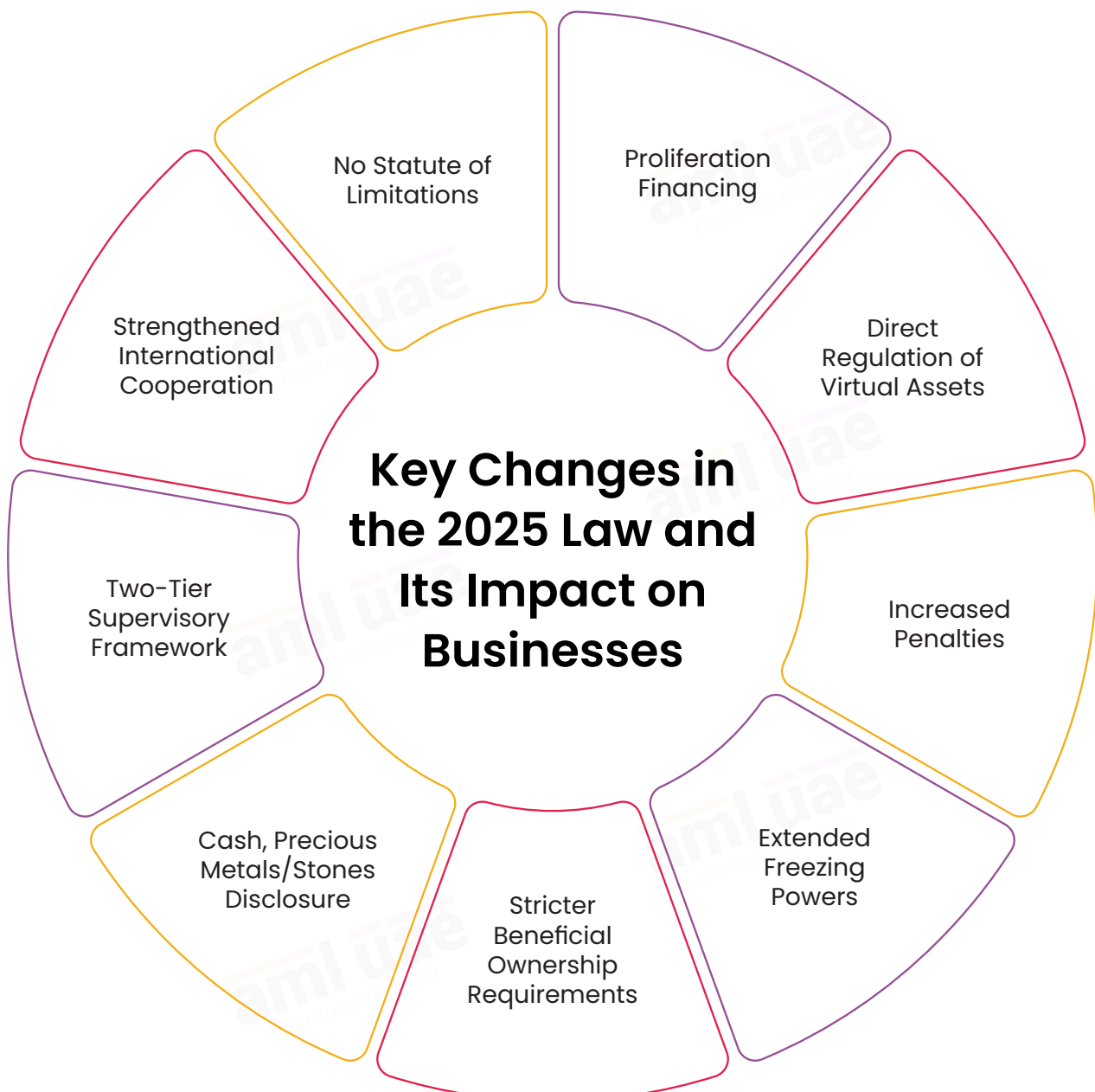
Infographic

DNFBPs subject to AML Compliance in the UAE

Key Changes in the New UAE AML Law 2025 and Its Impact on Businesses

The Federal Decree By Law No. 10 of 2025 introduces substantial reforms across multiple dimensions of AML/CFT/CPF enforcement. While some provisions build upon the earlier Federal Decree Law No. 20 of 2018 framework, others represent entirely new territory for UAE businesses.

The following key changes, comprising Proliferation Financing, Direct Regulation of Virtual Assets, Increased Penalties, Extended Freezing Powers, Stricter Beneficial Ownership Requirements, Two-Tier Supervisory Framework, and No Statute of Limitations, constitute the most significant shifts that stakeholders must understand and address.



Proliferation Financing

The most notable addition to the 2025 law is the introduction of 'Proliferation Financing' as a distinct criminal offence. This category did not exist in the 2018 legislation and reflects growing international concerns about weapons of mass destruction.

What it Means

This provision criminalises providing funds for weapons of mass destruction, including nuclear, biological, chemical, or radiological weapons.

Penalties

Temporary imprisonment and fines ranging from AED 1 million to AED 10 million, or twice the value of Criminal Property, whichever is greater.

Impact on Business

Businesses involved in international trade, technology transfers, or dual-use goods (civil and military use goods) require enhanced AML/CFT controls to ensure compliance with proliferation financing restrictions.

