

The FinCrime Brief

Washington deleted a beneficial-ownership database instead of expanding it, then proposed cutting an entire foreign bank out of the correspondent-banking system over \$1.8bn in alleged flows – a proposal Abu Dhabi answered within a day. Brussels spent the month on the paperwork behind its own supervisor. Tokyo and Seoul each closed a different gap in the travel rule. And Australia proved a suspension can outrun a fine. Here is August, verified against the primary sources – and the 90 days still ahead.

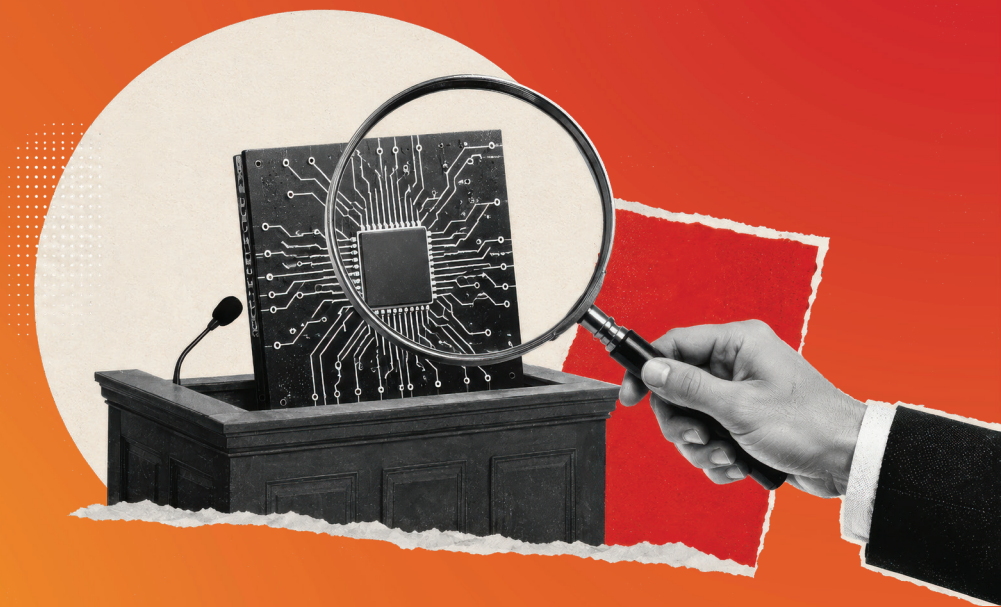


THE MONTH ONE SYSTEM GOT SMALLER WHILE THE REST GOT BIGGER.

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01

Regulatory Tracker

The month the toolkit changed shape.

United States

FinCEN · OFAC

FINCEN · FINAL RULE AUG 11, 2026

FinCEN made the CTA rollback permanent – and will delete the beneficial-ownership data it already has.

FinCEN issued a final rule, effective August 14, 2026, permanently removing the requirement for U.S. companies and U.S. persons to report beneficial-ownership information (BOI) under the Corporate Transparency Act – making March 2025's interim rollback permanent. It also exempts FinCEN-ID holders from updating obligations, drops the requirement for foreign companies to report U.S. 'company applicants', and confirms FinCEN will delete any BOI record it believes belongs to a U.S. person. Foreign reporting companies must still report their foreign beneficial owners.

- *So what? Stop treating the BOI database as a live U.S.-person CDD input, and re-scope any beneficial-ownership screening workflow that assumed it would still be there. Foreign-entity BOI collection is the only piece that survives.*

FINCEN & DOJ · AUG 7 & 25, 2026

A Minnesota fraud corridor produced both a renewed reporting order and an indictment for structuring around it.

FinCEN renewed its Geographic Targeting Order for Hennepin and Ramsey Counties, MN, keeping the \$3,000 enhanced-reporting threshold on cross-border funds transfers live for another 180 days, in response to diverted state/federal benefits funds being laundered overseas. Weeks later, DOJ indicted Christopher A. Bravo Marin, an employee at a Minnesota money transmitter, for allegedly laundering at least \$750,000 in CJNG cartel drug proceeds by structuring transfers just under his employer's own \$1,000 ID-verification threshold, using fabricated sender names and forged receipts for \$40–50 per transfer.

- *So what? Add dual-control review for transaction clusters sitting just below internal ID-verification thresholds – this is a live insider-threat pattern, not a hypothetical one, in exactly the corridor FinCEN's GTO already flags.*

OFAC · AUG 7, 2026

A sanctioned Iranian exchange found a second life laundering funds through an online gambling network.

OFAC designated Siavash Kayvanpour and his Georgia-based Shelbit/Shelbit Exchange for moving digital assets tied to the IRGC and to previously-designated Iranian exchange Nobitex – including over \$1mn sent from IRGC-linked addresses to Shelbit and over \$2mn sent back. Shelbit also serviced a Persian-language online gambling network that had already survived a 2023 illegal-gambling conviction in Iran, laundering tens of millions of dollars through it.

