

KYC MARKET REPORT



INTRODUCTION

The origins of KYC can be traced back to the 1970s when the Group of Seven countries established the Financial Action Task Force to combat money laundering. As the use of financial systems for criminal purposes grew in the 1980s and 1990s, governments and financial institutions began to develop measures to prevent money laundering, including the implementation of KYC procedures.

The Financial Action Task Force (FATF) oversees compliance with these standards, with over 200 countries committed to their implementation. Countries that fail to meet the standards are placed on gray or blacklists.

The events of September 11, 2001, prompted the introduction of the Patriot Act in 2002, which updated the BSA and aimed to prevent further terrorist attacks in the United States. Similar legislation, such as the Proceeds of Crime and Terrorism Act, was enacted in countries like the United Kingdom.

Thanks to international coordination, these standards have been adopted globally. As a result, wherever a sovereign country exists, so do KYC and AML regulations.

KYC is inextricably linked to the concept of AML (Anti-Money Laundering). If AML is a strategy, KYC is its tactical implementation.



Discover more
about the product
and the market

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HOW IT WORKS

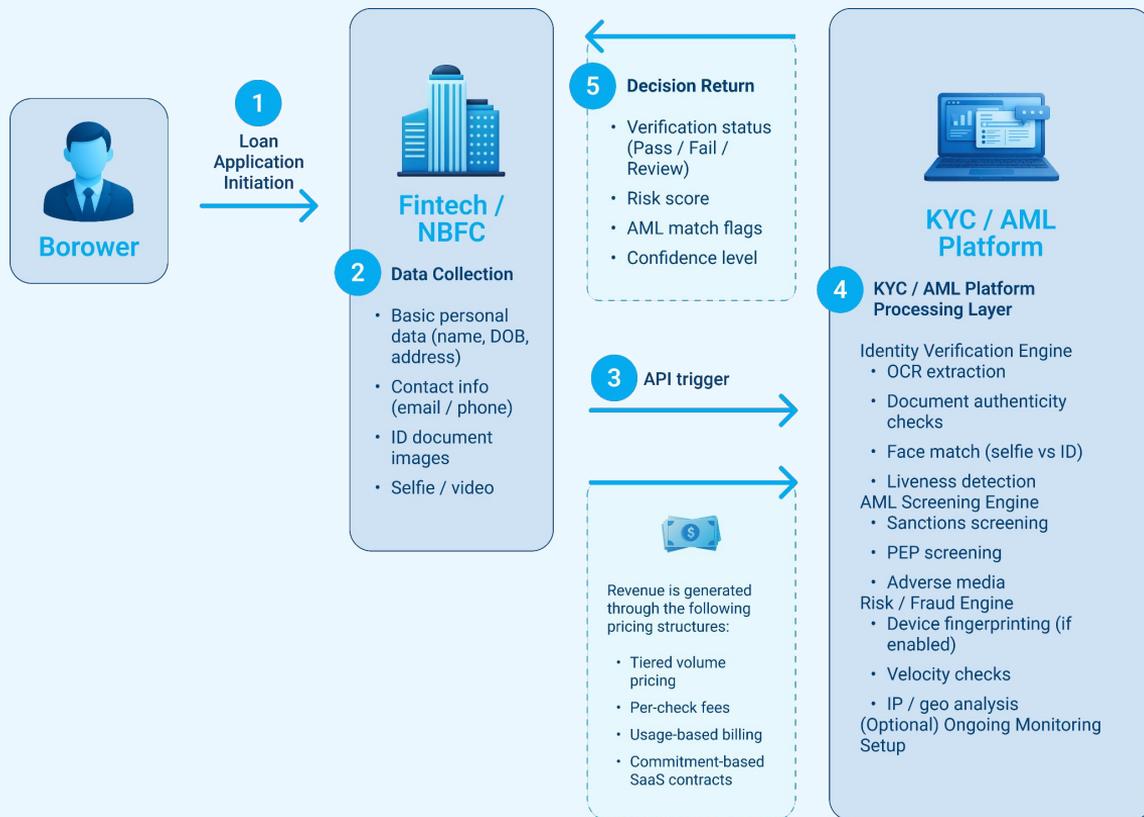
How KYC Platforms Work in Digital Lending

