

**Question for written answer P-006751/2017
to the Commission**

Rule 130

Neena Gill (S&D)

Subject: Money laundering and tax evasion in any part of the world where EU-based organisations are involved

The EU is South Africa's most important development and trade partner. The Commission is probably aware of the recent scandal involving the South African President Jacob Zuma and companies owned by the Gupta family. In this scandal, there have been a number of recent developments in the field of money laundering and tax evasion.

The commitment to fighting against money laundering and terrorist financing is an important part of the Union's external relations with third countries. Several EU financial institutions are on the list of institutions helping to facilitate the transfer of illicit funds.

A major audit company admitted to missing red flags in auditing Gupta family companies. The EU's Audit Regulation was adopted in 2014, and aims to prevent conflicts of interests, but several scandals that have taken place in the EU in 2017 alone have called the effectiveness of the regulation into question.

1. How will the Commission strengthen EU anti-money laundering rules with regard to EU financial institutions active in third countries?
2. How is the Commission ensuring that audit companies fulfil the highest ethical standards in their operations within the EU?
3. Does the Commission believe that the rules on limits on the cross-selling of non-audit services should be tightened and, if so, when will it propose amendments to this regulation?