- *So what? Add sanctioned-jurisdiction online gambling platforms to VASP/crypto red-flag typologies alongside unlicensed exchanges – the same rails served both roles here.*

OFAC · SETTLEMENT AUG 12, 2026

A Wisconsin manufacturer paid for its Italian subsidiary's Iran sanctions violations – proof that 'we didn't know' doesn't stop at the parent company.

OFAC settled with Rice Lake Weighing Systems, Inc. for \$60,764 over eight apparent violations of the Iranian Transactions and Sanctions Regulations, after its Italian subsidiary, Dini Argeo S.r.l., exported weighing equipment to a UAE distributor between 2019 and 2021, knowing the goods were destined for Iran. OFAC did not allege the U.S. parent knew – only that it failed to ensure the subsidiary understood and complied with U.S.-Iran sanctions. Voluntary self-disclosure and non-egregious conduct kept the penalty low.

- *So what? Sanctions oversight has to reach foreign subsidiaries and their distributors in practice, not just on paper – but self-disclosure still meaningfully reduces the bill when a gap surfaces.*

OFAC · AUG 20, 2026

Ten couriers moved 'hundreds of millions' for Hizballah on ordinary commercial flights.

OFAC designated Turkish businessman Yunus Alper Yilmaz and nine associates for running a bulk-cash-smuggling network using commercial airline passengers between Lebanon, Türkiye, the UAE, and Iran, abusing Turkish exchange houses as fronts for funds tied to the IRGC-Qods Force. Hizballah itself was concurrently re-designated under E.O. 13224 for acting under IRGC-QF direction.

- *So what? A reminder that sanctioned networks still move real money the low-tech way – bulk cash on commercial flights plus exchange-house fronts sits outside most transaction-monitoring systems built for electronic payments.*

OFAC & STATE DEPT · AUG 24, 2026

Syria's 47-year terrorism designation ended – and two new names went on the list the same day.

State rescinded Syria's State Sponsor of Terrorism designation (in place since 1979) and revoked HTS's SDGT designation; OFAC removed HTS from the SDN List, so U.S. persons no longer need OFAC authorization to transact with it, absent other blocked-party involvement. The same day, OFAC designated Sa'd Bin Sa'd Muhammad Shariyan al-Ka'bi and Jamal Husayn Zayniyah under E.O. 13224 for continued financial and logistical support to al-Qa'ida and Hurras al-Din, respectively.

- *So what? Update country-risk matrices and screening lists for Syria/HTS now – but don't read it as a blanket clearance; individuals with Syria/HTS lineage can still be, and were, freshly designated the same day.*

FINCEN & CBUAE · AUG 28–29, 2026

FinCEN proposed cutting a foreign bank's UAE branches off from the U.S. financial system – and the UAE's own central bank opened a forensic probe within a day.

FinCEN issued a Section 311 notice of proposed rulemaking on August 28 to revoke Banque Misr UAE's U.S. correspondent-banking access, assessing that its UAE branches processed roughly \$1.8bn between January 2024 and June 2026 for 103 companies potentially tied to Iranian shadow-banking networks – including alleged fronts for Iran's Ministry of Defense and the IRGC. The bank's Egyptian parent is explicitly excluded from the proposal. OFAC concurrently designated Reza Mohammad Taeedi (a Bank Melli Dubai branch manager) and Hong Kong-based Kameng Trading Limited for related sanctions-evasion facilitation. The next day, the Central Bank of the UAE (CBUAE) confirmed it had decided to conduct a "special and urgent examination" of Banque Misr's UAE branches – an in-depth forensic lookback covering the same period and companies named in FinCEN's statement – while it "studies the available options regarding the status of the bank."

- *So what? Any bank with a correspondent or nested-account relationship reaching Banque Misr UAE, directly or through a downstream respondent, should reassess that exposure now. A U.S. special measure that triggers an immediate local forensic examination is a de-risking signal from two regulators at once, well before either process is finalized.*

Global Standard-Setter

FATF

FATF · CONSULTATION CLOSED AUG 21, 2026

The Travel Rule consultation window closed. The actual guidance is still being written.

FATF's public consultation on draft guidance implementing the revised Recommendation 16 cross-border payment-transparency standard – covering misdirected-payment detection, alignment checks, financial-inclusion considerations, and treatment of digital wallets and mobile money – closed on August 21, 2026, having opened on June 24. No plenary, new mutual evaluation report, or typology report followed in August; this consultation closure was the month's only FATF-level milestone.