Direct Regulation of Virtual Assets

Cryptocurrency and digital assets, which were not addressed under the 2018 law, now receive comprehensive and explicit treatment throughout the 2025 legislation. This change addresses the rapid growth of the crypto economy in the UAE.

What Changed

Virtual Asset Service Providers (VASPs) are now defined as Regulated Entities

VASPs are explicitly subject to Suspicious Transaction Reporting (STR) requirements

Penalties apply to the use of technologies, accounts, or virtual assets that obscure the Source of Funds or the identity of the Beneficial Owner.

Virtual assets that enable total anonymity or obstruct tracing are expressly restricted.

Penalties

Promoting or dealing in totally anonymous virtual assets carries a minimum 3 months imprisonment and a fine not less than AED 50,000 , or either of these two penalties.

Impact on Business

Crypto exchanges, blockchain service providers, and any allied businesses accepting cryptocurrency payments must now implement the same rigorous AML/CFT compliance as imposed on other Regulated Entities

Increased Penalties

While the 2018 law imposed significant penalties, the 2025 version raises the stakes, particularly for corporate entities. The potential financial exposure for violations has multiplied several times over.

What Changed

Money Laundering (Individuals):

2018 Law

Up to 10 years imprisonment + fines up to AED 5 million

2025 Law

1-10 years imprisonment + fines up to AED 5 million OR value of Criminal Property (whichever is greater)

Money Laundering with Aggravated Circumstances:

Money Laundering committed under Aggravating circumstances includes: exploiting position authority, committing through NPOs or organised crime groups, certain serious predicate offences, or recidivism.

2025 Law

Temporary imprisonment + fines AED 1-10 million OR twice the criminal property value (whichever is greater)

Legal Entities:

2018 Law

Fines AED 500,000 to AED 50 million

2025 Law

Fines AED 5 million to AED 100 million OR Criminal Property value (whichever is greater)

Impact on Business

A single violation can now cost companies up to AED 100 million, representing a doubling of maximum penalties and creating substantially higher financial risk exposure.

How have penalties evolved under the 2025 Decree Law?

Offence Category	2018 Law (Federal Decree-Law No. 20 of 2018)	2025 Law (Federal Decree-Law No. 10 of 2025)	Analysis
Proliferation Financing (PF)	Not explicitly defined or penalised.	Punishable by temporary imprisonment and a fine between AED 1,000,000–10,000,000, or twice the value of the Criminal Property, whichever is greater.	PF is recognised as a distinct crime with severe penalties, aligning UAE law with FATF standards and addressing Weapons of Mass Destruction (WMD)-related financial risks.
Financing of Terrorism (Individuals)	Life imprisonment or temporary imprisonment (≥ 10 years) and a fine between AED 300,000–10,000,000.	Life imprisonment or temporary imprisonment (≥10 years) and a fine between AED 1,000,000–10,000,000, or twice the value of the Criminal Property.	The minimum fine increased more than threefold (from AED 300,000 to AED 1,000,000); it introduces asset-value-based fines, strengthening deterrence and recovery of illicit gains.
Dealing in Anonymous Virtual Assets	Not addressed.	Imprisonment (≥3 months) and/or fine ≥AED 50,000 for promoting, offering, or dealing in completely anonymous virtual assets.	A new and explicit penalty targeting untraceable Virtual Assets, highlighting the 2025 law's digital-risk focus.
Unlicensed Activities (VASPs / DNFBPs)	Generic penalty of AED 10,000–100,000 for violations.	Imprisonment and/or fine between AED 200,000–10,000,000 or either penalty, for (violating Article 20) engaging in financial/VASP/DNFBP activities without a license.	The 2025 Law introduces a specific and severe penalty for operating without a valid license or registration, reinforcing regulatory control over fintech and VASPs.
Tip-Off / Warning (Breach of Confidentiality)	Imprisonment (≥6 months) and/or fine AED 100,000–500,000.	Imprisonment and/or fine ≥AED 50,000.	The 2025 Law removes the minimum imprisonment period (of 6 months) but maintains the ability to impose imprisonment and a fine while retaining strict confidentiality obligations.

Offence Category	2018 Law (Federal Decree–Law No. 20 of 2018)	2025 Law (Federal Decree–Law No. 10 of 2025)	Analysis
Failure to Report / Gross Negligence	Imprisonment and a fine of AED 100,000 to AED 1,000,000, or either.	Punishment by imprisonment and a fine of not less than AED 100,000 and not exceeding AED 1,000,000, or by either of these two penalties.	The range remains the same, but the 2025 Law rephrases the minimum penalty to state "not less than" AED 100,000.
Violating Targeted Financial Sanctions (TFS) Instructions	Imprisonment or fine AED 50,000–5,000,000 applied to anyone who violates instructions issued by the Relevant Authority for the implementation of UN Security Council directives.	Imprisonment and/or fine ≥AED 20,000, for violating instructions issued by the Executive Office or other Competent Authority related to Targeted Financial Sanctions.	While the 2018 law addressed UN sanctions compliance, the 2025 Law sets a new minimum fine of AED 20,000 for violations against the Executive Office's sanctions instructions, reflecting the new structure.
Administrative Fines (Supervisory Authorities)	Fine of AED 50,000–5,000,000 per violation.	Fine of AED 10,000–5,000,000 per violation.	The minimum administrative fine is drastically reduced (from AED 50,000 to AED 10,000).

