

# Key takeaways

## **Exclusive industry roundtable: key regulatory priorities for the payments sector in 2025/2026**

### **Financial crime**

#### **Key challenges:**

- There is an ongoing struggle to ensure transaction monitoring systems are aligned with risk assessments, particularly in large or group-led structures where local needs may be overlooked.
- High false positive rates in transaction monitoring remain a challenge, with few firms seeing meaningful output from alerts.
- QA and QC processes often lack sufficient structure or training, weakening the overall effectiveness of AML/CTF frameworks.

#### **Potential solutions:**

- Enhanced training, particularly targeted QA/QC training, for compliance teams can improve consistency and effectiveness.
- AI is emerging as a helpful tool in addressing low-value alerts and automating manual tasks such as due diligence questionnaires, freeing up resource for higher-value reviews.
- Clear communication with senior management through regular MI, MLRO reports, and training ensures awareness and alignment with financial crime risks.
- Where budget allows, firms would prioritise automation of onboarding, transaction monitoring enhancements, and investments in systems required for licensing transitions (e.g., VASP to CASP).



# Safeguarding

## Key challenges:

- Firms continue to face operational issues with segregation, including delays due to processing times, cut-off windows, third party involvement, and manual processes.
- Clarity is still needed from the CBI on what should and should not be safeguarded, especially in cases such as FX buffers, which may lead to inadvertent “over-safeguarding.”
- Some banking partners are inconsistent in transferring funds to safeguarding accounts, introducing further risk.
- CBI scrutiny on safeguarding has increased, both during the authorisation process and in supervision, with recent enforcement action reinforcing the importance of robust frameworks.

## Potential solutions:

- Boards and senior management must have active oversight of safeguarding arrangements, supported by regular reporting on discrepancies, breaches, audits, and risk management.
- A documented safeguarding policy and framework should be in place, aligned with the firm’s overall risk appetite.
- Firms applying for authorisation should be prepared to explain their safeguarding arrangements in detail and provide evidence of due diligence on banking or insurance partners.
- Learnings from CBI enforcement and inspections should be reviewed and integrated to strengthen internal arrangements.



# DORA

## Key challenges:

- Many firms struggled with recent DORA reporting submissions due to technical issues, version inconsistencies, and formatting errors.
- Multinational firms face complexity in aligning global operations with local regulatory requirements, particularly where group policies don't align cleanly with DORA obligations.
- Despite the scale of effort, firms remain uncertain of the long-term value of DORA reporting and the utility of some of its oversight elements (e.g. firms monitoring systemic providers such as AWS or Google).
- Accessing or navigating group systems for reporting remains a major operational barrier.

## Potential solutions:

- Proactive engagement of legal, compliance, and IT teams, ideally with compliance working in partnership, not isolation, has proven effective in early implementation.
- Firms have begun leveraging AI tools to map DORA requirements, automate reporting links, and manage the regulatory burden more effectively.
- Consultant support for gap analysis and reporting has been helpful but has also triggered higher provider costs in some cases. Tools such as Comply First may help ease the burden without increased fees.
- A standardised reporting template and clearer timelines for board attestation would aid consistency. While an unofficial grace period exists, firms should work toward full compliance by the end of 2025.