AMENDMENTS 001-328
by the Committee on Economic and Monetary Affairs, Committee on Civil Liberties, Justice and Home Affairs

Report
Eero Heinäluoma, Damien Carême **A9-0151/2023**
Anti-Money Laundering Regulation

Proposal for a regulation (COM(2021)0420 – C9-0339/2021 – 2021/0239(COD))

Amendment 1
Proposal for a regulation
Recital 1

Text proposed by the Commission	*Amendment*
(1) Directive (EU) 2015/849 of the European Parliament and of the Council[23] constitutes the main legal instrument for the prevention of the use of the Union financial system for the purposes of money laundering and terrorist financing. That Directive sets out a comprehensive legal framework, which Directive (EU) 2018/843 of the European Parliament and the Council[24] further strengthened by addressing emerging risks and increasing transparency of beneficial ownership. Notwithstanding ***its*** achievements, experience has shown that further improvements should be introduced to adequately mitigate risks and to effectively detect criminal attempts to misuse the Union financial system for criminal	(1) Directive (EU) 2015/849 of the European Parliament and of the Council[23] constitutes the main legal instrument for the prevention of the use of the Union financial system for the purposes of money laundering and terrorist financing. That Directive sets out a comprehensive legal framework, which Directive (EU) 2018/843 of the European Parliament and the Council[24] further strengthened by addressing emerging risks and increasing transparency of beneficial ownership. Notwithstanding ***the*** achievements ***of Directive (EU) 2015/849, divergent practices regarding its enforcement and the lack of correct implementation of minimum standards have led to a fragmented, incomplete and partially inefficient regulatory framework in the***

purposes.

Union. Therefore, experience has shown that further improvements should be introduced to adequately mitigate risks***, tackle divergences regarding its enforcement and implementation*** and to effectively detect criminal attempts to misuse the Union financial system for criminal purposes.

---

[23] Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73).

[24] Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (OJ L 156, 19.6.2018, p. 43).

[23] Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73).

[24] Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (OJ L 156, 19.6.2018, p. 43).

Amendment 2
Proposal for a regulation
Recital 2

Text proposed by the Commission	*Amendment*
(2) The main challenge identified in respect to the application of the provisions of Directive (EU) 2015/849 laying down obligations for private sector actors, the so-called obliged entities, is the lack of direct applicability of those rules and a fragmentation of the approach along national lines. Whereas those rules have	(2) The main challenge identified in respect to the application of the provisions of Directive (EU) 2015/849 laying down obligations for private sector actors, the so-called obliged entities, is the lack of direct applicability of those rules and a fragmentation of the approach along national lines. Whereas those rules have

existed and evolved over three decades, they are still implemented in a manner not fully consistent with the requirements of an integrated internal market. Therefore, it is necessary that rules on matters currently covered in Directive (EU) 2015/849 which may be directly applicable by the obliged entities concerned are addressed in a new Regulation in order to achieve the desired uniformity of application.

existed and evolved over three decades, ***as a rule*** they are still implemented in a manner not fully consistent with the requirements of an integrated internal market. Therefore, it is necessary that rules on matters currently covered in Directive (EU) 2015/849 which may be directly applicable by the obliged entities concerned are addressed in ***this*** Regulation in order to achieve the desired uniformity of application.

Amendment 3
Proposal for a regulation
Recital 2 a (new)

Text proposed by the Commission	*Amendment*
	(2a) In the current unstable situation of increased security threats, the Union legal framework for combating money laundering and terrorist financing should be strengthened and harmonised so as to close existing gaps and tighten up current regulations in order to hinder criminal activity in that area.

Amendment 4
Proposal for a regulation
Recital 2 b (new)

Text proposed by the Commission	*Amendment*
	(2b) The illegal, unprovoked and unjustified military aggression against Ukraine has been strongly condemned by the Union and has led it to impose a severe embargo on Russian banks and oligarchs, while also highlighting schemes whereby money is laundered by Russian banks through Union banks services. It is important in that regard to recognise the potential that the long-term maintenance of sanctions has to reduce

the risk of Russian money laundering in the Union.

Amendment 5
Proposal for a regulation
Recital 3 a (new)

Text proposed by the Commission	*Amendment*
	(3a) The United Nations Office of Drugs and Crime (UNODC) estimates that between 2 and 5 % of global gross domestic product (GDP) is laundered each year. In addition, it is estimated that about 1,5% of the Union's GDP is subject to money laundering and only about 1 % of the money is ultimately confiscated[1a]. Therefore, it is essential that Member States, in addition to reinforcing the prevention of money laundering and terrorist financing, devote substantial efforts to recover ill-gotten money.
	[1a] https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=CELEX%3A52021SC0190

Amendment 6
Proposal for a regulation
Recital 5

Text proposed by the Commission	*Amendment*
(5) Since the adoption of Directive (EU) 2015/849, recent developments in the Union's criminal law framework have contributed to strengthening the prevention and fight against money laundering, its predicate offences and terrorist financing. Directive (EU) 2018/1673 of the European Parliament and of the Council[25] has led to a common understanding of the money laundering crime and its predicate	(5) Since the adoption of Directive (EU) 2015/849, recent developments in the Union's criminal law framework have contributed to strengthening the prevention and fight against money laundering, its predicate offences and terrorist financing. Directive (EU) 2018/1673 of the European Parliament and of the Council [25] has led to a common understanding of the money laundering crime and its predicate

offences. Directive (EU) 2017/1371 of the European Parliament and of the Council[26] defined financial crimes affecting the Union's financial interest, which should also be considered predicate offences to money laundering. Directive (EU) 2017/541 of the European Parliament and of the Council[27] has achieved a common understanding of the crime of terrorist financing. As those concepts are now clarified in Union criminal law, it is no longer needed for the Union's AML/CFT rules to define money laundering, its predicate offences or terrorist financing. Instead, the Union's AML/CFT framework should be fully coherent with the Union's criminal law framework.

offences. Directive (EU) 2017/1371 of the European Parliament and of the Council [26] defined financial crimes affecting the Union's financial interest, which should also be considered predicate offences to money laundering. Directive (EU) 2017/541 of the European Parliament and of the Council [27] has achieved a common understanding of the crime of terrorist financing. As those concepts are now clarified in Union criminal law, it is no longer needed for the Union's AML/CFT rules to define money laundering, its predicate offences or terrorist financing. Instead, the Union's AML/CFT framework should be fully coherent with the Union's criminal law framework ***with the aim of improving public safety and protecting Union citizens***.

---

[25] Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018, p. 22).

[26] Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29).

[27] Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA (OJ L 88, 31.3.2017, p. 6).

[25] Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018, p. 22).

[26] Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29).

[27] Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA (OJ L 88, 31.3.2017, p. 6).

Amendment 7
Proposal for a regulation
Recital 6

Text proposed by the Commission	*Amendment*
(6) Technology keeps evolving, offering opportunities to the private sector to develop new products and systems to exchange funds or value. While this is a positive phenomenon, it may generate new money laundering and terrorist financing risks, as criminals continuously manage to find ways to exploit vulnerabilities in order to hide and move illicit funds around the world. Crypto-assets service providers and crowdfunding platforms are exposed to the misuse of new channels for the movement of illicit money and are well placed to detect such movements and mitigate risks. The scope of Union legislation should therefore be expanded to cover these entities, in line with the recent developments in FATF standards in relation to crypto-assets.	(6) Technology keeps evolving, offering opportunities to the private sector to develop new products and systems to exchange funds or value. While this is a positive phenomenon, it may generate new money laundering and terrorist financing risks, as criminals continuously manage to find ways to exploit vulnerabilities in order to hide and move illicit funds around the world. Crypto-assets service providers***, non-fungible token (NFT) platforms*** and crowdfunding platforms are exposed to the misuse of new channels for the movement of illicit money and are well placed to detect such movements and mitigate risks. The scope of Union legislation should therefore be expanded to cover these entities, in line with the recent developments in Financial Action Task Force (FATF) standards in relation to crypto-assets. ***NFT platforms are not covered by the current definition of crypto-assets service providers under Regulation (EU) 2023/... [the MiCA Regulation] because they do not provide services in crypto-assets that are fungible and non unique. In order to close that gap and mitigate the associated risks of money laundering and terrorist financing, NFT platforms should therefore be included in the horizontal AML/CFT framework as a separate category of obliged entities.***

Amendment 8
Proposal for a regulation
Recital 6 a (new)

Text proposed by the Commission	*Amendment*
	(6a) Decentralised Autonomous Organisations (DAO) and other Decentralised Finance (DeFi)

	arrangements should also be subject to Union AML/CFT rules to the extent they perform or provide, for or on behalf of another person, crypto-asset services which are controlled directly or indirectly, including through smart contracts or voting protocols, by identifiable natural and legal persons. In such cases, DAO or DeFi arrangements should be considered to be crypto-asset service providers falling within the scope of Regulation (EU) 2023/... [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] and this Regulation, regardless of the commercial label or their self-identification as DAO or DeFi. Developers, owners or operators which fall within the scope of this Regulation should assess the risks of money laundering and terrorist financing before launching or using a software or platform and should take appropriate measures in order to mitigate the risks of money laundering and terrorist financing on an ongoing and forward-looking manner.

Amendment 9
Proposal for a regulation
Recital 6 b (new)

Text proposed by the Commission	*Amendment*
	(6b) The virtual world offers new opportunities for criminals to hide and channel illicit funds by exploiting it to purchase and resell virtual items, such as virtual real estate, virtual lands and other high-demand goods. While there is currently no specific regulatory framework for the metaverse as the adoption of the metaverse expands and evolves, the risks of money laundering, terrorist financing and sanctions evasion

	substantially increase. Obliged entities should be aware of such risks and continue to comply with AML/CFT obligations when operating in virtual worlds, in relation to the activities and operations covered by this Regulation, such as legal professionals with experience in real estate, finance and intellectual property, which may get increasingly involved in such transactions, including when providing legal assistance or advice.