Extended Freezing Powers

Enforcement authorities have gained considerably more time and flexibility to freeze suspicious funds and suspend transactions. These expanded powers enable faster action against potential Money Laundering activities while investigations proceed.

What Changed

Transaction Suspension: The Financial Intelligence Unit (FIU) can suspend suspicious transactions for up to 10 working days without court approval.

Fund Freezing: The FIU can freeze funds for up to 30 days (increased from 7 days under the 2018 law), with extension provisions available through the Attorney General.

Enhanced Authority: Public Prosecution can directly access accounts, computer systems, and communications without prior notice to account holders.

Impact on Business

Businesses face potential 30-day account freezes that could disrupt operations, affect cash flow, and prevent payment of suppliers or employees during investigation periods.

Stricter Beneficial Ownership Requirements

Under the 2025 law, greater emphasis is placed on establishing Beneficial Ownership across corporate and legal arrangements.

What Changed

More detailed and specific definitions of Beneficial Ownership

Enhanced obligations requirements for legal arrangements and trusts

Specific obligations imposed on nominee directors and shareholders

Penalties

Providing false Beneficial Ownership information now carries imprisonment plus fines starting at AED 20,000.

Impact on Business

Businesses must maintain Beneficial Ownership records, verify ownership chains at multiple levels, and update information regularly as structures change. This may involve additional documentation during customer onboarding to ensure transparency.

Disclosure Requirements for Cash, Precious Metals/Stones, Negotiable Instruments

The Federal Decree Law No. 10 of 2025 introduces cash, precious metals/stones, and negotiable instruments disclosure requirements for individuals entering or departing from the UAE in accordance with the disclosure system issued by the Federal Authority for Identity, Citizenship, Customs, and Port Security in coordination with the Central Bank.

Impact on Business

Businesses must ensure that adequate disclosure is made when their staff carry cash, precious metals/stones, and negotiable instruments while entering or departing from the UAE. The AML/CFT policy and procedures must be amended to reflect this mandatory requirement as the UAE Customs Declaration Form.

Two-Tier Supervisory Framework

The 2025 law restructures how Anti-Money Laundering efforts are coordinated and supervised at the national level. The creation of the following dual oversight bodies reflects a more sophisticated approach to governance and enforcement.

- **Supreme Committee:** It provides high-level strategy and supervision, affiliated with the Presidential Court, and is responsible for monitoring the National Strategy effectiveness.
- **National Committee:** It handles operational coordination and implementation, chaired by the Central Bank Governor.

Impact on Business

More frequent inspections, higher regulatory expectations, dual reporting lines to both strategic and operational oversight bodies, and increased administrative penalty exposure.

Strengthened International Cooperation

The 2025 law enhances cross-border information sharing and mutual legal assistance, introducing streamlined mechanisms that improve coordination with foreign authorities and reduce barriers to international investigations.

What Changed

Automatic information exchange with counterpart authorities in other jurisdictions

Priority handling requirements for international cooperation requests
simplified mutual legal assistance procedures

Foreign confiscation orders are executable without separate national investigations

Tax matters no longer constitute grounds for refusing cooperation requests

Impact on Business

Transactions face greater scrutiny from multiple jurisdictions simultaneously. Moreover, information held by UAE entities can be shared more easily with foreign authorities, and cross-border operations require an understanding of multiple jurisdictions' AML requirements.

No Statute of Limitations (Continued from 2018)

While not a new provision, the continuation of unlimited prosecution timeframes remains one of the most significant features of UAE's AML framework. The 2025 law adds Proliferation Financing to the list of crimes with no statute of limitations, whereas the 2018 law only covered Money Laundering and Terrorism Financing.

What it Means

Criminal proceedings for Money Laundering, Terrorism Financing, and Proliferation Financing can be initiated at any time, regardless of how many years have passed since the offence occurred.

Impact on Business

Past violations can be prosecuted indefinitely, creating permanent legal risk. Businesses must maintain compliance records for extended periods, as past transactions remain subject to investigation and prosecution decades later.

Additional Information



Blog

- Targeted Financial Sanctions (TFS) Legal Requirements in UAE
- Mitigating Tipping-Off Risk to Ensure AML/CFT Compliance



Infographic

- UAE Customs Declaration Form Submission while Carrying Cash and Valuables Exceeding AED 60,000 In or Out from UAE



Video

- Ultimate Beneficial Owners: Unveiling the real names

Comparative Chart of Changes in Federal Decree Law No. (10) of 2025

To put these developments and key changes into perspective, the following table highlights how core provisions have evolved from Federal Decree Law No. (20) of 2018 to Federal Decree Law No. (10) of 2025. Many of these refinements aim to streamline compliance obligations and enhance alignment with international standards. This comparison helps identify areas where institutions may need to recalibrate their internal processes.