- *So what? The 2030 implementation deadline is fixed; the operational details behind it are not yet. Watch for the finalized guidance to set the actual payment-message data fields your systems will need to build.*

UN SANCTIONS COMMITTEES · AUG 13 & 27, 2026

Both UN terrorism-sanctions committees made only routine listing amendments.

The 1267 (ISIL/Da'esh & Al-Qaida) Committee amended identifying details on four decades-old entries on August 13; the 1988 (Taliban) Committee similarly amended one existing entry on August 27. Neither release cites new underlying conduct.

- *So what? List-hygiene only – nothing here changes screening exposure this month.*

European Union

AMLA · AMLR · EU sanctions

FAMLA · DEADLINE AUG 15, 2026

Brussels finished collecting the data it needs to pick its first directly supervised banks.

Under the reporting package AMLA published in May, national competent authorities had until August 15 to submit data identifying which credit/financial institutions and groups operating in six or more Member States are provisionally eligible for AMLA's first direct-supervision selection round in 2027 – up to 40 entities/groups, with supervision starting in 2028. An 'error correction and alignment phase' with home supervisors now follows, with a provisional eligible-entities list expected by end-September.

- *So what? Cross-border banking groups should confirm with their home supervisor whether they were flagged as provisionally eligible – this is the gateway step onto AMLA's direct-supervision track from 2028.*

EBA · DEADLINE AUG 24, 2026

The templates behind AMLA's eligibility data just locked in.

EBA's feedback window on its reporting-framework 4.4 draft technical package – which includes the data model for AMLA-eligibility templates, first reference date December 31, 2026 – closed on August 24, with the final package due in September.

- *So what? Entities already flagged as provisionally eligible for AMLA supervision should watch for September's finalized package – it fixes the exact fields they'll report in early 2027.*

AMLA · SURVEY OPEN AUG 2026

AMLA asked payment and e-money firms to grade their own supervisory contact point before it writes the rulebook.

AMLA opened a voluntary survey inviting Electronic Money Institutions and Payment Service Providers to feed back on their practical experience with the existing Central Contact Point regime, ahead of AMLA drafting binding technical standards under Article 41(2) AMLD. Luxembourg's CSSF circulated the survey to its sector on August 21; it closes on September 15.

- *So what? Cross-border PSPs/EMIs have a direct, time-limited channel to flag CCP pain points before the standard is fixed rather than after.*

COUNCIL OF THE EU · PHASED DATES FROM AUG 13, 2026

The 21st Russia sanctions package started biting in August, weeks after it was adopted.

The Council's 21st Russia sanctions package (adopted on July 23) carried delayed application dates for several annex listings: From August 13, 33 additional Russian credit/financial institutions became subject to the transaction ban. A separate provision extending the ban on Russian/Belarusian nationals serving on CASP boards to all EU-incorporated crypto firms also entered into force in late August, though the exact day is not independently confirmed against the annex text (corroborated across multiple sanctions-law trackers).

- *So what? Re-run screening against the August 13 institution list and check CASP board composition against the widened Russian/Belarusian-national restriction – adoption and application dates were not the same in this round.*

ESMA · ONGOING CAUTION

The MiCA/CASP register still isn't a statistics page – treat any headline 'total CASPs' figure accordingly.

ESMA's interim CASP register continued its routine weekly refresh through August. ESMA itself does not publish an official aggregate 'total CASPs authorized' count – the register is a raw list, not a dashboard – and third-party trackers continue to quote differing totals for the same week.

- *So what? Verify any EU crypto counterparty's authorization status directly against the live ESMA register, not against a secondary tracker's headline number.*

United Kingdom

FCA · OFSI · NCA

OFSI · AUG 6, 2026

The UK added 19 more Russian designations – six of them banks.

OFSI designated six banks (including Ozon Bank, Realist Bank, and the State Specialized Russian Export-Import Bank), six oil tankers, six companies acting as ship managers or military-material importers, and one individual, framed as restricting revenue, financial services, and materiel access for Russia's defense sector and shadow fleet.

- *So what? Refresh sanctioned-entity screening immediately – correspondent banks with any Russian financial-institution exposure should re-run screening against these six newly designated banks specifically.*

OFSI · AUG 12, 2026

The Lukoil Bulgaria license got extended – with a new 14-day tripwire attached.

General Licence INT/2025/7895596, covering continued business with Lukoil Bulgaria, Lukoil Neftochim Burgas, Lukoil Aviation Bulgaria, and Lukoil-Bulgaria Bunker, was amended to add a requirement that firms notify OFSI within 14 days of starting relevant activity, and extended to October 29, 2026.

- *So what? Add the 14-day OFSI notification step to any workflow relying on this license before the extended expiry arrives.*

FCA · AUG 26, 2026

Three Dolfin executives sold a £400,000 shortcut around the UK's investor-visa rules – to at least 99 people.