Amendment 10
Proposal for a regulation
Recital 9

Text proposed by the Commission	*Amendment*
(9) Independent legal professionals should be subject to this Regulation when participating in financial or corporate transactions, including when providing tax advice, where there is the risk of the services provided by those legal professionals being misused for the purpose of laundering the proceeds of criminal activity or for the purpose of terrorist financing. There should, however, be exemptions from any obligation to report information obtained before, during or after judicial proceedings***, or*** in the course of ascertaining the legal position of a client, which should be covered by the legal privilege. Therefore, legal advice should remain subject to the obligation of professional secrecy, except where the legal professional is taking part in money laundering or terrorist financing, the legal advice is provided for the ***purposes*** of money laundering or terrorist financing, or where the legal professional knows that the client is seeking legal advice for the purposes of money laundering or terrorist financing.	(9) ***This Regulation does not aim to regulate independent legal and tax professions, which take different forms across Member States, or to interfere with the essence of the role of defence of such professionals in the administration of justice and the rule of law, which underpins legal professional privilege. However,*** independent legal professionals***, auditors, external accountants and tax advisors, who, in some Member States, are entitled to defend or represent a client in the context of judicial proceedings or to ascertain a client's legal position, also perform activities that are remote from the role of defence. Therefore, they*** should be subject to this Regulation when participating in financial or corporate transactions, including when providing tax advice ***or advice relating to citizenship or residence by investment schemes***, where there is the risk of the services provided by those legal professionals being misused for the purpose of laundering the proceeds of criminal activity or for the purpose of terrorist financing. There should, however,

be exemptions from any obligation to report information obtained before, during or after judicial proceedings ***which should be covered by the legal privilege. Exemptions should also be provided for activities performed*** in the course of ascertaining the legal position of a client, which should ***also*** be covered by the legal privilege ***to the strict extent that such activities aim at establishing the rights and obligations of clients, in contrast to non-legal advice***. Therefore, legal advice should remain subject to the obligation of professional secrecy, except where the legal professional is taking part in money laundering or terrorist financing, ***where*** the legal advice***, including in relation to tax matters or citizenship or residence by investment schemes,*** is provided for the ***purpose*** of money laundering or terrorist financing, or where the legal professional knows ***or suspects, on the basis of factual and objective circumstances,*** that the client is seeking legal advice***,*** for the purposes of ***money laundering or terrorist financing or for the purposes of applying for residence rights or citizenship through investment schemes. It should be possible for Member States to adopt or maintain, with regard to specific transactions that involve a particularly high risk to be used for*** money laundering or terrorist financing, ***customer due diligence obligations for independent legal professionals, auditors, external accountants and tax advisors***.

Amendment 11
Proposal for a regulation
Recital 10

Text proposed by the Commission	*Amendment*
(10) In order to ensure respect for the rights guaranteed by the Charter of	(10) In order to ensure respect for the rights guaranteed by the Charter of

Fundamental Rights of the European Union (the 'Charter'), in the case of auditors, external accountants and tax advisors, who, in some Member States, are entitled to defend or represent a client in the context of judicial proceedings or to ascertain a client's legal position, the information they obtain in the performance of those tasks should not be subject to reporting obligations.	Fundamental Rights of the European Union (the 'Charter'), in the case of auditors, external accountants and tax advisors, who, in some Member States, are entitled to defend or represent a client in the context of judicial proceedings or to ascertain a client's legal position, the information they obtain in the performance of those tasks should not be subject to reporting obligations***, except where the auditors, external accountants or tax advisors are taking part in money laundering or terrorist financing, the legal advice, is provided for the purposes of money laundering or terrorist financing, or where the auditor, external accountant or tax advisor knows has a well-grounded suspicion, on the basis of factual and objective circumstances, that the client is seeking legal advice, including in relation to tax matters or citizenship or residence by investment schemes, for the purposes of money laundering or terrorist financing and the legal advice sought is not connected to judicial proceedings***. ***Member States should be able to adopt or maintain with regard to specific transactions that involve a particularly high risk of money laundering or terrorist financing additional reporting obligations to which the exemption from the requirements to transmit information does not apply. For that purpose, it should be possible for Member States to introduce specific provisions in national law on the application of the requirements applicable to such professionals under this Regulation.***

Amendment 12
Proposal for a regulation
Recital 12

Text proposed by the Commission	*Amendment*
(12) Crowdfunding platforms' vulnerabilities to money laundering and terrorist financing risks are horizontal and affect the internal market as a whole. To date, diverging approaches have emerged across Member States as to the management of those risks. Regulation (EU) 2020/1503 of the European Parliament and of the Council***[28]*** harmonises the regulatory approach for business investment and lending-based crowdfunding platforms across the Union and ***ensures that adequate and coherent safeguards are in place to deal with potential money laundering and terrorist financing risks. Among those, there are*** requirements ***for the management of funds and payments in relation to all the financial transactions executed on those platforms.*** Crowdfunding ***service providers must either seek a license or partner with a payment service provider or a credit institution for the execution of such transactions. The Regulation also sets out safeguards in the*** authorisation ***procedure, in the assessment of good repute of management and through due diligence*** procedures ***for project owners. The Commission is required to assess by 10 November 2023 in its report on that Regulation whether further*** safeguards ***may be necessary***. It is therefore ***justified not to subject*** crowdfunding platforms licensed under Regulation (EU) 2020/1503 to Union AML/CFT legislation.	(12) Crowdfunding platforms' vulnerabilities to money laundering and terrorist financing risks are horizontal and affect the internal market as a whole. To date, diverging approaches have emerged across Member States as to the management of those risks. ***While*** Regulation (EU) 2020/1503 of the European Parliament and of the Council ***[28]*** harmonises the regulatory approach for business investment and lending-based crowdfunding platforms across the Union and ***sets up some AML/CFT*** requirements ***limited to due diligence of*** crowdfunding ***platforms in respect of project owners and within*** authorisation procedures***, the lack of an harmonised legal framework with robust AML/CFT obligations for crowdfunding platforms creates gaps and weakens the Union AML/CFT*** safeguards. It is therefore ***necessary to ensure that all*** crowdfunding platforms***, including those already*** licensed under Regulation (EU) 2020/1503***, are subject*** to Union AML/CFT legislation.
[28] Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (OJ L 347,	[28] Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (OJ L 347,

20.10.2020, p. 1).	20.10.2020, p. 1).

Amendment 13
Proposal for a regulation
Recital 13

Text proposed by the Commission	*Amendment*
(13) Crowdfunding platforms that are not licensed under Regulation (EU) 2020/1503 are currently left either unregulated or to diverging regulatory approaches, including in relation to rules and procedures to tackle anti-money laundering and terrorist financing risks. To bring consistency and ensure that there are no uncontrolled risks in that environment, it is necessary that all crowdfunding platforms that are not licensed under Regulation (EU) 2020/1503 and thus are not subject to its safeguards are subject to Union AML/CFT rules in order to mitigate money laundering and terrorist financing risks.	***deleted***

Amendment 14
Proposal for a regulation
Recital 15

Text proposed by the Commission	*Amendment*
(15) ***Some categories of traders in*** goods are particularly exposed to money laundering ***and terrorist financing*** risks ***due to the high value that the small, transportable*** goods ***they deal with contain***. For this reason, persons dealing in precious metals and precious stones should be subject to AML/CFT requirements.	(15) ***Persons trading in precious metals and stones as well as luxury*** goods are particularly exposed to ***very significant*** money laundering risks***, regardless of the means of payment. Criminal organisations have repeatedly used that method, which is easily accessible and does not require specific expertise, to convert criminal proceeds into*** goods ***that are in high demand in foreign markets***. For this reason, persons dealing in precious metals and precious stones ***and luxury***

goods should be subject to AML/CFT requirements.

Amendment 15
Proposal for a regulation
Recital 16

Text proposed by the Commission	*Amendment*
(16) Investment migration operators are private companies, bodies or persons acting or interacting directly with the competent authorities of the Member States on behalf of third-country nationals or providing intermediary services to third-country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investments, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget. Investor residence schemes present risks and vulnerabilities in relation to money laundering, corruption and tax evasion. Such risks are exacerbated by the cross-border rights associated with residence in a Member State. Therefore, it is necessary that investment migration operators are subject to AML/CFT obligations. ***This Regulation should not apply to*** investor ***citizenship*** schemes, which result in the acquisition of nationality in exchange for such investments, ***as such schemes must be considered as undermining the fundamental status of Union*** citizenship ***and sincere cooperation among*** Member States.	(16) Investment migration operators are private companies, bodies or persons acting or interacting directly with the competent authorities of the Member States on behalf of third-country nationals or providing intermediary services to third-country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investments, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget. Investor residence ***and citizenship*** schemes present risks and vulnerabilities in relation to money laundering, corruption and tax evasion. Such risks are exacerbated by the cross-border rights associated with residence in a Member State. Therefore, it is necessary that investment migration operators are subject to AML/CFT obligations. ***In view of the risks and vulnerabilities presented by*** investor schemes, which result in the acquisition of ***either residence rights or*** nationality in exchange for such investments, ***it is necessary to provide for a ban on*** citizenship ***by investment schemes and for minimum requirements in the assessment of applicants by*** Member States***' public authorities with regards to residence by investment schemes, to ensure that enhanced due diligence measures are applied with regard to applicants and to***

ensure that nationals from certain countries with AML/CFT-related risks identified in accordance with this Regulation, are not granted any status on the basis of such schemes.

Amendment 16
Proposal for a regulation
Recital 18 a (new)

Text proposed by the Commission	*Amendment*
	(18a) According to a report from the FATF of July 2009 entitled 'Money Laundering through the Football Sector', "the professional football market has undergone an accentuated growth due to a process of commercialisation. Money invested in football surged mainly as a result from increases in television rights and corporate sponsorship. Simultaneously, the labour market for professional football players has experienced unprecedented globalisation – with more and more football players contracted by teams outside their country and transfer payments of astounding dimensions. The cross border money flows that are involved may largely fall outside the control of national and supranational football organisations, giving opportunities to move and launder money. At the same time money from private investors is pouring into football clubs to keep them operating and can give the investor long term returns in terms of media rights, ticket sales, proceeds of sales of players and merchandising." In its report of 24 July 2019 to the European Parliament and the Council on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities, the Commission assessed professional football and stated

	that "whilst it remains a popular sport it is also a global industry with significant economic impact. Professional football's complex organisation and lack of transparency have created fertile ground for the use of illegal resources. Questionable sums of money with no apparent or explicable financial return or gain are being invested in the sport." Professional football is therefore a new sector posing high risks and high-level professional football clubs, along with sports agents in the football sector and football associations in Member States which are members of the Union of European Football Associations, should be considered to be obliged entities for the purposes of this Regulation.