Table depicting Key Changes in 2018 and 2025 UAE AML Laws

Offence Category	2018 Law (Federal Decree-Law No. 20 of 2018)	2025 Law (Federal Decree-Law No. 10 of 2025)	Analysis
Primary Scope	Focuses on ML, TF, and Financing of Illegal Organisations.	Focuses on ML, TF, and Proliferation Financing (PF).	The 2025 Law introduces PF as a distinct crime and removes the specific term "Financing of Illegal Organisations" (which was present in the 2018 Law).
Definitions and Coverage	Includes definitions for ML, TF and Illegal Organisations.	Introduces detailed definitions for Proliferation, Weapons of Mass Destruction (WMD), and Virtual Assets, alongside expanded definitions for ML/TF.	The 2025 Law incorporates modern financial crime concerns, explicitly covering PF and transactions involving Virtual Assets.
Treatment of Virtual Assets	No reference to Virtual Assets (VA) or Service Providers.	Explicitly addresses VA, including their use in ML & TF. It also defines and regulates Virtual Asset Service Providers (VASPs).	It modernises the AML scope to include digital currencies and crypto-related activities.
Financial Intelligence Unit (FIU)	The FIU is established within the Central Bank of the UAE (CBUAE), chaired by the Governor.	It retains CBUAE structure but affirms FIU's independence. Now, the FIU is established as an independent unit within the Central Bank (CBUAE).	It emphasises institutional autonomy and operational independence of the FIU.
National Coordination Framework	It established the National Committee, chaired by the CBUAE Governor.	It introduces a two-tier structure: a Supreme Committee for the Supervision of the National Strategy for AML, CFT, PF (affiliated with the Presidential Court) and a National Committee, chaired by the Governor	The 2025 Law creates a two-tiered oversight structure, placing strategic supervision under the Supreme Committee while maintaining the National Committee for policy implementation.
FIU Freezing Authority	The Governor or their delegate may freeze suspicious funds up to 7 working days, renewable by the Public Prosecutor.	The FIU Chief may suspend transactions up to 10 days or freeze funds for 30 days.	It extends FIU's power and timeframe, allowing faster, independent intervention.

Offence Category	2018 Law (Federal Decree–Law No. 20 of 2018)	2025 Law (Federal Decree–Law No. 10 of 2025)	Analysis
Money Laundering Penalties (Individuals)	Imprisonment not exceeding 10 years and a fine of AED 100,000 to AED 5,000,000, or either penalty; Aggravated penalty (temporary imprisonment and fine of AED 300,000 to AED 10,000,000) for specific circumstances.	Imprisonment for a term of not less than 1 year and not exceeding 10 years, together with a fine of AED 100,000 to AED 5,000,000, or equivalent Criminal Property value. Aggravated penalty (temporary imprisonment and fine of AED 1,000,000 to AED 10,000,000).	The 2025 Law clarifies the minimum imprisonment term (not less than 1 year) and increases the minimum fine for aggravated offences (from AED 300,000 to AED 1,000,000).
Penalties for Legal Persons	Liquidate and close the office, and a fine of AED 500k –50 M.	Fine AED 5M –100M or equivalent Criminal property value.	The maximum fine for a Legal Person conviction is doubled (from AED 50 million to AED 100 million) in the 2025 Law, and the minimum fine is significantly increased (from AED 500,000 to AED 5,000,000), reinforcing corporate liability.
Legal Person Conviction for CFT/PF	If convicted of terrorism financing, the Court shall order liquidation and closure of the office premises.	If convicted of Financing of Terrorism or Proliferation Financing, the Court shall order dissolution and closure.	The mandatory dissolution and closure provision now includes PF Convictions.
Professional Secrecy Exemption	Exemption for lawyers, notaries, other legal professionals, and independent legal auditors who obtained information subject to professional confidentiality.	Exemption maintained for lawyers, notaries, other legal professionals, or independent legal auditors if information was obtained under circumstances subjecting them to professional secrecy. maintained with an identical scope.	This core exemption remains largely consistent in both laws, protecting legal professional privilege.
Repeal Status	Repealed by Decree–Law No. 10 of 2025.	Repeals the 2018 Decree–Law.	The 2025 Law is the currently effective legal framework, along with existing resolutions, notifications, and circulars to the extent they aren't repealed.

Additional Information



Blog

- What is Proliferation and Proliferation financing ?
- Responsibilities of the FIU – Financial Intelligence Unit



Infographic

- Navigating the concept of Virtual Asset and VASP (Virtual Asset Service Provider)
- Countering the Proliferation Financing: Concept and Mitigation Measures