The FCA banned former Dolfin Financial (UK) CEO Denisz Nagy (fined £324,800) and former finance director Sanjay Maraj (fined £122,000) – plus co-founder Roman Joukovski,

whose ban is provisional pending appeal – over a 2016–2019 scheme letting clients pay a £400,000 fee instead of investing the required £2mn in UK companies under the (since-closed) Tier 1 investor-visa route. At least 99 individuals obtained visas this way, generating £35.5mn in fees for Dolfin and referring immigration agents.

- *So what? A concrete precedent for firms adjacent to investor-visa or 'golden visa' products: Facilitating a false impression of regulatory compliance is now a live enforcement category, not a gray area.*

NCA · AUG 27, 2026

UK e-money accounts converted Iran-linked oil proceeds – until the NCA forfeited £3.84mn of them.

The NCA secured forfeiture of £3.84mn (~\$5.2mn) from ENEX Premium Trading Limited, owned by Azerbaijan national Nadir Valiyev and registered in St Kitts and Nevis, after tracing funds through UK Electronic Money Institutions and Chinese bank accounts that had received payments from companies previously designated under U.S. sanctions for facilitating Iranian oil sales and Qods Force-linked payments. Valiyev agreed to forfeit without admitting unlawful conduct.

- *So what? UK EMIs are a documented conversion point for sanctioned-Iran-linked oil proceeds – feed this typology into EMI and crypto-adjacent sanctions-evasion monitoring rules.*

Asia-Pacific

MAS · AUSTRAC · Japan FSA · FSC

AUSTRAC · SUSPENSION AUG 10, 2026

AUSTRAC proved a suspension can hit harder than a fine – 96 crypto ATMs went dark.

AUSTRAC suspended Cryptolink Pty Ltd's VASP registration for three months from August 9, taking its network of 96 crypto ATMs offline. Cryptolink had already paid a \$56,340 infringement notice and signed an October 2025 enforceable undertaking for late threshold-transaction reporting; it then failed to file required reports at all or respond to an AUSTRAC information request.

- *So what? Repeat TTR reporting gaps are no longer a fee-and-move-on problem – AUSTRAC has now shown it will escalate straight to an operational shutdown.*

AUSTRAC · AUG 28, 2026

The Tranche 2 enforcement wave started with a paperwork demand, not a fine.

Almost a month after the July 29 enrollment deadline, AUSTRAC confirmed it has begun issuing statutory section 167 notices compelling real estate agents, lawyers, accountants, and jewelers that appear to be providing designated services – but haven't enrolled – to demonstrate compliance. CEO Brendan Thomas stated, "the time for preparation has passed."

- *So what? Gatekeeper firms still unenrolled should expect a compulsory information notice as the precursor to formal action – enrollment status is no longer a self-assessment.*

MAS · AUG 5, 2026

Singapore's bank information-sharing platform is getting bigger – on a two-year clock.

MAS confirmed in a parliamentary reply that Collaborative Sharing of ML/TF Information & Cases (COSMIC) – currently limited to six major banks and three financial-crime risk areas – is being expanded to widen its scope and onboard additional major banks, with completion scheduled within two years.

- *So what? Banks not yet on COSMIC should start scoping data-sharing infrastructure and governance now rather than waiting for a formal onboarding notice.*

JAPAN FSA · EFFECTIVE AUG 3, 2026

Japan's crypto travel-rule net widened to 63 jurisdictions, exactly on schedule.

The FSA's amendment adding five jurisdictions (Anguilla, Oman, Cuba, Dominica, and Botswana) to the countries requiring travel-rule notification for crypto-asset transfers took effect on August 3 as planned, expanding coverage from 58 to 63 jurisdictions.

- *So what? A transfer into or through one of these five jurisdictions now requires full originator/beneficiary notification – check the updated list before clearing anything routed through them.*

JAPAN FSA & NPA · AUG 6, 2026

Tokyo told exchanges to slow their own customers down, on purpose.

The FSA and National Police Agency jointly asked the Japan Virtual and Crypto Assets Exchange Association and its members to strengthen anti-fraud controls, citing over ¥150bn in investment-fraud losses (as of May 2026) increasingly routed through crypto-exchange accounts. Requested measures: Enhanced identity checks at account opening, a mandatory holding period on withdrawals after fiat deposit or crypto purchase, pre-registration of withdrawal wallet

addresses with a waiting period before first use, and faster account freezes on suspicious activity.

- *So what? Expect withdrawal cooling-off periods and wallet whitelisting to become a supervisory expectation, not just best practice, if fraud losses keep climbing elsewhere too.*

SOUTH KOREA FSC/KOFIU · EFFECTIVE AUG 20, 2026

Seoul closed the loophole that let 60% of transfers dodge its travel rule.