1. Borrower submits application and identity data (Personal details, ID document, selfie / video)
2. Fintech collects that data
3. Fintech sends verification request to KYC/AML platform via API
4. KYC / AML platform performs automated checks
 - OCR-enabled mobile SDK extracts data from ID documents
 - Biometric liveness check (blink/smile detection)
 - Face match (selfie vs ID photo)
 - AML / sanctions screening
 - Fraud and risk analysis
5. Platform returns verification decision (Pass / Fail / Manual review)

KYC Platform Revenue Model:

- Per-verification fees
- Tiered volume pricing
- Usage-based billing
- Commitment-based SaaS contracts

KYC / AML Infrastructure & Revenue Model



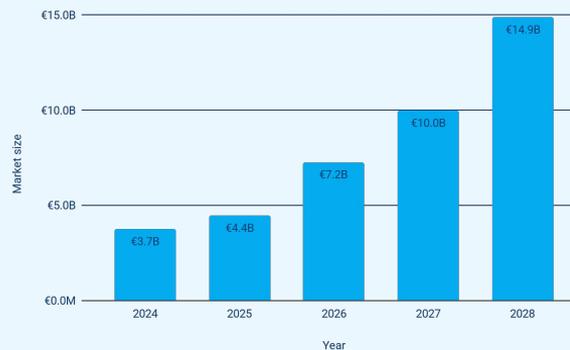
REGULATORY FRAMEWORKS

Region	Primary Authority	Core Legislation	Filing Requirements	Compliance Timeline
Europe	EBA, National FIUs (e.g., BaFin), ECB, Local Supervisors	AMLD6, GDPR, eIDAS, Local AML laws	Suspicious Transaction Reports (STRs)/SARs, Cross-border reports, Ultimate Beneficial Ownership (UBO) filings	Country-specific, typically 24-72 hours
LATAM	Financial Intelligence Units + Central Banks + Financial Superintendencies	National AML Laws (late 1990s–2000s) + Sectoral AML frameworks (e.g., SARLAFT in Colombia)	STRs, Cash Transaction Reports, Sector-specific risk system reporting (e.g., SARLAFT), UBO filings	Generally 24–72 hours for suspicious transactions; some country-specific deadlines
Asia	Central Banks (e.g., RBI, BNM, SBP, BSP) + Securities Regulators + Financial Intelligence Units (FIUs)	AML Acts aligned with FATF standards (e.g., PMLA, AMLA, AML Acts) + Central Bank AML/CFT Guidelines	STRs/SARs, Cash Transaction Reports, Cross-border reports, UBO identification	Typically 24–30 days for STRs (varies by country); immediate reporting for high-risk cases
Middle East & Africa	Local Central Banks	Local AML laws, Regional frameworks	Suspicious Transaction Reports (STRs), Currency reports, Cross-border reports	Often immediate reporting required
United States	FinCEN, SEC, Federal Reserve, State regulators	BSA, PATRIOT Act, CDD Rule	Currency Transaction Reports (CTRs) for \$10k+, Suspicious Activity Reports (SARs), 314(a) information sharing	CTRs: 15 days, SARs: 30 days
Canada	FINTRAC, Provincial regulators, OSFI	PCMLTFA, PCMLTFR, Securities Acts	Large Cash Transaction Reports (LCTRs) for \$10k+, Suspicious Transaction Reports (STRs), Third Party Reporting (TPRs)	STRs: 30 days, LCTRs: 15 days

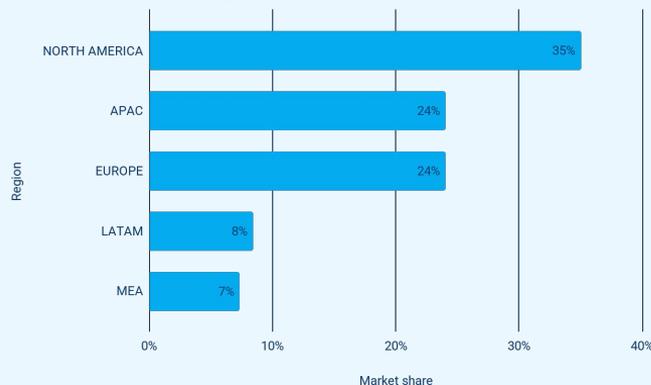
MARKET SIZE

- Total biometric digital identity financial services revenue from 2024-2028 is expected to grow at an overall CAGR of 41.2%, generating just over \$40 billion globally.
- The market's growth is driven by the increasing significance of compliance management and the rising incidence of identity-related fraud in financial institutions. Additionally, stringent government regulations aimed at preventing financial fraud and anti money laundering (AML), particularly through the use of Know Your Customer (KYC) applications, are fueling this expansion. The adoption of advanced technologies such as machine learning, artificial intelligence (AI), and biometric face recognition further bolsters the KYC software market. Financial institutions globally are increasingly implementing KYC solutions to enhance customer verification processes.