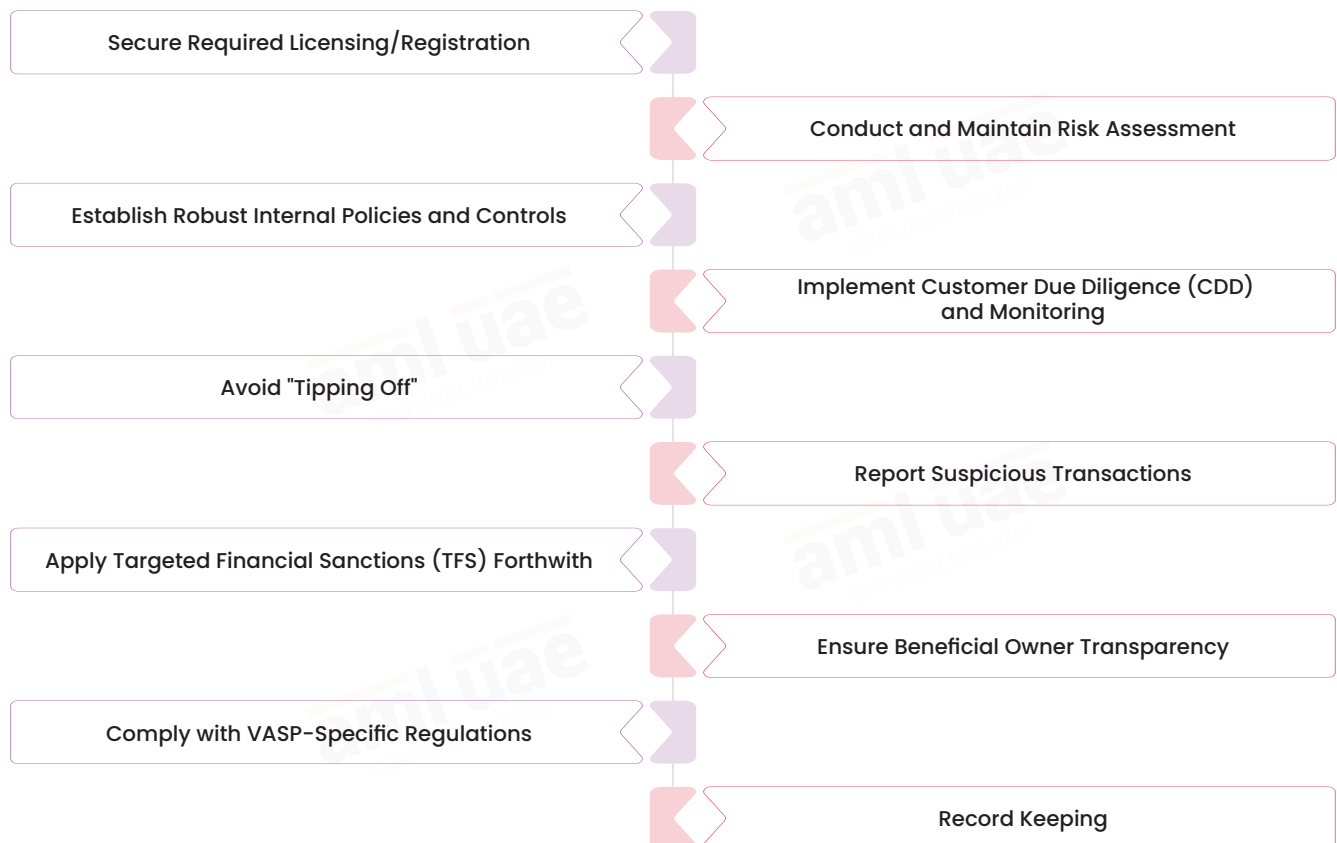
Step-by-Step Guide for the Regulated Entities to Comply with the New UAE AML Law 2025

The following step-by-step guide outlines each compliance step required under the New AML Law 2025.

This section provides a clear overview of the entire process—from Securing Licensing, Conducting Risk Assessments, Establishing Internal Policies, Implementing CDD, Ensuring Beneficial Owner Transparency, Applying TFS Forthwith, Reporting Suspicious Transactions, Avoiding Tipping-Off, Meeting VASP-Specific Obligations, and Keeping Records.

Together, these steps highlight the essential actions businesses must take to meet the law’s requirements, strengthen internal controls, and ensure full alignment with regulatory expectations.

Step-by-Step Guide for the Regulated Entities under the 2025 Law



Secure Required Licensing/Registration

Before engaging in any Financial Activities, DNFBP, or VASP activities, the natural or legal person must obtain a license, registration, or enrolment from the Competent Authority or the relevant Supervisory Authority.

Violation of this specific licensing requirement carries a potential penalty of imprisonment and a fine of not less than AED 200,000 and not exceeding AED 10,000,000, or either penalty.

Conduct and Maintain Risk Assessment

The next step for the Regulated Entities is to identify, understand, manage, assess, document, and continuously update the risks of financial crimes such as Money Laundering, Financing of Terrorism, and Proliferation Financing, within their business scope. This assessment is grounded in a risk-based approach, and multiple risk dimensions are considered.

- Assessing how the new risks (Virtual Assets, Proliferation Financing) can affect specific products, services, and customer base.
- Allocating more resources to scrutinise high-risk areas (e.g., Politically Exposed Persons, Clients from High-Risk Countries, Complex Crypto Transactions).

Moreover, the Risk Assessment study and related information are retained and provided to the Supervisory Authority upon request.

Establish Robust Internal Policies and Controls

The following step for Regulated Entities is to establish internal AML/CFT policies, controls, and procedures that are approved by Senior Management. These controls enable Regulated Entities to manage and mitigate identified risks.

- These Policies are applied to all branches and subsidiary companies in which the REs own a majority share.
- These Policies and Procedures are continuously reviewed and updated.

Implement Customer Due Diligence (CDD) and Monitoring

The next step is implementing CDD measures and continuous monitoring procedures for clients. The scope for these measures is determined based on the multiple ML/TF/PF risk dimensions and the outcomes of the National Risk Assessment (NRA). The CDD process usually consists of,

- Identifying and verifying the information of the Customer and the Beneficial Owner in a legal person (the natural person exercising ultimate effective control over a corporate person).
- Identifying the nature of the Customer's business and the purpose of the business relationship.
- Ensuring not to open or maintain accounts, or conduct transactions, under anonymous, fictitious, alias, or numbered names, or provide services to such accounts.

