

RICS response to consultation on Countering financial crime: bribery, corruption, money laundering, terrorist financing and sanctions violations, 2nd edition, RICS professional standard

September 2025



Introduction

- 1. RICS sets professional standards and provides guidance to support ethical, responsible practice across the built and natural environment. The first edition of the RICS Countering financial crime standard (titled *Countering bribery, corruption, money laundering and terrorist financing*) was published in 2019 to assist RICS members and RICS-regulated firms identify and manage the risks associated with financial crime in their professional activities.
- 2. Given the subject's complexity, many professionals rely on expert-led guidance, underscoring the significance of the expert group. In April 2024, RICS convened an expert group composed of lawyers, risk and compliance professionals and RICS members to review and update the first edition of the standard. The group comprised professionals from across the world, including the UK, Europe, the USA and APAC. Their insights were instrumental in shaping a practical, globally relevant and risk-informed standard. While the standard's core principles remain relevant, the group recognised the need to reflect and respond to the rapidly evolving landscape of financial crime. This second edition is driven by the growing impact of emerging technologies, particularly artificial intelligence (AI) and the rising prominence of digital assets.
- 3. In March and April 2025, a public consultation was held on the proposed revised standard. Public consultation is a key part of our standards development process, helping to ensure that proposed amendments to the standard reflect current market practices, technological developments and emerging risks. It also provides stakeholders with the opportunity to review and contribute to the proposals, supporting transparency, inclusivity and sectorwide engagement. The consultation document and proposals can be read in full **here**.
- 4. This basis for conclusions document does not summarise every consultation response or provide a detailed account of how the expert group resolved each submission. Rather, it outlines the reasoning behind key decisions and highlights any amendments made to the standard following the consultation process.
- 5. In addition to this update to the 2019 professional standard, RICS has undertaken the following activity.



- RICS has built ongoing relationships with global anti-corruption leaders such as the World Economic Forum and Transparency International.
- RICS executive staff participated in the 2025 OECD Global Anti-Corruption and Integrity Forum in Paris, strengthening our role in global policy conversations.
- In collaboration with HMRC, RICS hosted four webinars on anti-money laundering, featuring thought leaders from past and current expert groups.
- RICS is currently in discussions with a major accounting body and a global construction firm to co-host a hybrid event focused on financial crime prevention.



Consultation summary and key insights

A public consultation was held on the RICS iConsult platform from 25 February to 22 April 2025. The consultation, while attracting a modest number of formal responses, delivered strong qualitative insights and engagement from a diverse and experienced cross-section of the profession and wider industry. Key highlights are as follows.

- 1. Diverse and experienced respondents.
 - A total of 14 detailed responses were received: ten from individuals and four submitted on behalf of organisations.
 - The respondents reflected a broad professional range:
 - nine from RICS-regulated firms and five from non-RICS regulated firms
 - seven MRICS and four FRICS members, as well as three non-members
 - most with extensive professional experience, with:
 - nine having over 20 years,
 - three with 11–19 years and
 - two with up to five years in the profession.

2. Strong international reach.

Respondents represented a range of global regions, demonstrating the international relevance and broad reach of the topic:

- UK (11)
- Europe (6)
- Asia (3)
- Middle East (2)
- North Africa/Sub-Saharan Africa (1)
- America/Australasia (1).

(Note: some respondents operate across multiple regions and selected all that apply.)

3. Representation across sectors.

Participants represented a broad spectrum of RICS sectors, further highlighting the topic's wide reach and showcasing the breadth of interest in the consultation:

- Valuation (3)
- Land and natural resources (3)