Market's revenue growth at CAGR of 41.2%



Total Revenues 2024 - 2028. Total Period Regional Market Share



PRICING

Most KYC providers offer pay-as-you-go or subscription-based pricing models. In a pay-as-you-go model, you pay a fixed fee for each verification performed. This can be advantageous for businesses with fluctuating or low verification volumes. Subscription-based models, on the other hand, offer a fixed monthly or annual fee for a certain number of verifications. This approach can be cost-effective for businesses with consistent and high verification needs.

Some providers also offer tiered pricing, where the per-verification cost decreases as the volume increases. Additionally, certain providers may charge additional fees for premium features, such as enhanced due diligence or ongoing monitoring.

KYC / eKYC Platform Pricing

Per Verification Costs comparison for the selected players

Provider Name	Price Per Verification
<u>Jumio</u>	Custom pricing
<u>Trulioo</u>	\$1 - \$2
<u>Entrust (Onfido)</u>	\$1.50 - \$3
<u>Veriff</u>	\$1 - \$2
<u>Sumsb</u>	\$1.50 - \$2
<u>Truora</u>	\$1 - \$2
<u>IDNow</u>	~ \$2
<u>Shufti Pro</u>	\$1 - \$1.50

COMPETITIVE LANDSCAPE

REVENUE OF PROVIDERS REGISTERED IN THE UK									
Company	Year Launched	2019	2020	2021	2022	2023	2024	2025	CAGR (2019 - 2025)
complyadvantage.com	2014	€6.9M	€12.1M	€17.3M	€28.7M	€43.5M	€48.5M	€54.5M	41%
Onfido (acquired by Entrust)	2010	€31.7M	€52.2M	N/a	€108.6M	€111.6M	€99.7M	€91.4M	19%
sumsub.com	2015	N/a	N/a	€17.7M	€36.2M	€50.7M	€77.2M	N/a	-

NET PROFIT OF PROVIDERS REGISTERED IN THE UK										
Company	Year Launched	2019	2020	2021	2022	2023	2024	2025	YoY (2024 - 2025)	Net profit margin 2025
complyadvantage.com	2014	-€6.7M	-€16.1M	-€18.2M	-€18.5M	-€32.3M	-€36.3M	-€29.8M	-17.87%	-55%
Onfido (acquired by Entrust)	2010	-€30.0M	-€37.9M	N/a	-€50.6M	-€29.4M	-€16.5M	€0.9M	94.26%	1%
sumsub.com	2015	N/a	N/a	€0.6M	€1.4M	€1.5M	€2.1M	N/a	-	-

COMPETITIVE LANDSCAPE

REVENUE OF PROVIDERS REGISTERED IN OTHER COUNTRIES

Company	Year Launched	Entity registration	2019	2020	2021	2022	2023	2024	2025	CAGR (2019 - 2025)
cashfree.com	2014	India	€2.6M	€9.4M	€21.4M	€32.8M	€57.8M	€60.1M	€59.7M	69%
jumio.com	2010	India	€9.7M	€9.9M	€9.3M	€12.2M	€15.7M	€11.0M	€6.3M	-7%
entrust.com	2015	Spain	N/a	N/a	N/a	€14.3M	€13.1M	€18.8M	N/a	-
veriff.com	2015	Estonia	-	-	-	€36.1M	€45.3M	€37.0M	N/a	-

NET PROFIT OF PROVIDERS REGISTERED IN OTHER COUNTRIES

Company	Year Launched	Entity registration	2019	2020	2021	2022	2023	2024	2025	YoY (2024 - 2025)	Net profit margin 2025
cashfree.com	2014	India	€0.4M	€1.6M	€2.4M	-€0.3M	-€12.5M	-€12.7M	-€14.5M	14%	-24%
jumio.com	2010	India	€998.4K	€1.1M	€998.3K	€1.5M	€2.1M	€2.8M	€860.1K	-69%	14%
entrust.com	2015	Spain	N/a	N/a	N/a	€587.0K	€203.6K	€1.3M	-€1.1M	-187%	-
veriff.com	2015	Estonia	-	-	-	-€32.9M	-€34.2M	-€10.0M	N/a	-	-