Ensure Beneficial Owner Transparency

While onboarding corporate clients, the identification of the Ultimate Beneficial Owner ensures transparency and accountability.

- Intentionally providing false or misleading information concerning the Beneficial Owner is subject to criminal punishment (imprisonment and a fine of not less than AED 20,000, or either penalty).

Apply Targeted Financial Sanctions (TFS) Forthwith

For Regulated Entities, applying the instructions issued by the Executive Office or any other Competent Authorities concerning Targeted Financial Sanctions is another essential component of an efficient AML/CFT Compliance Program. This includes:

- Freezing of funds and prohibition of making them available for designated persons/organisations.
- Filling relevant reports such as Confirmed Name Match Report (CNMR) and Partial Name Match Report (PNMR), as the case may be.

Violation of these instructions is a serious offence, punishable by imprisonment and a fine of not less than AED 20,000, or either penalty.

Report Suspicious Transactions

In case there is a red flag in the transaction pattern or Regulated Entities have reasonable grounds to suspect that the Transaction or Funds are related to the criminal offences of Money Laundering, Financing of Terrorism, and Proliferation Financing, then taking appropriate steps is required. This includes:

- Notifying the Financial Intelligence Unit (FIU) without delay and directly.
- Providing a detailed Suspicious Transaction Report (STR) or Suspicious Activity Report (SAR) containing all available data and information via the electronic system or other approved means.

It must be noted that confidentiality provisions cannot be invoked to withhold information requested by the Unit. (Note: This obligation does not apply to legal professionals or independent legal auditors if the information was obtained under professional secrecy).

Avoid "Tipping Off"

After taking the necessary steps required by FIU to file STR or SAR, ensuring the crucial information is not tipped off to the client in question is imperative for Regulated Entities.

Any person who notifies, warns, or discloses information related to Suspicious Transactions under review or investigation (in contravention of confidentiality rules) is subject to punishment with imprisonment and a hefty fine of not less than AED 50,000, or either penalty.

Comply with VASP-Specific Regulations

If the stakeholder is a VASP (defined as a person conducting one or more Virtual Asset activities specified in the Executive Regulations for commercial purposes), then complying with VASP-Specific Regulations (VARA) is required. This includes:

- Obtaining the required license/registration.
- Refraining from dealing in, promoting, or offering for sale Virtual Assets characterised by total anonymity or that prevent or obstruct the ability of the Competent Authorities to trace the Transaction or its parties.





Violation of this rule is punishable by imprisonment for a period of not less than three (3) months and a fine of not less than AED 50,000, or either penalty.

Record Keeping

Retaining all records, documents, and data relating to domestic and international transactions, AML/CFT compliance program and measures for the prescribed time is mandatory for Regulated Entities as per the UAE's AML/CFT Law.

This also ensures their immediate availability to Competent Authorities upon request during regulatory inspections or audits.

Additional Information

-  **Blog** • A Complete Guide to Customer Due Diligence - AML UAE
-  **eBook** • eBook on Record-Keeping Requirements in the UAE
-  **Infographic** • AML Record-Keeping Requirement In UAE
• Overview of AML Obligations of VASPs under VARA Regulations
-  **Video** • Differentiating: Suspicious Activity vs. Suspicious Transaction | AML UAE

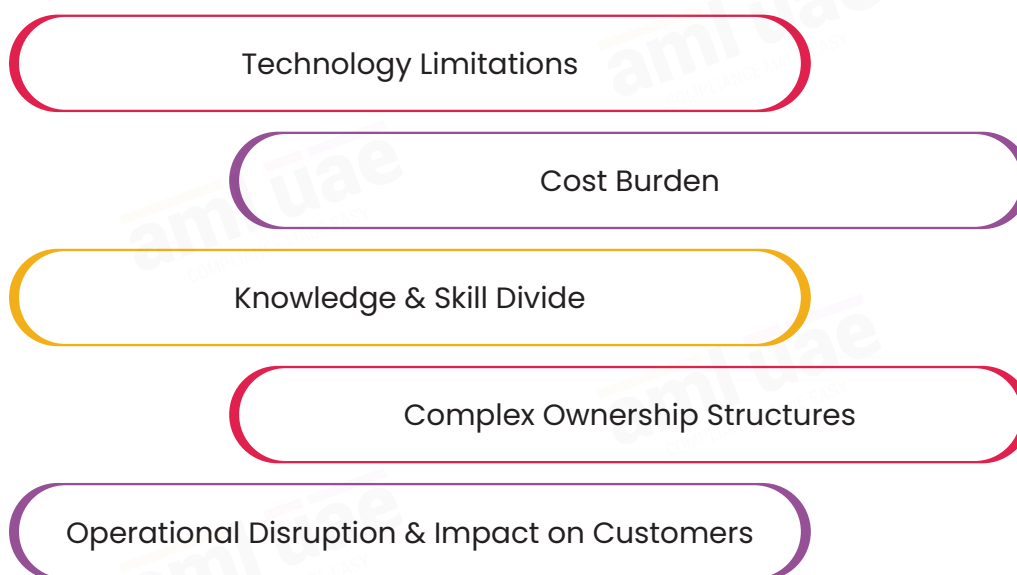
Challenges Faced by the Regulated Entities in complying with the legal obligations



While the 2025 law establishes clear compliance requirements, translating these obligations into operational reality presents significant challenges.