Amendment 17
Proposal for a regulation
Recital 19

Text proposed by the Commission	*Amendment*
(19) It is important that AML/CFT requirements apply in a proportionate manner and that the imposition of any requirement is proportionate to the role that obliged entities can play in the prevention of money laundering and terrorist financing. To this end, it should be possible for Member States in line with the ***risk base*** approach of this Regulation to exempt certain operators from AML/CFT requirements, where the activities they perform present low money laundering and terrorist financing risks and where the activities are limited in nature. To ensure transparent and consistent application of such exemptions across the Union, a mechanism should be put in place allowing the Commission to verify the necessity of the exemptions to be granted. The Commission should also publish such	(19) It is important that AML/CFT requirements apply in a proportionate manner and that the imposition of any requirement is proportionate to the role that obliged entities can play in the prevention of money laundering and terrorist financing. To this end, it should be possible for Member States in line with the ***risk-based*** approach of this Regulation to exempt certain operators from AML/CFT requirements, where the activities they perform present low money laundering and terrorist financing risks and where the activities are limited in nature. To ensure transparent and consistent application of such exemptions across the Union, a mechanism should be put in place allowing the Commission to verify the necessity of the exemptions to be granted. The Commission should also publish such

exemptions on a yearly basis in the Official Journal of the European Union.

exemptions on a yearly basis in the Official Journal of the European Union.

Amendment 18
Proposal for a regulation
Recital 20

Text proposed by the Commission	*Amendment*
(20) A consistent set of rules on internal systems and controls that applies to all obliged entities operating in the internal market will strengthen AML/CFT compliance and make supervision more effective. In order to ensure adequate mitigation of money laundering and terrorist financing risks, obliged entities should have in place an internal control framework consisting of risk–based policies, controls and procedures and clear division of responsibilities throughout the organisation. In line with the risk-based approach of this Regulation, those policies, controls and procedures should be proportionate to the nature and size of the obliged entity and respond to the risks of money laundering and terrorist financing that the entity faces.	(20) A consistent set of rules on internal systems and controls that applies to all obliged entities operating in the internal market will strengthen AML/CFT compliance and make supervision more effective. In order to ensure adequate mitigation of money laundering and terrorist financing risks, obliged entities should have in place an internal control framework consisting of risk–based policies, controls and procedures and clear division of responsibilities throughout the organisation. In line with the risk-based approach of this Regulation, those policies, controls and procedures should be proportionate to the nature***, activity*** and size of the obliged entity and respond to the risks of money laundering and terrorist financing that the entity faces.

Amendment 19
Proposal for a regulation
Recital 23

Text proposed by the Commission	*Amendment*
(23) The FATF has developed standards for jurisdictions to identify, and assess the risks of potential non-implementation or evasion of the targeted financial sanctions related to proliferation financing, and to take action to mitigate those risks. Those new standards introduced by the FATF today do not substitute nor undermine the existing strict requirements for countries to	(23) The FATF has developed standards for jurisdictions to identify, and assess the risks of potential non-implementation or evasion of the targeted financial sanctions related to proliferation financing, and to take action to mitigate those risks. Those new standards introduced by the FATF today do not substitute nor undermine the existing strict requirements for countries to

implement targeted financial sanctions to comply with the relevant United Nations Security Council Regulations relating to the prevention, suppression and disruption of proliferation of weapons of mass destruction and its financing. Those existing obligations, as implemented at Union level by Council Decisions 2010/413/CFSP[31] and (CFSP) 2016/849[32] as well as by Council Regulations (EU) No 267/2012[33] and (EU) 2017/1509[34] , remain strict rule-based obligations binding on all natural and legal persons within the Union.

implement targeted financial sanctions to comply with the relevant United Nations Security Council Regulations relating to the prevention, suppression and disruption of proliferation of weapons of mass destruction and its financing. Those existing obligations, as implemented at Union level by Council Decisions 2010/413/CFSP[31] and (CFSP) 2016/849[32] as well as by Council Regulations (EU) No 267/2012[33] and (EU) 2017/1509[34], remain strict rule-based obligations binding on all natural and legal persons within the Union. ***The same approach should apply with regard to other targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorist financing.***

---

[31] 2010/413/CFSP: Council Decision of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP (OJ L 195, 27.7.2010, p. 39).

[32] Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP (OJ L 141, 28.5.2016, p. 79).

[33] Council Regulation (EU) No 267/2012 of 23 March 2012 concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010 (OJ L 88, 24.3.2012, p. 1).

[34] Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No 329/2007 (OJ L 224, 31.8.2017, p. 1).

---

[31] 2010/413/CFSP: Council Decision of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP (OJ L 195, 27.7.2010, p. 39).

[32] Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP (OJ L 141, 28.5.2016, p. 79).

[33] Council Regulation (EU) No 267/2012 of 23 March 2012 concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010 (OJ L 88, 24.3.2012, p. 1).

[34] Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No 329/2007 (OJ L 224, 31.8.2017, p. 1).

Amendment 20
Proposal for a regulation
Recital 23 a (new)

Text proposed by the Commission	*Amendment*
	(23a) Union legislation does not include provisions that describe the systems and controls that credit and financial institutions should have to have in place in order to comply with targeted financial sanctions obligations. In its report on the future EU AML/CFT framework, the European Supervisory Authority (European Banking Authority) (EBA), established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council, noted that, in situations where the legislation provides for exemptions from certain AML/CFT requirements, such as in relation to occasional transactions, there is an apparent conflict between risk-based exemptions and the absolute requirement to comply with applicable sanctions regimes, which is an obligation of result. EBA also found that there are different interpretations across Member States on the obligations on payment service providers to screen the payer or the payee against sanctions lists. That situation could create regulatory arbitrage and gaps which could weaken the Union targeted financial sanctions regime. It is therefore necessary to establish common standards on the measures that credit and financial institutions should take in order to comply with their financial sanctions obligations.

Amendment 21
Proposal for a regulation
Recital 24

Text proposed by the Commission	*Amendment*
(24) In order to reflect the latest developments at international level, a requirement has been introduced by this Regulation to identify, understand, manage and mitigate risks of potential non-implementation or evasion of proliferation financing-related targeted financial sanctions at obliged entity level.	(24) In order to reflect the latest developments at international level, a requirement has been introduced by this Regulation to identify, understand, manage and mitigate risks of potential non-implementation***, divergent implementation*** or evasion of ***all targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorist financing and*** proliferation financing-related targeted financial sanctions at obliged entity level.

Amendment 22
Proposal for a regulation
Recital 24 a (new)

Text proposed by the Commission	*Amendment*
	(24a) Sanctions adopted by the United Nations are relevant risk factors for money laundering, predicate offences and terrorist financing since they aim to address threats of terrorism and terrorist financing, crimes related to human rights violations and proliferation of nuclear weapon of mass destruction. Therefore, appropriate risk-mitigating measures need to be taken in high-risk situations in that regard, without prejudice to the application of rule-based obligations imposed under the Union targeted financial sanctions regime;

Amendment 23
Proposal for a regulation
Recital 25

Text proposed by the Commission	*Amendment*
(25) It is important that obliged entities	(25) It is important that obliged entities

take all measures at the level of their management to implement internal policies, controls and procedures and to implement AML/CFT requirements. While a person at management level should be identified as being responsible for implementing the obliged entity's policies, controls and procedures, the responsibility for the compliance with AML/CFT requirements should rest ultimately with the ***governing*** body of the entity. Tasks pertaining to the day-to-day implementation of the obliged entity's AML/CFT policies, controls and procedures should be entrusted to a compliance officer.	take all measures at the level of their management to implement internal policies, controls and procedures and to implement AML/CFT requirements. While a person at management level should be identified as being responsible for implementing the obliged entity's policies, controls and procedures, the responsibility for the compliance with AML/CFT requirements should rest ultimately with the ***management*** body of the entity. Tasks pertaining to the day-to-day implementation of the obliged entity's AML/CFT policies, controls and procedures should be entrusted to a compliance officer.

Amendment 24
Proposal for a regulation
Recital 27 a (new)

Text proposed by the Commission	*Amendment*
	(27a) Obliged entities might employ staff who by virtue of their professional activities could qualify as obliged entities themselves. As the AML/CFT framework is based on the role of firms or sole practitioners as gatekeepers of the financial system, it does not aim to target such employees. In order to facilitate the implementation of this Regulation, it is appropriate to clarify the situation of employees such as in-house lawyers, who should not be subject to the requirements of this Regulation when performing their function as employees of obliged entities.

Amendment 25
Proposal for a regulation
Recital 27 b (new)

Text proposed by the Commission	*Amendment*
	(27b) Given that AML/CFT requirements are applicable to a wide range of obliged entities in both nature and size, AMLA should have the task of developing draft regulatory technical standards concerning minimum requirements and standards by obliged entities which are sole traders, single operators or microenterprises taking due account of the principle of proportionality and alleviation of administrative and financial burden.

Amendment 26
Proposal for a regulation
Recital 28

Text proposed by the Commission	*Amendment*
(28) The consistent implementation of group-wide AML/CFT policies and procedures is key to the robust and effective management of money laundering and terrorist financing risks within the group. To this end, group-wide policies, controls and procedures should be adopted and implemented by the parent undertaking. Obliged entities within the group should be required to exchange information when such sharing is relevant for preventing money laundering and terrorist financing. Information sharing should be subject to sufficient guarantees in terms of confidentiality, data protection and use of information. AMLA should have the task of drawing up draft regulatory standards specifying the minimum requirements of group-wide procedures and policies, including minimum standards for information sharing within the group and the role and responsibilities of parent undertakings that are not themselves obliged entities.	(28) The consistent implementation of group-wide AML/CFT policies and procedures is key to the robust and effective management of money laundering and terrorist financing risks within the group. To this end, group-wide policies, controls and procedures should be adopted and implemented by the parent undertaking. Obliged entities within the group should be required to exchange information when such sharing is relevant for preventing money laundering and terrorist financing. Information sharing should be subject to sufficient guarantees in terms of confidentiality, data protection and use of information. AMLA should have the task of drawing up draft regulatory standards specifying the minimum requirements of group-wide procedures and policies, including minimum standards for information sharing within the group and the role and responsibilities of parent undertakings that are not themselves obliged entities***, and***

	taking into account the principle of proportionality.