COMPETITIVE LANDSCAPE

REVENUE OF PROVIDERS REGISTERED IN ROMANIA

Company	Year Launched	2019	2020	2021	2022	2023	2024	CAGR (2019 - 2024)
transsped.ro	2004	€1.6M	€2.5M	€3.1M	€3.2M	€3.7M	€4.4M	22%
starbyte.ro	2011	€1.2M	€1.2M	€1.6M	€2.0M	€1.5M	€1.7M	7%
sunt.io	2022	-	-	-	€1.4K	€5.8K	€15.6K	-
fintechos.com	2017	€3.3M	€8.3M	€17.0M	€21.5M	€18.7M	€22.9M	47%
digisign.ro	2005	€2.6M	€4.0M	€4.7M	€4.6M	€8.3M	€8.3M	27%
goobiss.com	2016	€45.3K	€38.6K	€45.0K	€551.8K	€1.0M	€1.5M	101%

NET PROFIT OF PROVIDERS REGISTERED IN ROMANIA

Company	Year Launched	2019	2020	2021	2022	2023	2024	YoY (2023 - 2024)	Net profit margin 2024
transsped.ro	2004	€0.3M	€0.7M	€1.7M	€1.0M	€1.3M	€0.9M	-34%	20%
starbyte.ro	2011	€0.0M	€0.0M	€0.0M	€0.1M	€0.1M	€0.1M	-22%	6%
sunt.io	2022	-	-	-	-\$5.4K	-\$10.0K	-\$0.8K	-92%	-5%
fintechos.com	2017	-€1.7M	-€2.6M	-€19.7M	-€19.9M	-€15.9M	-€6.3M	-60%	-28%
digisign.ro	2005	€0.7M	€1.4M	€2.1M	€1.8M	€2.0M	€4.2M	109%	51%
goobiss.com	2016	-€0.1M	-\$33.4K	-€0.2M	-€0.2M	\$20.9K	-€0.1M	-366%	-4%

FUNDING

Number of KYC providers globally: **~850**

Funding raised **\$5.4B**

Key Investment & M&A Themes:

- Private Equity Consolidation: Large PE firms are shifting from minority stakes to majority buyouts to create "RegTech Giants." A prime example is Corsair Capital's majority acquisition of IDnow to fuel global expansion.
- The Rise of Perpetual KYC (pKYC): Capital is moving away from simple "one-time" onboarding toward platforms that offer continuous 24/7 monitoring. Static review cycles are being replaced by real-time risk updates.
- Deepfake & Synthetic Identity Defense: Investors are prioritizing "Liveness 2.0" capabilities to combat the \$1.00 deepfakes now available on the dark web for account opening.
- Regulatory Triggers: New 2026 mandates, such as the EU's AMLA guidelines and Australia's Tranche 2 reforms, are forcing institutions to upgrade to unified, AI-driven platforms.

Selected unicorns in the space

Company (Website)	Founded	Country	Short Description	Total funding
advance.ai	2016	 SG	Provider of digital identity verification	\$330.0M
unico.io	2007	 BR	Provider of digital identity verification and authentication	\$341.0M
veriff.com	2015	 EE	AI based identity verification software	\$200.0M
alloy.com	2015	 US	Identity decisioning platform for banks and fintech firms	\$211.0M
trulioo.com	2011	 CA	Provider of online identity verification services for KYC	\$477.0M
feedzai.com	2011	 US	Provider of an AI-native platform for fraud and financial crimes	\$347.0M
withpersona.com	2018	 US	Identity infrastructure platform that helps businesses securely collect, verify, and manage user identities.	\$417.5M
socure.com	2012	 US	Builds a predictive analytics platform for digital identity verification	\$744.4M
sumsub.com	2015	 UK	Developer of identity and risk management technology designed for verifying individuals, assessing businesses, and monitoring transactions.	\$37.0M
incode.com	2015	 US	A fully automated platform to verify user identity through biometrics.	\$257.1M

Source: [Belski](#)