This section highlights the most significant hurdles businesses are likely to face under the strengthened AML framework, including Technology Limitations, Cost Burden, Knowledge & Skill Divide, Complex Ownership Structures, Operational Disruption & Impact on Customers. Further, the Cabinet Resolution No. 134 of 2025 will take effect from December 14, 2025, and regulated entities will have to ensure that they follow the regulations. Read our Guide to New Cabinet Resolution No. 134 of 2025 on AML Law No. 10 of 2025.

Challenges faced by the Regulated Entities in complying with the legal obligations



Technology Limitations

Many businesses rely on legacy systems that cannot support virtual asset monitoring, Screening against local and global watchlists, or real-time sanctions updates. Integrating blockchain analytics, tracking cryptocurrency transactions, and identifying complex ownership structures often requires significant technical upgrades.

Cost Burden

Implementing an enhanced AML framework, including technology, training, governance, and dedicated compliance roles, creates substantial financial strain, particularly for smaller DNFBPs and emerging VASPs.

Knowledge & Skill Divide

Many employees lack understanding of new requirements, particularly regarding virtual assets and Proliferation Financing. This increases the risk of misidentifying red flags or applying due diligence inconsistently.

Complex Ownership Structures

Identifying true Beneficial Owners in complex corporate structures with multiple layers, offshore entities, and nominee arrangements remains extremely difficult. Clients often cannot provide complete ownership information, and cross-border chains require verification in multiple jurisdictions, which can further delay onboarding and monitoring.

Operational Disruption & Impact on Customers

Enhanced CDD, STR reporting, and Sanctions Screening can slow onboarding, increase documentation demands, and create friction for legitimate customers. Businesses must balance regulatory expectations with customer experience.

Additional Information



Blog

- Sanctions Screening in UAE
- AML Compliance in a Cost-Effective Manner - AML UAE



Infographic

- How to Identify UBO within Complex Ownership Structures

Best Practices for the Stakeholders to Ensure New UAE AML Law 2025 Compliance



While challenges are common, solutions exist. Businesses that approach AML compliance strategically distinguish themselves as market leaders from those merely avoiding penalties.

This section outlines the essential best practices for building an effective AML compliance under the 2025 framework. These include adopting a Risk-Based Approach, investing in Quality Technology Adoption, building a Strong Compliance Culture, Maintaining Documentation, and Leveraging Expertise.

Best Practices under the New UAE Law 2025

Adopt Risk-Based Approach

Invest in Quality Technology

Build a Strong Compliance Culture

Maintain Documentation

Leverage Expertise

Adopt Risk-Based Approach

Regulated Entities must allocate compliance resources based on actual risk levels. This includes conducting ML/FT risk assessment in line with NRA and SRA, supervisory guidance, global best practices, and categorising customers into risk tiers (low, medium, high) and applying appropriate due diligence levels, documenting Risk Assessment methodology and reviewing ratings regularly.

Invest in Quality Technology

Regulated Entities must deploy robust AML technology capable of real-time transaction monitoring, automated sanctions screening, blockchain analytics, and scalable case-management systems that integrate smoothly with existing infrastructure.

Build a Strong Compliance Culture

Regulated Entities must foster a culture where compliance is everyone's responsibility. This requires visible senior management support, regular staff training & internal audits, clear accountability, open communication, and protected whistleblowing mechanisms to encourage internal reporting.

Maintain Documentation

Regulated Entities must maintain detailed records of all compliance decisions, due diligence, risk assessments, onboarding outcomes, suspicious transaction analyses, training sessions, and audits. Employing standardised templates and securing digital storage helps ensure consistency and accessibility.

Leverage Expertise

Regulated Entities must strengthen their AML frameworks by engaging specialised consultants, legal advisors, and technology experts for compliance program design, gap analysis, independent audits, system optimisation, and staff training development.

Additional Information



Blog

The Risk Based Approach to AML - Anti-Money Laundering Compliance



Infographic

AML/CFT Compliance Culture eBook

Reign Over Regulatory Changes with AML UAE Solutions

The New UAE AML/CFT Law of 2025, Federal Decree by Law No. 10 of 2025, significantly strengthens the national compliance framework, introducing new offences, virtual asset regulations, and higher penalties, amongst other things. For businesses, strong AML compliance is essential to protect their reputation and adhere to global best practices.

The message is clear:

The cost of compliance is always lower than the cost of violation.

FAQs

1. What happens to violations committed under the Old Law of 2018?

Violations under the previous AML framework remain prosecutable because the UAE imposes no statute of limitations on ML offences, even after the introduction of the New UAE AML law of 2025.

2. How often should AML Risk Assessments be updated under the 2025 law?

Risk assessments must be continuously monitored and regularly updated.

3. What if a business cannot identify the Beneficial Owner?

The business relationship cannot proceed without identifying Beneficial Ownership.

4. Can businesses in the UAE accept cryptocurrency payments?

Yes, but only if they comply with AML/CFT requirements, conduct robust KYC procedures, and ensure traceability of all virtual asset transactions.

5. Are businesses protected from liability when filing Suspicious Transaction Reports (STRs)?

Businesses enjoy legal immunity for STRs filed in good faith; liability only applies when reporting is made maliciously or with wrongful intent.