Amendment 27
Proposal for a regulation
Recital 29

Text proposed by the Commission	*Amendment*
(29) In addition to groups, other structures exist, such as networks or partnerships, in which obliged entities might share common ownership, management and compliance controls. To ensure a level playing field across the sectors whilst avoiding overburdening it, AMLA should identify those situations where similar group-wide policies should apply to those structures.	(29) In addition to groups, other structures exist, such as networks or partnerships, in which obliged entities might share common ownership, management and compliance controls. To ensure a level playing field across the sectors whilst avoiding overburdening it, AMLA should identify those situations where similar group-wide policies should apply to those structures***, taking into account the principle of proportionality***.

Amendment 28
Proposal for a regulation
Recital 30

Text proposed by the Commission	*Amendment*
(30) There are circumstances where branches and subsidiaries of obliged entities are located in third countries where the minimum AML/CFT requirements, including data protection obligations, are less strict than the Union AML/CFT framework. In such situations, and in order to fully prevent the use of the Union financial system for the purposes of money laundering and terrorist financing and to ensure the highest standard of protection for personal data of Union citizens, those branches and subsidiaries should comply with AML/CFT requirements laid down at Union level. Where the law of a third country does not permit compliance with those requirements, for example because of	(30) There are circumstances where branches and subsidiaries of obliged entities are located in third countries where the minimum AML/CFT requirements, including data protection obligations, are less strict than the Union AML/CFT framework. In such situations, and in order to fully prevent the use of the Union financial system for the purposes of money laundering and terrorist financing and to ensure the highest standard of protection for personal data of Union citizens, those branches and subsidiaries should comply with AML/CFT requirements laid down at Union level. Where the law of a third country does not permit compliance with those requirements, for example because of

limitations to the group's ability to access, process or exchange information due to an insufficient level of data protection or banking secrecy law in the third country, obliged entities should take additional measures to ensure the branches and subsidiaries located in that country effectively handle the risks. AMLA should be tasked with developing draft technical standards specifying the type of such additional measures.	limitations to the group's ability to access, process or exchange information due to an insufficient level of data protection or banking secrecy law in the third country, obliged entities should take additional measures to ensure the branches and subsidiaries located in that country effectively handle the risks. AMLA should be tasked with developing draft technical standards specifying the type of such additional measures***, taking into account the principle of proportionality***.

Amendment 29
Proposal for a regulation
Recital 32 a (new)

Text proposed by the Commission	*Amendment*
	(32a) Credit and financial institutions should ensure that the application of due diligence measures is carried out on the basis of an individual risk assessment and does not result in unduly denying legitimate customers access to financial services, in particular with regard to specific categories of individual customers associated with higher risk, such as refugees and asylum seekers as well as human rights defenders, and non-governmental organisations and their representatives and associates. To that end, credit and financial institutions should ensure that their internal policies, controls and procedures are commensurate to the risks identified and do not unduly undermine financial inclusion. Access to basic financial products and services allows refugees and people seeking temporary or international protection to participate in the economic and social life of the Union, in line with the right to protection enshrined in Article 18 of the Charter of Fundamental Rights. At the same time, financial inclusion

	avoids transactions being driven underground through informal channels, thereby making the detection and reporting of suspicious transactions more difficult. Therefore, financial inclusion contributes significantly to the fight against money laundering and terrorist financing. This Regulation provides sufficient flexibility to financial institutions to perform the identification and verification of prospective clients who are refugees or seek protection and to adopt, in line with the risk-based approach, proportionate and effective measures to manage and mitigate risks linked to these clients. To ensure such flexibility is exploited to the fullest, credit and financial institutions should accept documents issued by Member States stating legal residence as a valid means for the purposes of customer identity verification. In order to ensure the effective implementation of AML/CFT rules, financial institutions should address the situation of refugees and persons seeking temporary or international protection within their internal policies and procedures of refugees and persons seeking temporary or international protection within their internal policies and procedures AMLA and EBA should issue joint guidelines to specify how to maintain a balance between the financial inclusion of the categories of customers particularly affected by de-risking and AML/CFT requirements and clarify how risk can be mitigated in relation to these customers and ensure transparent and fair processes for customers.

Amendment 30
Proposal for a regulation
Recital 32 b (new)

Text proposed by the Commission	*Amendment*
	(32b) Obliged entities should take appropriate measures to verify the identity of the beneficial owners of their customers in order to know who the beneficial owner is and understand the ownership and control structure of the customer. When verifying a beneficial owner's identity, obliged entities should determine the extent and frequency of additional information consulted on a risk-basis. To that end, they should consult the necessary information, documents and data from the customer or reliable and independent sources, such as business registers or other relevant corporate documents, and should also consult beneficial owners registers as provided for in Article 10 of Directive (EU) „/„ [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]. When verifying a person's identity, the robustness of the evidence provided and the risk of identity theft must be considered. It is therefore important that, when obliged entities suspect that the beneficial ownership information declared by the customer is false or that the proof of identity provided is falsified or stolen, or where there is any related risk that the identity of the beneficial owner may not coincide with the documentation provided, they should take steps to check whether the claimed identity reasonably belongs to the person declared by the customer and whether those persons actually are the beneficial owners of the legal entity or arrangement.

Amendment 31
Proposal for a regulation
Recital 33

Text proposed by the Commission	*Amendment*
(33) Obliged entities should not be required to apply due diligence measures on customers carrying out occasional or linked transactions below a certain value, unless there is suspicion of money laundering or terrorist financing. Whereas the EUR 10 000 threshold applies to most occasional transactions, obliged entities which operate in sectors or carry out transactions that present a higher risk of money laundering and terrorist financing should be required to apply customer due diligence for transactions with lower thresholds. To identify the sectors or transactions as well as the adequate thresholds for those sectors or transactions, AMLA should develop dedicated draft regulatory technical standards.	(33) Obliged entities should not be required to apply due diligence measures on customers carrying out occasional or linked transactions below a certain value, unless there is suspicion of money laundering or terrorist financing. Whereas the EUR 10 000 threshold applies to most occasional transactions, obliged entities which operate in sectors or carry out transactions that present a higher risk of money laundering and terrorist financing should be required to apply customer due diligence for transactions with lower thresholds***, and should, in particular, verify whether those thresholds are met within linked transactions with lower amounts***. To identify the sectors or transactions as well as the adequate thresholds for those sectors or transactions, AMLA should develop dedicated draft regulatory technical standards.

Amendment 32
Proposal for a regulation
Recital 33 a (new)

Text proposed by the Commission	*Amendment*
	(33a) Business relationships are defined in this Regulation and refer to business, professional or commercial relationships connected with the professional activities of an obliged entity. They are expected, at the time when the contact is established, to have an element of duration. In the case of real estate transactions, for entities other than credit and financial institutions, a business relationship means the provision of services which involve the sale or brokerage of more than one property over a period of time. A sale also includes the services of notaries or

lawyers where such services are required under national law in order to conduct the transactions or transfer of immovable property.

Amendment 33
Proposal for a regulation
Recital 34

Text proposed by the Commission	*Amendment*
(34) Some business models are based on the obliged entity having a business relationship with a merchant for offering payment initiation services through which the merchant gets paid for the provision of goods or services, and not with the merchant's customer, who authorises the payment initiation service to initiate a single or one-off transaction to the merchant. In such a business model, the obliged entity's customer for the purpose of AML/CFT rules is the merchant, and not the merchant's customer. Therefore, customer due diligence obligations should be applied by the obliged entity vis-a-vis the merchant.	(34) Some business models are based on the obliged entity having a business relationship with a merchant for offering payment initiation services through which the merchant gets paid for the provision of goods or services, and not with the merchant's customer, who authorises the payment initiation service to initiate a single or one-off transaction ***or several transactions*** to the merchant. In such a business model, the obliged entity's customer for the purpose of AML/CFT rules is the merchant, and not the merchant's customer. Therefore, customer due diligence obligations should be applied by the obliged entity ***only*** vis-a-vis the merchant. ***If the same obliged entity also provides payment services to the merchant, which brings it into the possession of funds, then the obliged entity's customer is also the merchant as regards the combined offering of payment initiation services, account information services and payment services.***

Amendment 34
Proposal for a regulation
Recital 40

Text proposed by the Commission	*Amendment*
(40) To ensure the effectiveness of the AML/CFT framework, obliged entities	(40) To ensure the effectiveness of the AML/CFT framework, obliged entities

should regularly review the information obtained from their customers, in accordance with the risk-based approach. Obliged entities should also set up a monitoring system to detect atypical transactions that might raise money laundering or terrorist financing suspicions. To ensure the effectiveness of the transaction monitoring, obliged entities' monitoring activity should in principle cover all services and products offered to customers and all transactions which are carried out on behalf of the costumer or offered to the customer by the obliged entity. However, not all transactions need to be scrutinised individually. The intensity of the monitoring should respect the risk-based approach and be designed around precise and relevant criteria, taking account, in particular, of the characteristics of the customers and the risk level associated with them, the products and services offered, and the countries or geographical areas concerned. AMLA should develop guidelines to ensure that the intensity of the monitoring of business relationships and of transactions is adequate and proportionate to the level of risk.

should regularly review the information obtained from their customers, in accordance with the risk-based approach**.** ***This does not mean that the obliged entity should repeatedly identify and verify the identity of each customer every time that a customer conducts a transaction. An obliged entity should be able to rely on the identification and verification steps that it has already undertaken in low risk situations, provided that there is no suspicion of money laundering or terrorist financing, or no reasonable doubt that the information is no longer accurate and up to date and provided that there is no material change in the way that the customer's account is operated, which is not consistent with the customer's business profile***. Obliged entities should also set up a monitoring system to detect atypical transactions that might raise money laundering or terrorist financing suspicions. To ensure the effectiveness of the transaction monitoring, obliged entities' monitoring activity should in principle cover all services and products offered to customers and all transactions which are carried out on behalf of the costumer or offered to the customer by the obliged entity. However, not all transactions need to be scrutinised individually. The intensity of the monitoring should respect the risk-based approach and be designed around precise and relevant criteria, taking account, in particular, of the characteristics of the customers and the risk level associated with them, the products and services offered, and the countries or geographical areas concerned**.** AMLA should develop guidelines to ensure that the intensity of the monitoring of business relationships and of transactions is adequate and proportionate to the level of risk.