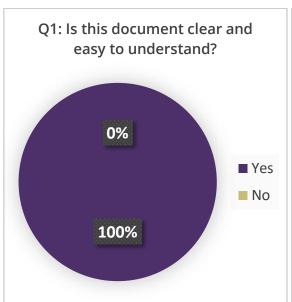
- Construction (3)
- Building surveying and control (2)
- Commercial property (1)
- Unspecified (2).
- 4. The consultation was hosted on RICS iConsult, our interactive engagement platform, enabling participants to comment directly on the draft document and respond to a structured questionnaire.
- 5. In parallel with the online consultation, RICS held targeted discussions with high-level stakeholders, such as the World Economic Forum, Transparency International and other recognised bodies focused on financial crime prevention. These sessions provided critical insights and aligned the consultation with broader anti-corruption efforts.
- 6. RICS ran a comprehensive communications campaign to support the consultation. This included a dedicated consultation webpage, targeted social media outreach, collaboration with industry bodies and promotion via newsletters and at prominent events such as the 2025 OECD Global Anti-Corruption and Integrity Forum in Paris.

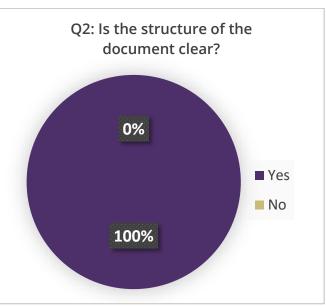


Consultation responses and analysis

1. Respondents were invited to answer a series of consultation questions, as follows.

Clarity and structure of the document

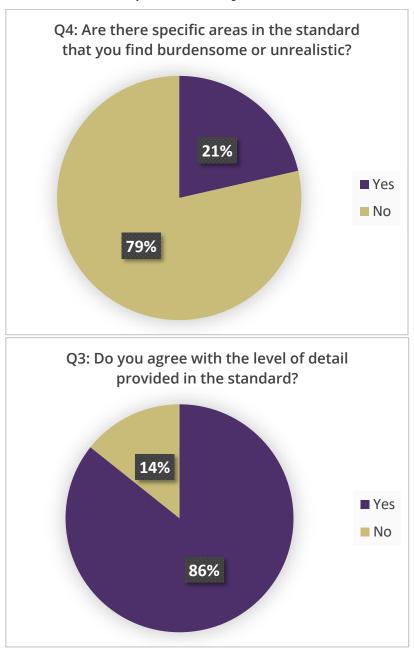




- 2. The consultation feedback indicates unanimous support for both the clarity and the structure of the document. All respondents (100%) agreed that the content was clear and easy to understand, and confirmed that the document was well organised and logical.
- 3. This consistent and positive feedback demonstrates a strong consensus among stakeholders regarding the document's readability and overall presentation. As such, no further amendments were considered necessary in relation to its clarity or layout.



Content and practicality of the standard

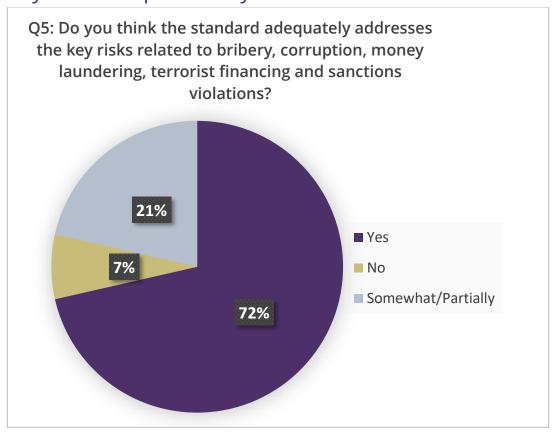


- 4. Respondents were asked to assess the level of detail provided in the standard and to identify any areas they found burdensome or unrealistic.
- 5. Regarding Question 3, a significant majority (86%) indicated that the level of detail is appropriate, while 14% considered it either insufficient or excessive. This suggests that the standard is, generally, effective in meeting expectations for clarity and comprehensiveness. However, a small proportion of respondents may benefit from further clarification or

