

Revision of the Anti-money-laundering Directive

The current EU regulatory framework for financial crime –composed of Directive (EU) 2015/849, and Regulation (EU) 2015/847– faces the challenge of keeping pace with technological innovation in financial services, which can create new opportunities to conceal financing, as well as the potential exploitation by criminals of loopholes in the system. Following approval in committee in January, the report is due to be voted in plenary in April.

Background

[Directive \(EU\) 2015/849](#), on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, has shown gaps in the light of recent terrorist attacks and various tax leaks. In this context, the European Commission adopted a [proposal](#) to amend it on 5 July 2016.

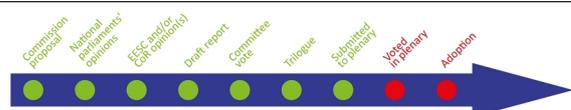
Commission proposal

The Commission proposed, among other things, to designate virtual currency exchange platforms as [obliged entities](#), with a view to improve the detection of suspicious virtual currency transactions; to set lower maximum transaction limits for certain pre-paid cards; to enable financial intelligence units ([FIUs](#)) to request information on money laundering and terrorist financing from any obliged entity; to enable FIUs and competent authorities to identify holders of bank and payment accounts, through automated centralised mechanisms at Member State level; to improve access to registers of beneficial ownership; and to ensure the direct interconnection of these registers to facilitate cooperation between Member States.

European Parliament position

The Council agreed its [negotiating mandate](#) on 13 December 2016. The European Parliament Committees for Economic and Monetary Affairs (ECON), and Civil Liberties, Justice and Home Affairs (LIBE) adopted their joint [report](#) in March 2017. An interinstitutional [agreement](#) was reached on 20 December 2017, which substantially modifies the Commission proposal. It establishes, among other things, that, to identify and mitigate the risks of money laundering and terrorist financing, Member States may receive relevant additional information from other Member States; that, in case of remote payment transactions, customers must be identified when the amount paid exceeds €50; that the information held in the register may be made available – if a Member State so chooses – on condition of online registration and the payment of a fee. In addition, Member States must ensure that individuals adversely exposed for reporting suspicions of money laundering or terrorist financing internally or to an FIU can safely present a complaint to the competent authorities. In the case of banks that are part of a group, Member States should ensure that their competent authorities cooperate in monitoring them. They can also authorise the exchange of information between competent authorities, the disclosure of specific information to national authorities investigating money laundering or terrorist financing, and the disclosure of certain information relating to the supervision of banks for compliance with the directive to parliamentary inquiry committees, courts of auditors, or other entities in charge of inquiries in their Member States. Lastly, the agreement amends the [Capital Requirements Directive \(2013/36/EC\)](#) and the Solvency II [Directive \(2009/138/EC\)](#), to add the authorities responsible for supervising the obliged entities to the list of authorities, the exchange of information between which is not precluded by those two regulatory acts.

First-reading report: [2016/0208\(COD\)](#); Committees responsible: ECON, LIBE; Rapporteurs: Krišjānis Kariņš (EPP, Latvia), Judith Sargentini (Greens/EFA, the Netherlands). See also our 'EU Legislation in progress' [briefing](#).



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