An amended enforcement decree, cabinet-approved August 11, extended South Korea's Travel Rule to all VASP-to-VASP transfers regardless of amount – eliminating the roughly ₩1mn (~\$700) threshold that reportedly let around 60% of transfers split below it to avoid reporting. It also requires domestic VASPs to vet overseas counterparties' AML controls before transacting and to restrict flows to high-risk platforms or self-custodied wallets. Full enforcement phases in from February 2027. Reported via multiple Korean financial and legal outlets; the primary FSC/KoFIU release was not independently retrieved for this issue.

- *So what? If you clear transfers into Korean exchanges, confirm your own AML controls are demonstrable to a Korean counterparty now – the threshold that let smaller transfers through is gone.*

Brazil · Mexico

Banco Central do Brasil · Mexico

BCB · AUG 7, 2026

Brazil built a 24-hour speed bump into every large crypto transfer headed offshore.

The BCB approved Resolução BCB nº 584/2026, extending its payments fraud-prevention regime to virtual-asset service providers (reclassified as 'Type 3' institutions since July's Resolução 580). The core mechanism: A mandatory temporary hold of up to 24 hours on virtual-asset transfers of \$10,000 or more, single or aggregated daily, sent to foreign VASPs or self-custodied wallets. Takes effect from January 1, 2027, alongside the capital and disclosure requirements from Resolução 580.

- *So what? Brazil is building a fraud/AML choke point specifically at the crypto off-ramp to self-custody and offshore exchanges – a pattern other LatAm regulators may copy. Budget for both the capital uplift and the transfer-hold mechanics before January.*

HACIENDA · AUG 7, 2026

Mexico published its overdue AML rulebook – about three weeks late.

Hacienda published Acuerdo 115/2026 in the Diario Oficial de la Federación, the general rules under the LFPIORPI reform that had missed its July 16 statutory deadline. The rules add 11 new chapters shifting Actividades Vulnerables (real estate, vehicle dealers, art/jewelry, company-formation agents) from checklist-style compliance toward a risk-based approach and stronger client-identification duties. The bulk of the reform enters into force on November 30, 2026, with risk-methodology obligations staggered out to 2027–2028.

- *So what? The three-week slippage was a data point on rulemaking pace, not relief from the underlying obligation – firms in Actividades Vulnerables now have a hard November 30 date to build risk-based CDD programs.*

India

RBI · FIU-IND

FIU-IND · AUG 17, 2026

India named 3,293 NBFCs that still haven't finished registering with its reporting system.

FIU-IND published a list, dated as of August 17, of non-compliant NBFCs: Of 7,936 Base Layer, 540 Middle Layer and 12 Upper Layer NBFCs registered with RBI as of June 30, 2026, 3,228 Base Layer and 65 Middle Layer entities (3,293 total) had not completed the three-stage FINnet2.0 registration required to fulfill PMLA reporting obligations.

- *So what? Apply enhanced due diligence to any of these named NBFCs – they currently sit outside FIU-IND's STR/reporting ambit.*

RBI · CONSULTATION CLOSED JUL 24, NO RULE BY AUG 31, 2026

The AI kill-switch consultation has now been closed for five weeks. Still no final rule.

Public comments on RBI's draft Guidance on Regulatory Principles for Model Risk Management – mandating a tested, human-overridable kill switch for AI/ML models before high-stakes decisions – closed on July 24. No final guidance had been published by August 31.

- *So what? A second quiet month isn't a second month to wait – the model inventory and override mechanism should already be under construction.*

Spotlight – Rotating Each Issue

Two continents, two architectures.

Same month, opposite instincts on how much AML machinery should exist.

Stepping Back – United States

Washington deleted a database instead of building one.

FinCEN's final rule, on August 14, permanently kills CTA beneficial-ownership reporting for U.S. companies and persons, and commits to deleting the U.S.-person data it already collected. The month's biggest financial-crime move wasn't a new domestic registry – it was a proposal to cut a foreign bank's UAE branches out of the U.S. correspondent-banking system entirely. The toolkit this month was sanctions and correspondent-banking leverage, not registry-building.

Building Up – European Union

Brussels spent August doing the paperwork for its own supervisor.

National regulators submitted eligibility data by August 15 for AMLA's first direct-supervision selection round; EBA's reporting-framework feedback closed on August 24 to lock the templates behind it. None of it makes a headline on its own, but it's the infrastructure being assembled piece by piece toward a 2027 selection and a 2028 supervision start.



02

Enforcement

This month, the biggest number wasn't a fine.