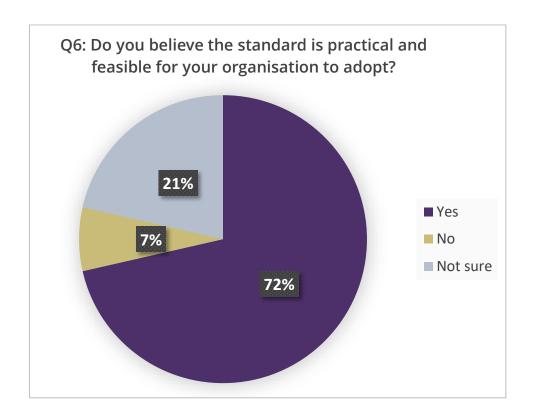


- simplification of certain elements. These areas will be addressed through the upcoming supporting materials, which will be designed to clarify key components of the standard.
- 6. In relation to Question 4, 79% of respondents reported no issues with the standard being burdensome or unrealistic, while 21% raised concerns about specific areas. These findings highlight the importance of ensuring that the requirements remain practical and proportionate, particularly for smaller or resource-constrained organisations. In response, the expert group has reviewed and revised the standard, incorporating concepts such as professional judgement to support flexibility across a range of contexts.
- 7. Overall, the feedback reflects a broadly positive reception of the standard's content and usability.

Key risks and practicality







- 8. Respondents were asked to assess the standard's effectiveness in addressing key financial crime risks and in its overall practicality for implementation.
- 9. With respect to Question 5, 72% of respondents agreed that the standard adequately addresses critical risks such as bribery, corruption, money laundering, terrorist financing and sanctions violations. Meanwhile, 21% felt these risks were only partially addressed, and 7% believed the standard did not adequately cover them. This indicates broad confidence in the standard's risk coverage, while also pointing to opportunities for further enhancement in specific areas.
- 10. Regarding Question 6, 72% of respondents found the standard practical and feasible for their organisation to adopt. In contrast, 21% were uncertain, and 7% considered it impractical. These findings suggest strong overall support for implementation, while highlighting a need for additional guidance or flexibility to assist those with concerns.
- 11. In response to the feedback, further clarification will be provided through upcoming supporting materials, and the expert group has revised the standard to strengthen its clarity and improve its practicality.



12. In summary, the majority of respondents endorsed the standard's relevance to key financial crime risks and its practicality for implementation. However, a minority expressed partial confidence or uncertainty, reinforcing the importance of continued support through supporting materials, including training.

Additional resources and suggestions



- 13. Respondents were asked whether additional resources, training or tools would help them to better comply with this standard and if they had any suggestions for enhancing the standard.
- 14. In relation to Question 7, 36% of respondents indicated a need for additional resources, training or tools to better support their own or their organisation's compliance with the standard. In contrast, 64% felt they did not require further assistance, suggesting that nearly two-thirds are confident in their current level of understanding and available resources.
- 15. Overall, these findings suggest that while most respondents feel adequately equipped to comply with the standard, there remains an opportunity to provide targeted support for those seeking further assistance. Focused resources such as practical tools, training or



- supplementary guidance could help address specific gaps and further strengthen implementation where needed.
- 16. In Question 8, respondents were invited to share suggestions or comments to improve the standard or identify any gaps. In response, RICS received a wide range of constructive feedback aimed at strengthening the standard. A full list of comments is provided in Appendix A. RICS acknowledges and appreciates the thoughtful input received and has carefully considered the key themes raised.
- 17. Informed by this feedback, RICS revised the standard with a particular focus on proportionality and the application of professional judgement, ensuring it remains practical, scalable and aligned with risk-based principles. To support consistent and effective implementation, RICS will also provide accompanying training and guidance, alongside the updated standard. These resources will offer greater clarity, explanatory content and case-based examples to make the standard easier to apply in day-to-day practice.