Amendment 35
Proposal for a regulation
Recital 47

Text proposed by the Commission	*Amendment*
(47) Cross-border correspondent relationships with a third-country's respondent institution are characterised by their on-going, repetitive nature. Moreover, not all cross-border correspondent banking services present the same level of money laundering and terrorist financing risks. Therefore, the intensity of the enhanced due diligence measures should be determined by application of the principles of the risk based approach. However, the risk based approach should not be applied when interacting with third-country's respondent institutions that have no physical presence where they are incorporated. Given the high risk of money laundering and terrorist financing inherent in shell banks, credit institutions and financial institutions should refrain from entertaining any correspondent relationship with such shell banks.	(47) Cross-border correspondent relationships with a third-country's respondent institution are characterised by their on-going, repetitive nature. Moreover, not all cross-border correspondent banking services present the same level of money laundering and terrorist financing risks. Therefore, the intensity of the enhanced due diligence measures should be determined by application of the principles of the risk based approach. However, the risk based approach should not be applied when interacting with third-country's respondent institutions that have no physical presence where they are incorporated ***or with unregistered and unlicensed entities providing crypto-asset services***. Given the high risk of money laundering and terrorist financing inherent in shell banks ***and unregistered and unlicensed entities***, credit institutions and financial institutions should refrain from entertaining any correspondent relationship with such shell banks ***and with unregistered and unlicensed entities providing crypto-asset services***. ***In order to facilitate compliance by obliged entities, AMLA should establish and maintain a non-exhaustive public register of entities identified as shell banks or unregistered or unlicensed crypto-asset service providers on the basis of information submitted by competent authorities, supervisors and other obliged entities. The inclusion of a specific entity in the public register is merely indicative and should not replace the obligation on obliged entities to take adequate and effective measures to comply with the prohibition on entering into a***

correspondent relationship with those entities.

Amendment 36
Proposal for a regulation
Recital 48 a (new)

Text proposed by the Commission	*Amendment*
	(48a) Self-hosted addresses enable their users to receive, send and exchange crypto-assets across the world, without revealing their identity or being subject to any customer due diligence measures. While transactions recorded on the distributed ledger can be traced back to a particular self-hosted address, it may be very difficult or impossible to link such address to a real person. For that reason, it is possible to misuse self-hosted addresses to conceal criminal activities or circumvent targeted financial sanctions. In order to manage and mitigate those risks appropriately, crypto-asset service providers should be required to establish, to the extent possible, the identity of the originator or beneficiary of a transaction made from or to a self-hosted address and apply any additional enhanced due diligence measures adequate to the level of risk identified. Crypto-asset service providers can rely on secure and trusted means of verification performed by third parties. The verification requirement should not be interpreted as implying onboarding the person who owns or controls the self-hosted address as a customer. In order to ensure consistent application of this Regulation, AMLA should develop draft regulatory technical standards to specify, taking into account the latest technological developments, the criteria and means for the identification and verification of the originator or beneficiary of a transaction with a self-

hosted address.

Amendment 37
Proposal for a regulation
Recital 49

Text proposed by the Commission	*Amendment*
(49) In order to protect the proper functioning of the Union financial system from money laundering and terrorist financing, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission to identify third countries, whose shortcomings in their national AML/CFT regimes represent a threat to the integrity of the Union's internal market. The changing nature of money laundering and terrorist financing threats from outside the Union, facilitated by a constant evolution of technology and of the means at the disposal of criminals, requires that quick and continuous adaptations of the legal framework as regards third countries be made in order to address efficiently existing risks and prevent new ones from arising. The Commission should take into account information from international organisations and standard setters in the field of AML/CFT, such as FATF public statements, mutual evaluation or detailed assessment reports or published follow-up reports, and adapt its assessments to the changes therein, where appropriate.	(49) In order to protect the proper functioning of the Union financial system from money laundering and terrorist financing, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission to identify third countries, whose shortcomings in their national AML/CFT regimes represent a threat to the integrity of the Union's internal market. The changing nature of money laundering and terrorist financing threats from outside the Union, facilitated by a constant evolution of technology and of the means at the disposal of criminals, requires that quick and continuous adaptations of the legal framework as regards third countries be made in order to address efficiently existing risks and prevent new ones from arising. The Commission should take into account information from ***other Union institutions, bodies and agencies, competent authorities, civil society organisations, academia, and by*** international organisations and standard setters in the field of AML/CFT, such as FATF public statements, mutual evaluation or detailed assessment reports or published follow-up reports, and adapt its assessments to the changes therein, where appropriate.

Amendment 38
Proposal for a regulation
Recital 52

Text proposed by the Commission	*Amendment*
(52) Countries that are not publicly identified as subject to calls for actions or increased monitoring by international standard setters might still pose a threat to the integrity of the Union's financial system. To mitigate those risks, it should be possible for ***the Commission*** to take action by identifying, based on a clear set of criteria and with the support of ***AMLA***, third countries posing a specific and serious threat to the Union's financial system, which may be due to either compliance weaknesses or significant strategic deficiencies of a persistent nature in their AML/CFT regime, and the relevant mitigating measures. ***Those third countries*** should ***be identified by the Commission***. According to the level of risk posed to the Union's financial system, ***the Commission*** should require the application of either all enhanced due diligence measures ***and country-specific countermeasures, as it is the case for high-risk third countries,*** or country-specific enhanced customer due diligence, ***such as in the case of*** third ***countries with compliance weaknesses***.	(52) Countries that are not publicly identified as subject to calls for actions or increased monitoring by international standard setters might still pose a threat to the integrity of the Union's financial system ***and the orderly functioning of the internal market. AMLA should monitor developments in third countries and assess the related threats and risks for the Union***. To mitigate those risks, it should be possible for ***AMLA*** to take action by identifying, based on a clear set of criteria and with the support of ***other Union institutions, bodies and agencies, and competent authorities, analysis by civil society organisations and academia, as well as assessments or reports drawn up by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing***, third countries ***or territories*** posing a specific and serious threat to the Union's financial system, which may be due to either compliance weaknesses or significant strategic deficiencies of a persistent nature in their AML/CFT regime, and the relevant mitigating measures. ***For that purpose, AMLA*** should ***develop draft regulatory technical standards to identify specific enhanced due diligence measures to be applied by obliged entities to mitigate risks related to business relationships or occasional transactions involving natural or legal persons from a high third country that poses a specific and serious threat to the Union***. According to the level of risk posed to the Union's financial system, ***AMLA*** should require the application of either all enhanced due diligence measures or country-specific enhanced customer due diligence, ***If the threat to the Union's financial system persists and no effective***

	measures have been taken by the third ***country to mitigate the high risks, the Commission, after consulting with AMLA, should be able to require the application of additional countermeasure***.

Amendment 39
Proposal for a regulation
Recital 53

Text proposed by the Commission	*Amendment*
(53) Considering that there may be changes in the AML/CFT frameworks of those third countries ***or*** in their implementation, for example as result of the country's commitment to address the identified weaknesses or of the adoption of relevant AML/CFT measures to tackle them, which could change the nature and level of the risks emanating from them, the Commission should regularly review the identification of those specific enhanced due diligence measures in order to ensure that they remain proportionate and adequate.	(53) Considering that there may be changes in the AML/CFT frameworks of those third countries in their implementation, for example as result of the country's commitment to address the identified weaknesses or of the adoption of relevant AML/CFT measures to tackle them, which could change the nature and level of the risks emanating from them, the Commission should regularly review the identification of those specific enhanced due diligence measures in order to ensure that they remain proportionate and adequate. ***The Commission should publish such reviews.***

Amendment 40
Proposal for a regulation
Recital 53 a (new)

Text proposed by the Commission	*Amendment*
	(53a) Certain credit or financial institutions not established in the Union could also pose a specific and serious threat to the financial system of the Union. To mitigate that threat, AMLA should be able, on its own initiative or at the request of the specific bodies set out in this Regulation, to take action by identifying credit or financial institutions not established in the Union which pose a

	specific and serious threat to the Union's financial system. Depending on the level of risk posed to the Union's financial system, AMLA should require selected obliged entities to apply concrete measures to mitigate risks and should be able to adopt decisions addressed to financial supervisors to ensure that non-selected obliged entities apply uniform mitigating measures to the ones identified by AMLA.

Amendment 41
Proposal for a regulation
Recital 54

Text proposed by the Commission	*Amendment*
(54) Potential external threats to the Union's financial system do not only emanate from third countries, but can also emerge in relation to specific customer risk factors or products, services, transactions or delivery channels which are observed in relation to a specific geographical area outside the Union. There is therefore a need to identify money laundering and terrorist financing trends, risks and methods to which Union's obliged entities may be exposed. AMLA is best placed to detect any emerging ML/TF typologies from outside the Union, to monitor their evolution with a view to providing guidance to the Union's obliged entities on the need to apply enhanced due diligence measures aimed at mitigating such risks.	(54) Potential external threats to the Union's financial system do not only emanate from third countries, but can also emerge in relation to specific customer risk factors or products, services, transactions or delivery channels which are observed in relation to a specific geographical area outside the Union. There is therefore a need to identify money laundering and terrorist financing trends, risks and methods to which Union's obliged entities may be exposed. AMLA***, with the support of other Union bodies and agencies, including Europol, already involved in the AML/CFT framework, and competent authorities,*** is best placed to detect any emerging ML/TF typologies from outside the Union, to monitor their evolution with a view to providing guidance to the Union's obliged entities on the need to apply enhanced due diligence measures aimed at mitigating such risks.

Amendment 42
Proposal for a regulation
Recital 57

Text proposed by the Commission	*Amendment*
(57) When customers are no longer entrusted with a prominent public function, they can still pose a higher risk, for example because of the informal influence they could still exercise, or because their previous and current functions are linked. It is essential that obliged entities take into consideration those continuing risks and apply one or more enhanced due diligence measures until such time that the individuals are deemed to pose no further risk, and in any case for not less than ***12*** months following the time when they are no longer entrusted with a prominent public function.	(57) When customers are no longer entrusted with a prominent public function, they can still pose a higher risk, for example because of the informal influence they could still exercise, or because their previous and current functions are linked. It is essential that obliged entities take into consideration those continuing risks and apply one or more enhanced due diligence measures until such time that the individuals are deemed to pose no further risk, and in any case for not less than ***24*** months following the time when they are no longer entrusted with a prominent public function.