RECENT DEVELOPMENTS: M&As

Target Company	Category	Country	Year of Launch	Acquirer	Acquirer Profile	Deal Sum	Strategic Rationale
Inverid	IDV (NFC eID verification)		2013	Signicat	Digital identity & authentication SaaS provider focused on regulated onboarding across EU/Scandinavia	N/a	Expand high-assurance NFC identity verification (ReadID) and strengthen EU digital identity stack
Polarify	Online ID Verification		2019	ELEMENTS Inc.	Cybersecurity and anti-fraud technology company with B2B security services	N/a	Integrate identity verification into fraud/financial crime prevention suite
Delta Capita BV	FCC / KYC Services		2011	Capgemini	Global consulting & technology services firm with FCC, risk & compliance practice	N/a	Broaden financial crime compliance and KYC transformation services across EMEA
KYC360	KYC / AML SaaS		2015	Experian	Global credit reporting & decisioning platform with fraud & compliance solutions	N/a	Enhance Experian's fraud & financial crime compliance capabilities in UK & Ireland
NorthRow	KYB + AML		2010	ID-Pal	ID verification & AML/KYC onboarding SaaS provider	N/a	Add KYB business verification to unified KYC/AML lifecycle suite
Vespia	KYB		2018	Veriff	Identity verification SaaS with API-first platform	N/a	Expand from individual IDV into business entity KYB and trust platform capabilities
EasySecure International	Digital Identity Platform		2005	Novico	Identity technology & workforce verification specialist	N/a	Broaden identity & access ecosystem with additional platform capabilities
Truework	Income & employment verification (ID/verification)		2017	Checkr	Background check & people-infrastructure platform	N/a	Extend background screening into income & employment verification; build broader trust & data cloud; cross-sell into lending/hiring workflows
IDnow	KYC		2014	Corsair Capital	Private equity investor (software/fintech)	~€273M	Deepen majority ownership to accelerate growth, technology development, and global reach
Credas Technologies	KYC		2016	SmartSearch	AML/KYC compliance / screening platform	N/a	Embed Credas IDV into AML/KYC compliance tooling; expand UK product suite

RECENT DEVELOPMENTS: REGULATIONS

Region	Recent developments
	<ul style="list-style-type: none"> - The EU introduces the Anti Money Laundering Regulation (AMLR) in July 2027 to create a single rulebook that replaces fragmented national rules. - The Anti Money Laundering Authority (AMLA) in Frankfurt will strengthen supervision, and direct oversight of high-risk cross-border firms begins in 2028. - Firms need stronger data foundations, modernized customer due diligence and updated know your customer processes to manage stricter assessment cycles.
	<p>RBI issued updated KYC Master Directions (Nov 2025).</p> <p>Key change:</p> <ul style="list-style-type: none"> - RBI released sector-specific KYC Master Directions covering 10 types of financial institutions (banks, NBFCs, payments banks, etc.). - The update clarified requirements for digital onboarding, e-KYC, and remote identification.
	<p>Spain's FIU/supervisor SEPBLAC highlighted EU-level harmonisation work: AMLA published draft Regulatory Technical Standards (RTS) for consultation (posted Feb 2026), signalling practical rulemaking is moving from legislation into detailed supervisory standards.</p>
	<p>Mexico's 2025 AML reform strengthens the anti-money-laundering framework by expanding reporting obligations, beneficial-owner disclosure, and monitoring of PEPs, adding new vulnerable activities (including crypto and real estate development), requiring automated risk monitoring and longer record-keeping (10 years), and introducing stronger sanctions and broader inter-agency cooperation.</p>