\$1.8bn

Alleged Iranian shadow-banking flows through Banque Misr's UAE branches, cited in FinCEN's Section 311 proposal

£3.84mn

NCA forfeiture from ENEX Premium Trading over sanctions evasion linked to Iran

96

Crypto ATMs AUSTRAC took offline by suspending Cryptolink's VASP registration

Who/Where	Amount
FinCEN (proposed) – Banque Misr UAE United States · Section 311 special measure, \$1.8bn alleged flows	\$1.8bn
NCA – ENEX Premium Trading United Kingdom · Iran sanctions-evasion forfeiture	£3.84mn
FCA – Dolfin Financial executives (Nagy & Maraj) United Kingdom · Visa-fraud enablement, bans + fines	£446,800
OFAC – Rice Lake Weighing Systems United States · Iran sanctions settlement (subsidiary conduct)	\$60,764
FCA – Demetrios Hadjigeorgiou (ex-SVS Securities CEO) United Kingdom · Pension-fund conduct ban + fine	£56,400
AUSTRAC – Cryptolink Pty Ltd Australia · AML reporting failures	3-month suspension

The read. The largest figure this month wasn't a penalty at all – it was the \$1.8bn FinCEN cited in a proposal to sever an entire foreign bank from the correspondent-banking system. The UK's National Crime Agency forfeited more from one sanctions-evasion case (£3.84mn) than most of the month's actual fines combined. Australia showed that a suspension

can outrun an infringement notice, taking 96 ATMs offline in one move. Read together, structural remedies – special measures, delistings, registration suspensions – did more work this month than the fine line. Figures approximate, from public announcements.



03

Crypto-AML Watch

The travel rule tightened from two directions at once.

TRAVEL RULE · WIDENING AND NARROWING

Japan added five countries. South Korea removed a threshold entirely.

Japan's FSA amendment adding five jurisdictions (Anguilla, Oman, Cuba, Dominica, Botswana) to its travel-rule country list took effect on schedule August 3, expanding coverage to 63 jurisdictions. Weeks later, South Korea's Cabinet-approved amendment eliminated its own roughly \$700 (₩1mn) Travel Rule threshold entirely, effective August 20 – closing a gap regulators said let around 60% of transfers dodge reporting by splitting below it. Full threshold-free enforcement in Korea phases in from February 2027; the Korean details are corroborated via multiple financial and legal press outlets, with the primary FSC/KoFIU release not independently retrieved for this issue.

- *So what? If you clear virtual-asset transfers into either country, check both lists now – Japan's five new jurisdictions are live immediately, and Korea's threshold is gone regardless of transfer size.*

ENFORCEMENT · AUSTRALIA

AUSTRAC proved a suspension can hit harder than a fine.

Cryptolink Pty Ltd had already paid a \$56,340 infringement notice and signed an October 2025 enforceable undertaking for late threshold-transaction reporting. When it then failed

to file required reports at all, AUSTRAC suspended its VASP registration for three months from August 9, taking its network of 96 crypto ATMs offline.

- *So what? Repeat TTR reporting gaps are no longer a fee-and-move-on problem – AUSTRAC has shown it will escalate straight to an operational shutdown.*

ENFORCEMENT · UNITED ARAB EMIRATES

ADGM caught a firm claiming a license the regulator never gave it.

ADGM's Registration Authority and its Financial Services Regulatory Authority (FSRA) jointly issued a public alert on August 10 warning that Vibrafund FZLLC was falsely purporting to be registered with the Authority and authorized by the FSRA to trade digital assets. ADGM confirmed Vibrafund does not appear on its Public Register and has never held an FSRA license for any financial services.

- *So what? Add 'claims an ADGM/FSRA license' to counterparty red flags – verify any UAE-based digital-asset counterparty directly against ADGM's Public Register rather than taking a claimed license at face value.*



04

Agentic AI & Tech

Where AI met AML this month: Waiting, surveying, and slowing down on purpose.

FOLLOW-THROUGH · INDIA

The kill-switch consultation closed five weeks ago. Still no final rule.

Public comments on RBI's draft Guidance on Regulatory Principles for Model Risk Management – which would mandate a tested, human-overridable kill switch, and human-in-the-loop review for high-stakes AI/ML models – closed on July 24. As of August 31, no final guidance had been published.

- *So what? A second month of silence isn't a second month to wait. If a model inventory and override mechanism aren't already under construction, the absence of a final rule isn't the reason to hold off.*

CONTROL DESIGN · JAPAN

Tokyo's answer to a fraud spike was to make its own exchanges slower.

Japan's FSA and National Police Agency jointly asked crypto exchanges to add withdrawal cooling-off periods after fiat deposits or crypto purchases, pre-register withdrawal wallet addresses before first use, and tighten identity checks at account opening – responding to investment-fraud losses via crypto-routed accounts that NPA data put above ¥150bn as of May 2026.

- *So what? Friction as a control: Expect similar cooling-off and wallet-whitelisting mandates elsewhere if fraud-loss trends keep climbing the way Japan's did.*

DATA-GATHERING · UAE (DIFC)

Dubai ran its own AI census – for the third year running.