Amendment 43
Proposal for a regulation
Recital 60 a (new)

Text proposed by the Commission	*Amendment*
	(60a) Business relationships and occasional transactions involving high-net-worth customers who present one or several factors of high risk could seriously compromise the integrity of the Union's financial system and cause serious vulnerabilities in the internal market. Obliged entities should therefore determine on a risk-sensitive basis whether the customer or the beneficial owner of the customer is a high-risk high net worth individual in the course of due diligence procedures. Where an obliged entity identifies that a customer or the beneficial owner of a customer is a high-risk high net worth individual, it should apply specific enhanced customer due diligence measures as laid down in this Regulation with respect to those customers.

Amendment 44
Proposal for a regulation
Recital 62

Text proposed by the Commission	*Amendment*
(62) Obliged entities may outsource tasks relating to the performance of customer due diligence to an agent or external service provider**,** unless they are established in third countries that are designated as high-risk, as having compliance weaknesses or as posing a threat to the Union's financial system. In the case of agency or outsourcing relationships on a contractual basis between obliged entities and external service providers not covered by AML/CFT requirements, any AML/CFT obligations upon those agents or outsourcing service providers could arise only from the contract between the parties and not from this Regulation. Therefore, the responsibility for complying with AML/CFT requirements should remain entirely with the obliged entity itself. The obliged entity should in particular ensure that, where an outsourced service provider is involved for the purposes of remote customer identification, the risk-based approach is respected.	(62) Obliged entities may outsource tasks relating to the performance of customer due diligence to an agent or external service provider unless they are established in third countries that are designated as high-risk, as having compliance weaknesses or as posing a threat to the Union's financial system***. Those outsourcing activities should support obliged entities, to obtain complete, timely and accurate information by using decision-making tools, such as global news, business, regulatory and legal databases***. In the case of agency or outsourcing relationships on a contractual basis between obliged entities and external service providers not covered by AML/CFT requirements, any AML/CFT obligations upon those agents or outsourcing service providers could arise only from the contract between the parties and not from this Regulation. Therefore, the responsibility for complying with AML/CFT requirements should remain entirely with the obliged entity itself. The obliged entity should in particular ensure that, where an outsourced service provider is involved for the purposes of remote customer identification, the risk-based approach is respected. ***The outsourcing of tasks deriving from requirements under this Regulation for the purpose of performing customer due diligence to an agent or external service provider should not exempt the obliged entity from any obligation under Regulation (EU) 2016/679, including under Article 28 thereof.***

Amendment 45
Proposal for a regulation
Recital 63

Text proposed by the Commission	*Amendment*
(63) In order for third party reliance and outsourcing relationships to function efficiently, further clarity is needed around the conditions according to which reliance takes place. AMLA should have the task of developing guidelines on the conditions under which third-party reliance and outsourcing can take place, as well as the roles and responsibilities of the respective parties. To ensure that consistent oversight of reliance and outsourcing practices is ensured throughout the Union, the guidelines should also provide clarity on how supervisors should take into account such practices and verify compliance with AML/CFT requirements when obliged entities resort to those practices.	(63) In order for third party reliance and outsourcing relationships to function efficiently, further clarity is needed around the conditions according to which reliance takes place. AMLA should have the task of developing guidelines on the conditions under which third-party reliance and outsourcing can take place, as well as the roles and responsibilities of the respective parties. To ensure that consistent oversight of reliance and outsourcing practices is ensured throughout the Union, the guidelines should also provide clarity on how supervisors should take into account such practices and verify compliance with AML/CFT requirements when obliged entities resort to those practices.

Amendment 46
Proposal for a regulation
Recital 65

Text proposed by the Commission	*Amendment*
(65) Detailed rules should be laid down to identify the beneficial owners of corporate and other legal entities and to harmonise definitions of beneficial ownership. While a specified percentage shareholding or ownership interest does not automatically determine the beneficial owners, it should be one factor among others to be taken into account. ***Member States should be able, however, to decide that a percentage lower than 25% may be an indication of ownership or control.*** Control through ***ownership interest of 25% plus one of the***	(65) Detailed rules should be laid down to identify the beneficial owners of corporate and other legal entities and to harmonise definitions of beneficial ownership. While a specified percentage shareholding or ownership interest does not automatically determine the beneficial owners, it should be one factor among others to be taken into account. Control through ownership interest should be assessed on every level of ownership, meaning that ***the specific*** threshold should apply to every link ***level*** in the ownership structure and that every

shares or voting rights or other ownership interest should be assessed on every level of ownership, meaning that ***this*** threshold should apply to every link in the ownership structure and that every ***link*** in the ownership structure and the combination of them should be properly examined.	***level*** in the ownership structure and the combination of them should be properly examined. ***In the event of indirect shareholding, the beneficial owners should be identified by multiplying the shares in the ownership chain. To that end, all shares directly or indirectly owned by the same natural person should be added together.***

Amendment 47
Proposal for a regulation
Recital 66

Text proposed by the Commission	*Amendment*
(66) A meaningful identification of the beneficial owners requires a determination of whether control is exercised via other means. The determination of control through an ownership interest is necessary but not sufficient and it does not exhaust the necessary checks to determine the beneficial owners. The test on whether any natural person exercises control via other means is not a subsequent test to be performed only when it is not possible to determine an ownership interest. The two tests, namely that of control through an ownership interest and that of control via other means, should be performed in parallel. Control through other means may include the right to appoint or remove more than half of the members of the board of the corporate entity; the ability to exert a significant influence on the decisions taken by the corporate entity; control through formal or informal agreements with owners, members or the corporate entities, as well as voting arrangements; links with family members of managers or directors or those owning or controlling the corporate entity; use of formal or informal nominee arrangements.	(66) A meaningful identification of the beneficial owners requires a determination of whether control is exercised via other means. The determination of control through an ownership interest is necessary but not sufficient and it does not exhaust the necessary checks to determine the beneficial owners. The test on whether any natural person exercises control via other means is not a subsequent test to be performed only when it is not possible to determine an ownership interest. The two tests, namely that of control through an ownership interest and that of control via other means, should be performed in parallel. Control through other means may include the right to appoint or remove more than half of the members of the board of the corporate entity; the ability to exert a significant influence on the decisions taken by the corporate entity; control through formal or informal agreements with owners, members or the corporate entities, as well as voting arrangements; links with family members of managers or directors or those owning or controlling the corporate entity; use of formal or informal nominee arrangements ***or control through debt instruments or other financing***

arrangements.

Amendment 48
Proposal for a regulation
Recital 72

Text proposed by the Commission	*Amendment*
(72) There is a need to ensure a level playing field among the different types of legal forms and to avoid the misuse of trusts and legal arrangements, which are often layered in complex structures to further obscure beneficial ownership. Trustees of any express trust administered in a Member State should thus be responsible for obtaining and holding adequate, accurate and current beneficial ownership information regarding the trust**,** and for disclosing their status and providing this information to obliged entities carrying out costumer due diligence**.** Any other beneficial owner of the trust should assist the trustee in obtaining such information.	(72) There is a need to ensure a level playing field among the different types of legal forms and to avoid the misuse of trusts and legal arrangements, which are often layered in complex structures to further obscure beneficial ownership. Trustees of any express trust administered in a Member State should thus be responsible for obtaining and holding adequate, accurate and current beneficial ownership information regarding the trust and for disclosing their status and providing this information to obliged entities carrying out costumer due diligence***, taking into account the specificities and risks of different legal systems, including common law jurisdictions*** Any other beneficial owner of the trust should assist the trustee in obtaining such information.

Amendment 49
Proposal for a regulation
Recital 73

Text proposed by the Commission	*Amendment*
(73) In view of the specific structure of certain legal entities such as foundations, and the need to ensure sufficient transparency about their beneficial ownership, such entities and legal arrangements similar to trusts should be subject to equivalent beneficial ownership requirements as those that apply to express	(73) In view of the specific structure of certain legal entities such as foundations, and the need to ensure sufficient transparency about their beneficial ownership, such entities and legal arrangements similar to trusts should be subject to equivalent beneficial ownership requirements as those that apply to express trusts***, with due account to the specificities***

trusts.	***inherent to the different legal entities, in particular civil society organisations***.

Amendment 50
Proposal for a regulation
Recital 77

Text proposed by the Commission	*Amendment*
(77) Suspicious transactions, including attempted transactions, and other information relevant to money laundering, its predicate offences and terrorist financing, should be reported to the FIU, which should serve as a single central national unit for receiving and, analysing reported suspicions and for disseminating to the competent authorities the results of its analyses. All suspicious transactions, including attempted transactions, should be reported, regardless of the amount of the transaction. Reported information may also include threshold-based information. The disclosure of information to the FIU in good faith by an obliged entity or by an employee or director of such an entity should not constitute a breach of any restriction on disclosure of information and should not involve the obliged entity or its directors or employees in liability of any kind.	(77) ***Suspicions,*** suspicious transactions, including attempted transactions, and other information ***relating*** to money laundering, its predicate offences and terrorist financing, should be reported to the FIU, which should serve as a single central national unit for receiving and, analysing reported suspicions and for disseminating to the competent authorities the results of its analyses***. FIUs shall strengthen cooperation with other competent authorities to ensure that meaningful information is exchanged in a timely and constructive manner in accordance with the applicable legal framework***. All suspicious transactions, including attempted transactions, should be reported, regardless of the amount of the transaction. Reported information may also include threshold-based information. The disclosure of information to the FIU in good faith by an obliged entity or by an employee or director of such an entity should not constitute a breach of any restriction on disclosure of information and should not involve the obliged entity or its directors or employees in liability of any kind.