6. Is staff training mandatory?

While not explicitly criminalised under the New Law of 2025, failure to train staff could constitute a violation of internal policy obligations.

7. Can foreign nationals be deported for violations of the New UAE Law of 2025?

Yes. Foreign nationals convicted under AML offences may face deportation in addition to other penalties under the 2025 law.

About AML UAE

AML Compliance Simplified!

AML UAE is an Anti-Money Laundering (AML) consulting firm with decades of experience supporting businesses across the UAE.

We have expertise in providing various AML services to DNFBPs, such as Lawyers, Real Estate Agents, Accountants and Auditors, Dealers in Precious Metals and Stones, and Company Service Providers. We also provide AML consultancy services to Virtual Asset Service Providers.

We are equipped to help you register on the goAML portal. We conduct Enterprise-Wide Risk Assessments and align your AML/CFT policies and procedures in line with them. We design customized forms and templates for carrying out KYC, Customer Risk Assessment, and Enhanced Due Diligence for your customers. We help you prepare and submit reports like SAR, STR, CNMR, PNMR, HRC, HRCA, DPMSR, etc. We ensure that your employees are well-trained from an AML perspective.

Not just this, we assist regulated entities with decoding the Remedial Action Plan and effectively implementing the authority's recommendations around the AML program.

AML UAE is your go-to partner for handling all your compliance-related requirements.

Once we enter the picture, AML compliance is ensured. With that, you can continue to be a highly reputed business, actively striving to counter money laundering, terrorist financing, and proliferation financing.

Service Matrix

Service	Common Drivers							Value Proposition
	Ensure legal compliance	Save time and costs	Need expert support	Automate compliance processes	Implement best practices	Crisis management	Change AML/CFT consultant	
goAML Registration	✓		✓					Streamlines the process of registering with the UAE FIU goAML portal. Ensures compliance and reduces administrative burden.
Enterprise-Wide Risk Assessment	✓	✓	✓		✓		✓	Identifies risk factors, gross risk, controls deployed and their effectiveness, residual risk, and need for additional controls.
AML/CFT Policy Drafting	✓	✓	✓		✓		✓	Provides tailored AML/CFT policy frameworks that are up-to-date with current laws, enhancing regulatory compliance.
In-house Compliance Department Set-up	✓		✓		✓		✓	Establishes a robust internal compliance structure, helps recruit the right resources and ensures ongoing compliance efficiency.
KYC Managed Services	✓	✓	✓		✓	✓		Outsourced KYC processes that speed up customer onboarding and maintain high compliance standards.
Ongoing AML/CFT Consulting	✓	✓	✓	✓	✓	✓	✓	Continuous expert advice tailored to address specific challenges, enhancing overall compliance strategies.
AML/CFT Health Check	✓		✓		✓	✓	✓	Conducts comprehensive reviews and assessments to pinpoint vulnerabilities and recommend improvements.
AML Training	✓	✓	✓		✓		✓	Offers comprehensive training programs that enhance the compliance skills of employees at all levels.
AML Software Selection	✓	✓	✓	✓	✓			Helps choose the best AML software that fits the company's needs, improving efficiency and cost-effectiveness.
Screening Software Validation	✓		✓	✓	✓			Tests and validates screening tools to ensure they meet regulatory requirements and operational needs.
Regulatory Reporting	✓	✓	✓		✓		✓	Streamlines the process of creating and submitting SAR, STR, PNMR, CNMR, DPMSR, REAR, HRC, and HRCA reports accurately and on time.

Our Team



Pathik Shah

Founder

CAMS, FCA, CISA, CS, DISA (ICAI), FAFP (ICAI)

Pathik is a Chartered Accountant with over 26 years of experience in governance, risk, and compliance. He helps companies with end-to-end AML compliance services, from conducting Enterprise-Wide Risk Assessments to implementing robust AML compliance frameworks. He has played a pivotal role as a functional expert in developing and implementing RegTech solutions for streamlined compliance.



Jyoti Maheshwari

Partner

CAMS, ACA

Jyoti is a Chartered Accountant and Certified Anti-Money Laundering Specialist (CAMS), having around 8 years of hands-on experience in regulatory compliance, legal advisory, policy-making, tax consultation, and technology project implementation. Jyoti holds experience with Anti-Money Laundering regulations prevalent across various countries. She helps companies with risk assessment, designing and deploying adequate mitigation measures, and implementing the best international practices to combat money laundering and other financial crimes.

Our Team



Dipali Vora

Partner

CAMS, ACS

Dipali is an Associate member of ICSI and a Certified Anti-Money Laundering Specialist (CAMS). She has an overall experience of 8 years in the compliance domain, including Anti-Money Laundering, due diligence, secretarial audit, and managing scrutiniser functions. She currently assists clients by advising and helping them navigate through all the legal and regulatory challenges of Anti-Money Laundering Law. She helps companies to develop, implement, and maintain effective AML/CFT and sanctions programs.



Purva Buch

Senior Consultant

CAMS, LLB

Purva is a Certified Anti-Money Laundering Specialist (CAMS) and a Lawyer with 5+ years of experience. She has substantial knowledge of Anti-Money Laundering Laws, Rules, Regulations, and AML Compliance Processes. Purva has been instrumental in drafting RegTech processes, corporate policymaking, and fulfilling various legal research and drafting requirements arising from AML laws and regulatory technology.

AMLVerse

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