The DFSA required DIFC-authorized firms to submit a '2026 Artificial Intelligence Survey' – covering current and planned AI use plus the governance, risk-management, and oversight frameworks around it – by August 27, via a Dear SEO letter dated July 30. This is the third consecutive annual iteration of the same exercise and is not tied to a specific rule or consultation. Reported via Waystone Compliance's regulatory update; the letter itself was not independently confirmed on dfsae.ae, whose public SEO-letters archive does not list it as of this writing.

- *So what? If your DIFC-authorized firm hasn't already responded, the deadline has passed – but three years running means the same survey belongs to next year's compliance calendar regardless.*



05

The Next 90 Days

The dates that won't wait.

IMMINENT – THROUGH SEPTEMBER

Sep 8	United States	Comment period closes on the Federal Reserve's BSA/AML program-effectiveness NPRM (issued 9 Jul 2026).
Sep 15	European Union	AMLA's Central Contact Point survey for payment/e-money firms closes.
End-Sep	European Union	AMLA's provisional list of entities eligible for 2027 direct supervision is expected.

ON THE HORIZON – H2 2026

Sep–Oct	United States	FATF publishes the Canada and Türkiye mutual evaluation reports.
Oct 29	United Kingdom	OFSI's extended Lukoil Bulgaria general license expires.
Nov 30	Mexico	The bulk of the LFPIORPI reform (Acuerdo 115/2026) enters into force for Actividades Vulnerables.
End-2026	United Kingdom	PSR consults on reimbursement-consistency improvements.
End-2026	European Union	AMLA's harmonized enforcement-gravity framework awaits formal Commission adoption.
Pending	United Arab Emirates	CBUAE's forensic examination of Banque Misr's UAE branches concludes, informing its decision on the bank's status.

DON'T LOSE SIGHT – 2027 AND BEYOND

Jan 1, 2027	Brazil	New prudential capital/risk-management requirements and the 24-hour crypto-transfer hold rule both take effect.
Feb 2027	South Korea	Full threshold-free Travel Rule enforcement phases in.
Jul 1, 2027	European Union	AMLA selects the entities it will directly supervise.
Jul 10, 2027	European Union	The AMLR single rulebook applies, including the Article 75 information-sharing framework.
2028	European Union	AMLA begins direct supervision of major cross-border groups.





06

Act On This

Eight moves worth making now.

Coming out of this month's developments – most with a deadline already on the calendar.

01

Re-scope any beneficial-ownership screening workflow that relies on the CTA database – FinCEN is deleting U.S.-person BOI records, not just pausing reporting.

02

If you operate in Hennepin or Ramsey County, MN, keep the \$3,000 enhanced-reporting threshold live under FinCEN's renewed GTO, and add dual-control review for transfers clustering just under legacy \$1,000 ID-verification lines.

03

Reassess correspondent and nested-account exposure reaching Banque Misr's UAE branches – both FinCEN's proposed Section 311 special measure and CBUAE's own forensic examination are now live.

04

Add sanctioned-jurisdiction online gambling platforms and unlicensed exchanges to VASP screening red flags, following the Shelbit/Nobitex designation.

05

Update UK sanctions screening for the August 6 Russia designations (six banks, six tankers) and confirm any Lukoil Bulgaria dealings meet OFSI's new 14-day notification requirement.

06

Confirm your AUSTAC Tranche 2 enrollment is genuinely complete – section 167 information notices are now going out to businesses that look unenrolled.

07

Recheck both the Japan (63-jurisdiction) and South Korea (threshold-free) travel-rule lists before clearing virtual-asset transfers into either country.

08

Apply enhanced due diligence to any of the 3,293 NBFCs FIU-IND named as unregistered on FINnet2.0.



07

From the SGA Desk

Smaller in one place, bigger everywhere else – same test.

Read together, August's story was a split screen. The U.S. pulled back on domestic registry-building while reaching harder than ever for extraterritorial leverage – a beneficial-ownership database deleted with one hand, a foreign bank threatened with correspondent-banking exile with the other. The UAE showed how fast that leverage now travels: CBUAE opened its own forensic examination of Banque Misr one day after FinCEN's proposal landed, while ADGM and the DFSA were separately running their own quieter checks – an unlicensed digital-asset firm caught impersonating a license, an AI-governance survey collected for the third year running. Everyone else spent the month on the internal capacity work that never makes a headline but rewires what's ready next year: EU data submissions toward AMLA's first supervised-entity list, Japanese and Korean travel-rule moves from opposite directions, and an Australian regulator that chose a suspension over another fine. The most consequential dollar figure of the month wasn't a fine at all – it was the \$1.8bn alleged to have moved through one bank's UAE branches.