Amendment 51
Proposal for a regulation
Recital 78

Text proposed by the Commission	*Amendment*
(78) Differences in suspicious transaction reporting obligations between Member States may exacerbate the difficulties in AML/CFT compliance experienced by obliged entities that have a cross-border presence or operations. Moreover, the structure and content of the suspicious transaction reports have an impact on the FIU's capacity to carry out analysis and on the nature of that analysis, and also affects FIUs' abilities to cooperate and to exchange information. In order to facilitate obliged entities' compliance with their reporting obligations and allow for a more effective functioning of FIUs' analytical activities and cooperation, AMLA should develop draft regulatory standards specifying a common template for the reporting of ***suspicious transactions*** to be used as a uniform basis throughout the Union.	(78) Differences in suspicious transaction reporting obligations between Member States may exacerbate the difficulties in AML/CFT compliance experienced by obliged entities that have a cross-border presence or operations. Moreover, the structure and content of the suspicious transaction reports have an impact on the FIU's capacity to carry out analysis and on the nature of that analysis, and also affects FIUs' abilities to cooperate and to exchange information. In order to facilitate obliged entities' compliance with their reporting obligations and allow for a more effective functioning of FIUs' analytical activities and cooperation, AMLA should develop draft regulatory standards specifying a common template for the reporting of ***suspicions*** to be used as a uniform basis throughout the Union. ***To simplify and accelerate reporting of suspicions by obliged entities and communications and exchange of information between FIUs, AMLA should establish a secure and reliable electronic filing system ("FIU.net one-stop-shop") for reporting suspicions of money laundering, predicate offences and terrorist financing, including on attempted transactions via a standardised form to the FIU of the Member State in whose territory the obliged entity transmitting the information is established. Such interface should also allow for the immediate transmission of this information to any other FIU which is concerned by a suspicious transaction report. The FIU.net one-stop-shop should also enable communication between the competent FIUs and obliged entities, and for information and intelligence sharing between FIUs on submitted reports of suspicions. The FIU.net one-stop-shop***

	should be established within three years of the entry into force of this Regulation. The use of the FIU.net one-stop-shop should be introduced gradually over time in order to allow a smooth and uninterrupted reporting of suspicion transaction reports and to leave sufficient time for FIUs and obliged entities to implement the necessary technical changes. FIUs might therefore decide to instruct obliged entities to report information via the FIU.net one-stop-shop as of ... [five years after entry into force of this Regulation]. The use of FIU.net one-stop-shop should be mandatory for obliged entities as of ... [six years after entry into force of this Regulation].

Amendment 52
Proposal for a regulation
Recital 79

Text proposed by the Commission	*Amendment*
(79) FIUs should be able to obtain swiftly from any obliged entity all the necessary information relating to their functions. Their unfettered and swift access to information is essential to ensure that flows of money can be properly traced and illicit networks and flows detected at an early stage. The need for FIUs to obtain additional information from obliged entities based on a suspicion of money laundering or financing of terrorism might be triggered by a prior suspicious transaction report reported to the FIU, but might also be triggered through other means such as the FIU's own analysis, intelligence provided by competent authorities or information held by another FIU. FIUs should therefore be able, in the context of their functions, to obtain information from any obliged entity, even	(79) FIUs should be able to obtain swiftly from any obliged entity all the necessary information relating to their functions. Their unfettered and swift access to information is essential to ensure that flows of money can be properly traced and illicit networks and flows detected at an early stage. The need for FIUs to obtain additional information from obliged entities based on a suspicion of money laundering or financing of terrorism might be triggered by a prior suspicious transaction report reported to the FIU, but might also be triggered through other means such as the FIU's own analysis, intelligence provided by competent authorities or information held by another FIU. FIUs should therefore be able, in the context of their functions, to obtain information from any obliged entity, even

without a prior report being made. Obliged entities should reply to a request for information by the FIU as soon as possible and, in any case, within ***five days of receipt of the request***. In justified and urgent cases, the obliged entity should be able to respond to the FIU's request within ***24 hours***. This does not include indiscriminate requests for information to the obliged entities in the context of the FIU's analysis, but only information requests based on sufficiently defined conditions. An FIU should also be able to obtain such information on a request made by another Union FIU and to exchange the information with the requesting FIU.	without a prior report being made. Obliged entities should reply to a request for information by the FIU as soon as possible and, in any case, within ***five working days, unless the FIU determines a different deadline***. In justified and urgent cases, the obliged entity should be able to respond to the FIU's request ***as soon as possible, and*** within ***a deadline that should not be longer than one working day***. This does not include indiscriminate requests for information to the obliged entities in the context of the FIU's analysis, but only information requests based on sufficiently defined conditions. An FIU should also be able to obtain such information on a request made by another Union FIU and to exchange the information with the requesting FIU.

Amendment 53
Proposal for a regulation
Recital 81

Text proposed by the Commission	*Amendment*
(81) ***Where a Member State decides to designate such a self-regulatory body, it may allow or require that body*** not to transmit to the FIU any information obtained from persons ***represented by that body*** where such information has been received from, or obtained on, one of their clients, in the course of ascertaining the legal position of their client, or in performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings.	(81) ***Notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors should be allowed*** not to transmit to the FIU ***or a self-regulatory body*** any information obtained from persons where such information has been received from, or obtained on, one of their clients, in the course of ascertaining the legal position of their client ***except where the legal advice is provided for the purpose of money laundering or terrorist financing, or where those persons know or suspect, on the basis of factual and objective circumstances, that the client is seeking legal advice, including in relation to tax matters or citizenship or residence by investment schemes, for the purposes of money laundering or terrorist financing***

	and the advice is not sought in relation to judicial proceedings, or in performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings. ***Member States should be able to adopt or maintain additional reporting obligations with regard to specific transactions that involve a particularly high risk to be used for money laundering or terrorist financing to which the exemption from the requirements to transmit information does not apply.***

Amendment 54
Proposal for a regulation
Recital 82

Text proposed by the Commission	*Amendment*
(82) Obliged entities should exceptionally be able to carry out suspicious transactions before informing the competent authorities where refraining from doing so is impossible or likely to frustrate efforts to pursue the beneficiaries of a suspected money laundering or terrorist financing operation. However, this exception should not be invoked in relation to transactions concerned by the international obligations accepted by the Member States to freeze without delay funds or other assets of terrorists, terrorist organisations or those who finance terrorism, in accordance with the relevant United Nations Security Council resolutions.	(82) Obliged entities should exceptionally be able to carry out suspicious transactions before informing the competent authorities where refraining from doing so is impossible or likely to frustrate efforts to pursue the beneficiaries of a suspected money laundering or terrorist financing operation***, including in duly justified cases, where this is provided in national law***. However, this exception should not be invoked in relation to transactions concerned by the international obligations accepted by the Member States to freeze without delay funds or other assets of terrorists, terrorist organisations or those who finance terrorism, in accordance with the relevant United Nations Security Council resolutions.

Amendment 55
Proposal for a regulation
Recital 86

Text proposed by the Commission	*Amendment*
(86) It is essential that the alignment of the AML/CFT framework with the revised FATF Recommendations is carried out in full compliance with Union law, in particular as regards Union data protection law and the protection of fundamental rights as enshrined in the Charter. Certain aspects of the implementation of the AML/CFT framework involve the collection, analysis, storage and sharing of data. Such processing of personal data should be permitted, while fully respecting fundamental rights, only for the purposes laid down in this Regulation, and for carrying out customer due diligence, ongoing monitoring, analysis and reporting of unusual and suspicious transactions, identification of the beneficial owner of a legal person or legal arrangement, identification of a politically exposed person and sharing of information by credit institutions and financial institutions and other obliged entities. The collection and subsequent processing of personal data by obliged entities should be limited to what is necessary for the purpose of complying with AML/CFT requirements and personal data should not be further processed in a way that is incompatible with that purpose. In particular, further processing of personal data for commercial purposes should be strictly prohibited.	(86) It is essential that the alignment of the AML/CFT framework with the revised FATF Recommendations is carried out in full compliance with Union law, in particular as regards Union data protection law and the protection of fundamental rights as enshrined in the Charter. Certain aspects of the implementation of the AML/CFT framework involve the collection, analysis, storage and sharing of data. Such processing of personal data should be permitted, while fully respecting fundamental rights, only for the purposes laid down in this Regulation, and for carrying out customer due diligence, ongoing monitoring, analysis and reporting of unusual and suspicious transactions, identification of the beneficial owner of a legal person or legal arrangement, identification of a politically exposed person and sharing of information by credit institutions and financial institutions and other obliged entities. The collection and subsequent processing of personal data by obliged entities should be limited to what is necessary for the purpose of complying with AML/CFT requirements and personal data should not be further processed in a way that is incompatible with that purpose. In particular, ***the processing of special categories of personal data and of personal data relating to criminal convictions and offences should be subject to appropriate safeguards laid down in this Regulation.*** Further processing of personal data for commercial purposes should be strictly prohibited.

Amendment 56
Proposal for a regulation
Recital 93

Text proposed by the Commission	*Amendment*
(93) The anonymity of crypto-assets exposes them to risks of misuse for criminal purposes. Anonymous ***crypto-asset wallets*** do not allow the traceability of crypto-asset transfers, whilst also making it difficult to identify linked transactions that may raise suspicion or to apply to adequate level of customer due diligence. In order to ensure effective application of AML/CFT requirements to crypto-assets, it is necessary to prohibit the provision and the custody of anonymous crypto-asset wallets by crypto-asset service providers.	(93) The anonymity of crypto-assets exposes them to risks of misuse for criminal purposes. Anonymous crypto-asset ***accounts as well as other anonymising instruments,*** do not allow the traceability of crypto-asset transfers, whilst also making it difficult to identify linked transactions that may raise suspicion or to apply to adequate level of customer due diligence. In order to ensure effective application of AML/CFT requirements to crypto-assets, it is necessary to prohibit the provision and the custody of anonymous crypto-asset ***accounts allowing for the anonymisation of the customer account holder or the increased obfuscation of transactions. Anonymising instruments or services, should be treated by obliged entities as factors of higher risk. Given their potential misuse to obfuscate transactions for illicit purposes, the Commission should assess whether the provision of anonymising instruments and services, such as mixers and tumblers, by crypto-asset service providers for or on behalf of another person should also be subject to a prohibition. Those provisions should not apply to providers of hardware and software or providers of self-hosted wallets to the extent they do not possess access to or control over the crypto-assets of another person.***