Other consultation comments and revisions

- 1. A substantial number of comments and suggestions were received from a diverse range of stakeholders.
- 2. In response, the expert group carefully reviewed the feedback and has revised the standard accordingly. Key areas addressed include the following.
 - Certain definitions, such as of artificial intelligence, beneficial ownership and corruption, were reviewed to ensure alignment with industry standards, with updates made to the standard where appropriate.
 - The digital currency transactions section was revised to include cautionary language and emphasise the use of professional judgement, ensuring it remains relevant as digital currency use evolves.
 - A qualifier (e.g. 'where practicable' and 'using professional judgement') was added to guidance on verifying clients and beneficial owners, allowing for proportional application.
 - The section on source of funds verification in real estate transactions was updated to reinforce professional expectations, with particular emphasis on applying reasonableness and proportionality in practice.
 - The section on simplified due diligence was clarified to reaffirm that the duty to report suspicious activity remains in all cases.
- 3. Overall, the revised standard incorporates greater flexibility through the integration of professional judgement, supporting its applicability in diverse contexts while responding to stakeholder concerns.



Conclusion

- 1. RICS extends its sincere thanks to the members, stakeholders and subject matter experts who contributed to the consultation via iConsult. The detailed engagement and the quality of feedback received were greatly appreciated. This input has been instrumental in shaping a more robust, practical and user-focused standard.
- 2. Due to the volume of responses, it is not possible to address every individual comment in this document. However, RICS assures all contributors that every submission was carefully reviewed and thoughtfully considered by the expert group, which comprised professionals from across the globe – including the UK, Europe, the USA and APAC – and included RICS members, legal experts and risk and compliance professionals.
- 3. The updated professional standard received broad support from respondents. Equally, the consultation identified opportunities to offer further support for those seeking additional guidance. In response, RICS will provide supporting materials and training to help ensure consistent implementation.
- 4. To further support implementation, other materials will be developed to assist RICS members and RICS-regulated firms to navigate complex areas such as digital currency, with a focus on enhanced due diligence. These materials will include explanations and real-world case examples to promote consistent understanding and application of the standard.
- 5. The updated standard is effective three months after publication, to allow time for members and firms to read, understand and adapt to the revised requirements.



Appendix A: Responses to Question 8

Q8: Do you have any suggestions or comments for improving the standard or addressing any gaps?

Tick box checklist of steps companies need to do to meet the requirements – as a small business it is easy to miss steps regarding policies, etc. if you had a tick box list at the end summarising the company requirements then this would be useful. Each client will need to be looked at individually on a risk basis. However, again a generic checklist of what is required that could be adopted by staff and in policies for small businesses would be useful.

RICS to roll back obligation to reasonable KYC and not multi-layered multi-country. If they have their money in UK, HMRC/government should be stopping them at source.

Please offer clear guidance and practical tools for risk assessment, using a tiered approach similar to the due diligence models (CDD, SDD and EDD). Include more information on cybercrime, data protection and shell companies. For making the document easier to read, adding flowcharts, section summaries and other visual tools (e.g. infographics) will be very helpful.

Some sector-specific advice on carbon credits, renewable energy, bio-diversity net gain and how the money laundering regulations apply to these sectors.

- 1. In Beneficial Ownership: to outline the need of knowing the global partnership relations in order to know the real identity of the owner/s.
- 2. In ML risk, to include some activities historically linked to ML in real estate, f.i. over/under payments in selling/buying, in retrofitting/refurbishment, in domotics...
- 3. To inform about some economic sectors of special DD: betting houses, online gambling, (online) retail/shopping.

We recommend further strengthening the framework and standard in relation to a series of measures such as beneficial ownership identification and verification, which should be considered a mandatory requirement for real estate professionals. We also recommend inclusion of specific references on the types of additional controls (specifically, source of funds checks) needed for the sale and purchase of real estate, due to their high-value nature.



Delivering confidence

We are RICS. As a member-led chartered professional body working in the public interest, we uphold the highest technical and ethical standards.

We inspire professionalism, advance knowledge and support our members across global markets to make an effective contribution for the benefit of society. We independently regulate our members in the management of land, real estate, construction and infrastructure. Our work with others supports their professional practice and pioneers a natural and built environment that is sustainable, resilient and inclusive for all.

Enquiries contactrics@rics.org