This is the environment SG Analytics was built to operate in. We don't hand you a deck of jurisdiction summaries; we operationalize the work – certified practitioners running AML, KYC, sanctions, and assurance programs across every geography in this issue, paired with AI that executes inside the workflow under human-in-the-loop governance. A correspondent-banking book with UAE or Iran-adjacent exposure maps to the sanctions lookback and EDD uplift we run today. AUSTRAC's Tranche 2 enforcement wave maps to onboarding-readiness programs for newly regulated gatekeeper sectors. RBI's still-unfinished kill-switch bar maps to the model validation and human-in-the-loop assurance we already build to, not to a future deadline. One partner, vendor-neutral, alongside the stack you run.

500+

certified FCC experts

40–60%

fewer false positives

3–5×

faster investigations

ISO 27001

/ SOC 2 Type II

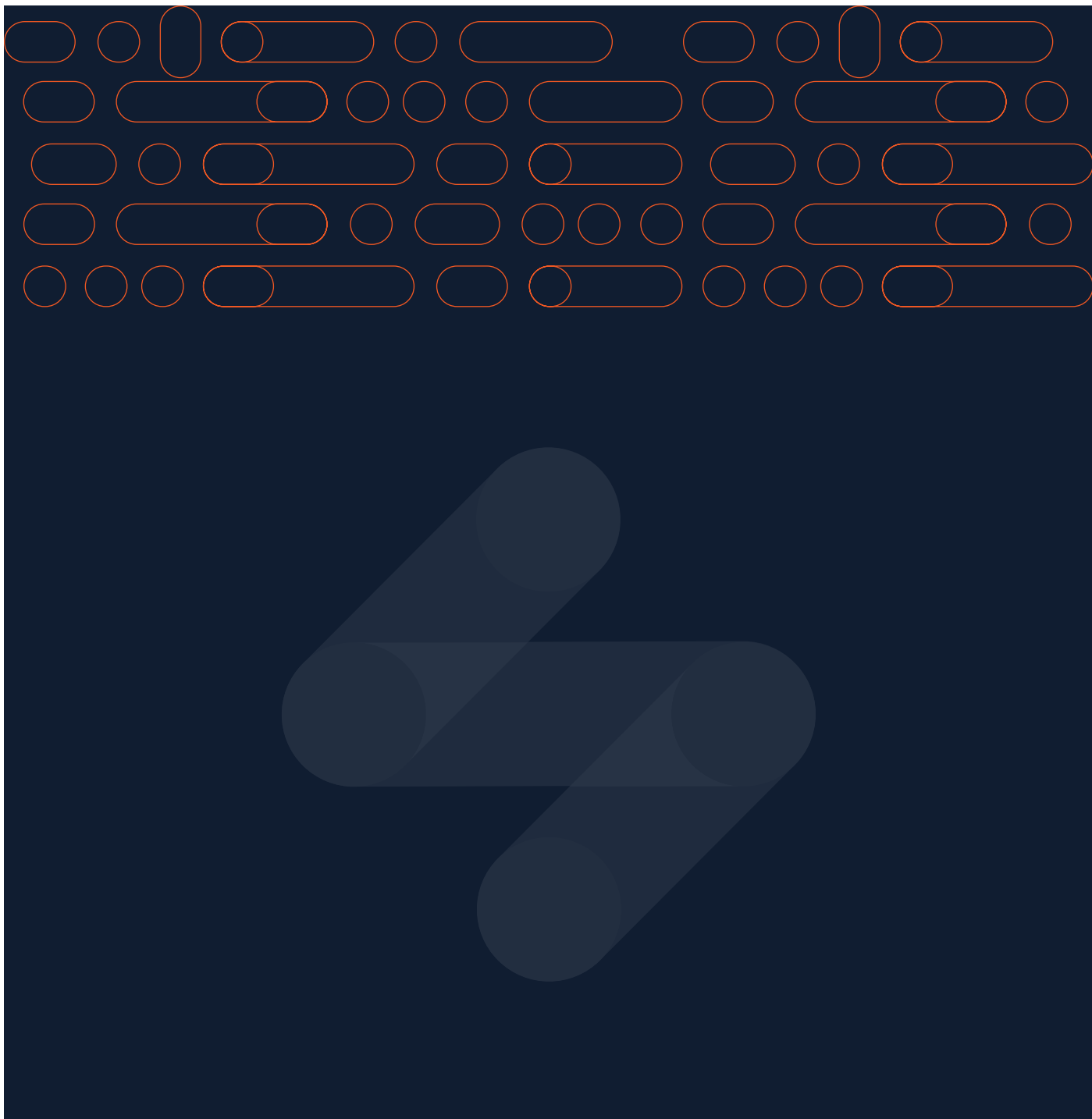
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