RECENT DEVELOPMENTS: PARTNERSHIPS

Region	Recent developments
	<p><u>Trulioo</u>, identity platform with proven global coverage for person and business verification, today announced its partnership with <u>WEX</u>, a global payment processing and fleet management company. WEX has selected Trulioo Document Verification and Biometrics to accelerate and secure their KYC process for its European fuel card customers, replacing current manual procedures.</p>
	<p><u>Sutherland</u>, AI, automation, cloud Engineering, and advanced analytics specialist, announced a strategic partnership with <u>ComplyAdvantage</u>. The collaboration introduces a comprehensive, AI-driven financial crime (FinCrime) management solution designed to help banks and Fintechs respond to the rapid rise of AI-designed fraud, complex AML risks, fast-evolving financial crime threats, and complex compliance requirements.</p> <p>The solution combines Sutherland's 2,400+ FinCrime experts, AI-native digital accelerators, including Agentic AI, Sentinel AI, ID Scan, and HelpTree GenAI, and ComplyAdvantage's Mesh, an AI-native platform that unifies customer and company screening, customer risk scoring, transaction monitoring, and real-time payments analysis in one intelligent system.</p>
	<p><u>Veriff</u> partnered with <u>Data Zoo</u> to add an authoritative data layer via a single API (40+ countries mentioned), supporting "defense-in-depth" identity verification. Significance: Reinforces a key architectural trend: better match rates and regulatory resiliency via layered data signals, not just improved document/biometric models.</p>
	<p><u>Sumsu</u> has announced the launch of its SEPBLAC-aligned Video KYC capability, enabling businesses onboarding users in Spain to meet strict regulatory requirements for recorded identity verification. The solution supports real-time recording of the entire verification process, ensuring auditable evidence, human oversight, and regulatory alignment for Spanish and EU-regulated entities.</p>

RECENT DEVELOPMENTS: TECHNOLOGY

Region	Recent developments
	<p>Capgemini launched a perpetual KYC (pKYC) technology sandbox to help financial institutions test migration from periodic reviews to event-driven continuous compliance. This indicates that pKYC is increasingly treated as an implementable operating model (not just a concept), shaping vendor requirements for monitoring, review triggers, and controls evidence.</p>
	<p>Experian launched a KYC “Perpetual Monitoring” solution that continuously monitors customer data and flags changes. Significance: Productizes the “perpetual KYC” trend and increases competitive pressure for always-on monitoring and change-detection features in enterprise KYC platforms.</p>
	<p>ComplyAdvantage announced Mesh, an AI-native platform intended to unify screening, risk scoring, transaction monitoring, and payments analysis with agentic AI workflows. This reinforces the market shift toward consolidated “end-to-end” FinCrime stacks rather than siloed tools.</p>
	<p>Sumsub launched “Summy” AI Copilot, positioned as a platform-native, explainable AI assistant for compliance and fraud workflows. This demonstrates deep embedding of LLM copilots inside casework (with audit-ready outputs) rather than as external chat tools—raising competitive expectations for explainability and traceability.</p>

KEY TAKEAWAYS

KYC platforms enable fintechs to perform the following critical tasks:

1. Identify and verify a customer's personal information during the onboarding process.
2. Customer due diligence (CDD) and enhanced due diligence (EDD), which involves assessing a customer's risk profile based on factors such as their occupation, source of income and country of residence, to name a few.
3. Keep customer information current and accurate throughout the business relationship. This involves regularly reviewing transactions, patterns and behaviors to detect and report unusual or suspicious activities, keeping an informed view of their risk status, thereby mitigating any fraudulent activities.

Pricing models are usage-based and scalable

Most KYC providers monetize through per-verification fees (\$1–\$3 per check), tiered pricing, or subscription contracts, allowing fintechs and banks to scale identity verification according to onboarding volume.

The market is expanding rapidly

The biometric digital identity and KYC technology market is projected to grow at ~41% CAGR between 2024–2028, reaching over \$40B in revenue, driven by regulatory pressure, digital onboarding, and rising fraud risks.

KYC is regulated globally but enforced locally

While FATF sets global AML standards, enforcement is carried out by regional and national regulators such as central banks, financial intelligence units (FIUs), and financial supervisors.

Despite regional differences, the global trend is toward stricter AML supervision, faster reporting timelines, and deeper customer identity verification requirements.

KEY TAKEAWAYS

The industry remains highly fragmented

There are ~850 KYC providers globally, ranging from specialized ID verification startups to large RegTech platforms, indicating a competitive but still consolidating market.

Market consolidation is accelerating

Recent acquisitions (e.g., IDnow, Polarify, KYC360) show that large RegTech and private equity players are consolidating the ecosystem to build integrated identity and financial crime platforms.

AI and biometrics are becoming core capabilities

Advanced technologies such as AI fraud detection, biometric verification, and liveness detection are increasingly used to combat deepfakes and synthetic identity fraud.

Profitability varies significantly among providers

Many leading KYC companies show rapid revenue growth but persistent losses, reflecting heavy investments in technology, data infrastructure, and global expansion.

Technology is shifting toward continuous monitoring

The industry is moving from one-time onboarding checks to "Perpetual KYC (pKYC)", where AI systems continuously monitor customer risk signals and update risk profiles in real time.

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