Amendment 57
Proposal for a regulation
Recital 94

Text proposed by the Commission	*Amendment*
(94) The use of large cash payments is highly vulnerable to money laundering and terrorist financing; this has not been sufficiently mitigated by the requirement for traders in goods to be subject to anti-money laundering rules when making or receiving cash payments of EUR 10 000 or more. At the same time, differences in approaches among Member States have undermined the level playing field within the internal market to the detriment of businesses located in Member States with stricter controls. It is therefore necessary to introduce a Union-wide limit to large cash payments of EUR ***10 000***. Member States should be able to adopt lower thresholds and further stricter provisions.	(94) The use of large cash payments is highly vulnerable to money laundering and terrorist financing; this has not been sufficiently mitigated by the requirement for traders in goods to be subject to anti-money laundering rules when making or receiving cash payments of EUR 10 000 or more. At the same time, differences in approaches among Member States have undermined the level playing field within the internal market to the detriment of businesses located in Member States with stricter controls. It is therefore necessary to introduce a Union-wide limit to large cash payments of EUR ***7000***. Member States should be able to adopt lower thresholds and further stricter provisions. ***The Union-wide limit should not be applicable to payments between natural persons who are not acting in a professional function, except for transactions related to land and real estate, precious metals and stones and other luxury goods, and to payments or deposits made at the premises of credit institutions. In the case of payments or deposits made at the premises of credit institutions, however, the credit institution should report the payment or deposit above the limit to the FIU. Such reporting should not replace reporting in case of suspicious activities and transactions. Unusually large transactions in cash even below the threshold, including the withdrawal, should be subject to enhanced customer due diligence measures in cases of higher risk and, if necessary, to reporting of suspicions.***

Amendment 58
Proposal for a regulation
Recital 94 a (new)

Text proposed by the Commission	*Amendment*
	(94a) Technological developments enable merchants to accept payments in crypto-assets for the provision of goods and services either in store or online. Where such payments are not carried out by means of a regulated service providers, the level of traceability to a verified identity might not be sufficient for the purpose of preventing their misuse for money laundering, terrorist financing or predicate offences. The use of such means of payment, in the context of increasing digitalisation, might create a loophole and undermine the effectiveness of the cash limit. While maintaining the possibility to make payments in crypto-assets for goods and services, it is therefore necessary to require merchants to rely on a crypto-asset service provider authorised under MiCA, when accepting payments in crypto-assets. Such limitation should apply to persons trading in goods or providing services and should not be interpreted as a restriction on private transactions by means of self-hosted wallets nor as a restriction to the use of self-hosted wallets in the context of commercial transactions, as long as a crypto-asset service provider is involved.

Amendment 59
Proposal for a regulation
Recital 97

Text proposed by the Commission	*Amendment*
(97) In order to ensure consistent application of AML/CFT requirements, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to	(97) In order to ensure consistent application of AML/CFT requirements, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to

supplement this Regulation by adopting delegated acts identifying high-risk third countries, third countries with compliance weaknesses ***and countries that pose a threat to the Union's financial system*** and defining harmonised and proportionate enhanced due diligence measures as well as, where relevant, mitigating measures as well as the regulatory technical standards setting out the minimum requirements of group-wide policies, controls and procedures and the conditions under which structures which share common ownership, management or compliance controls are required to apply group-wide policies, controls and procedures, the actions to be taken by groups when the laws of third countries do not permit the application of group-wide policies, controls and procedures and supervisory measures, the sectors and transactions subject to lower thresholds for the performance of customer due diligence and the information necessary for the performance of customer due diligence. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making[39] . In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

[39] OJ L 123, 12.5.2016, p. 1.

supplement this Regulation by adopting delegated acts identifying high-risk third countries, third countries with compliance weaknesses and defining harmonised and proportionate enhanced due diligence measures as well as, where relevant, mitigating measures as well as the regulatory technical standards setting out the minimum requirements of group-wide policies, controls and procedures and the conditions under which structures which share common ownership, management or compliance controls are required to apply group-wide policies, controls and procedures, the actions to be taken by groups when the laws of third countries do not permit the application of group-wide policies, controls and procedures and supervisory measures, the sectors and transactions subject to lower thresholds for the performance of customer due diligence and the information necessary for the performance of customer due diligence***, as well as specific rules and criteria to identify the beneficial owner or owners of legal entities other than corporate entities***. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making[39]. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts.

[39] OJ L 123, 12.5.2016, p. 1.

Amendment 60
Proposal for a regulation
Article 1 – paragraph 1 – point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) the measures to be applied by obliged entities to mitigate and manage the risks of non-implementation and evasion of targeted financial sanctions;

Amendment 61
Proposal for a regulation
Article 1 – paragraph 1 – point a b (new)

Text proposed by the Commission	*Amendment*
	(ab) the measures to prevent money laundering and terrorist financing in Member States which allow for citizenship or residence rights in exchange for any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget;

Amendment 62
Proposal for a regulation
Article 1 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) measures to limit the misuse of bearer instruments.	(c) measures to ***mitigate risks deriving from anonymous instruments and*** limit the misuse of bearer instruments.

Amendment 63
Proposal for a regulation
Article 2 – paragraph 1 – point 4

Text proposed by the Commission	*Amendment*
(4) 'property' means property as defined in Article 2(2) of Directive (EU) 2018/1673;	(4) ***'funds' or*** 'property' means property as defined in Article 2(2) of Directive (EU) 2018/1673;

Amendment 64
Proposal for a regulation
Article 2 – paragraph 1 – point 6 – point a

Text proposed by the Commission	*Amendment*
(a) an undertaking other than a credit institution or an investment firm, which carries out one or more of the activities listed in points (2) to (12), (14) and (15) of Annex I to Directive 2013/36/EU of the European Parliament and of the Council[43] , including the activities of currency exchange offices (bureaux de change)***, or the*** principal activity ***of which*** is to acquire holdings, including a financial holding company and a mixed financial holding company;	(a) an undertaking other than a credit institution or an investment firm, which carries out one or more of the activities listed in points (2) to (12), (14) and (15) of Annex I to Directive 2013/36/EU of the European Parliament and of the Council[43], including the activities of currency exchange offices (bureaux de change) ***and activities of creditors as defined in Article 4, point (2), of Directive 2014/17/EU of the European Parliament and of the Council, and in Article 3, point (b), of Directive 2008/48/EC of the European Parliament and of the Council, or an undertaking whose*** principal activity is to acquire holdings, including a financial holding company and a mixed financial holding company, ***but excluding the activities listed in point (8) of Annex I to Directive (EU) 2015/2366 of the European Parliament and of the Council***;
[43] Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).	[43] Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).

Amendment 65
Proposal for a regulation
Article 2 – paragraph 1 – point 6 – point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) a central securities depository as defined in Article 2 point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council;

Amendment 66
Proposal for a regulation
Article 2 – paragraph 1 – point 6 – point f a (new)

Text proposed by the Commission	*Amendment*
	(fa) crypto-asset service providers;

Amendment 67
Proposal for a regulation
Article 2 – paragraph 1 – point 6 a (new)

Text proposed by the Commission	*Amendment*
	(6a) 'crypto-asset service providers' means a crypto-asset service provider as defined in Article 3(1), point (15), of Regulation (EU) 2023/... [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] where performing one or more crypto-asset services as defined in Article 3(1), point (16), of that Regulation, with the exception of providing advice on crypto-assets as referred to in Article 3(1), point (16) (h) of that Regulation;

Amendment 68
Proposal for a regulation
Article 2 – paragraph 1 – point 6 b (new)

Text proposed by the Commission	*Amendment*
	(6b) 'bearer share' means a negotiable instrument that accords ownership in a legal person to the person who possesses the bearer share certificate, or any other similar instrument which does not allow the identification or traceability of the ownership of the share; however, it does not refer to dematerialised or registered forms of share certificates whose owners are traceable and identifiable;

Amendment 69

Proposal for a regulation
Article 2 – paragraph 1 – point 6 c (new)

Text proposed by the Commission	*Amendment*
	(6c) 'bearer share warrant' means a negotiable instrument that accords entitlement to ownership in a legal person who possesses the bearer share warrant, or any other similar warrant or instrument which does not allow the identification or traceability of the ownership of the share; however, it does not refer to dematerialised or registered warrants or other instruments whose owners are traceable and identifiable, or to any other instrument that only confers a right to subscribe for ownership in a legal person at specified conditions, but not ownership or entitlement to ownership, unless and until the instruments are exercised;

Amendment 70
Proposal for a regulation
Article 2 – paragraph 1 – point 7 – point b

Text proposed by the Commission	*Amendment*
(b) acting as, or arranging for another person to act as, a director or secretary of a company, a partner of a partnership, or a similar position in relation to other legal persons;	(b) acting as, or arranging for another person to act as, a director or secretary of a company, ***namely as a nominee,*** a partner of a partnership, ***a president of a management board*** or a similar position in relation to other legal persons;

Amendment 71
Proposal for a regulation
Article 2 – paragraph 1 – point 7 a (new)

Text proposed by the Commission	*Amendment*
	(7a) 'wealth or asset manager' means a natural or legal person that, by way of that person's business, provides services and offers products designed to grow, protect, utilise and disseminate the wealth of third parties;

Amendment 72
Proposal for a regulation
Article 2 – paragraph 1 – point 8

Text proposed by the Commission	*Amendment*
(8) 'gambling services' means a service which involves wagering a stake with monetary value in games of chance, including those with an element of skill such as lotteries, casino games, poker games and betting transactions that are provided at a physical location, or by any means at a distance, by electronic means or any other technology for facilitating communication, and at the individual request of a recipient of services;	(8) 'gambling services' means a service which involves wagering a stake with monetary value***, inter alia in the form of chargeable communications,*** in games of chance, including those with an element of skill such as lotteries, casino games, poker games and betting transactions that are provided at a physical location, or by any means at a distance, by electronic means or any other technology for facilitating communication, and at the individual request of a recipient of services;

Amendment 73
Proposal for a regulation
Article 2 – paragraph 1 – point 14

Text proposed by the Commission	*Amendment*
(14) 'crypto-asset service provider' means a crypto-assets service provider as defined in Article 3(1), point (8) of Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] where performing one or more crypto-asset services as defined in Article 3(1) point (9) of that Regulation;	***deleted***

Amendment 74
Proposal for a regulation
Article 2 – paragraph 1 – point 14 a (new)

Text proposed by the Commission	*Amendment*
	(14a) 'high-level professional football club' means a legal entity established in a Member State which owns or manages a professional football club of which at least one team plays in the championship or championships of the two highest level of competition in that Member State and has an annual turnover of at least EUR 7 000 000;

Amendment 75
Proposal for a regulation
Article 2 – paragraph 1 – point 14 b (new)

Text proposed by the Commission	*Amendment*
	(14b) 'sports agent in the football sector' means a natural person who provides private job placements in the football sector for prospective paid football players or for employers with a view to signing

	employment contracts for paid football players;

Amendment 76
Proposal for a regulation
Article 2 – paragraph 1 – point 15 a (new)

Text proposed by the Commission	*Amendment*
	(15a) 'precious metals' means gold, silver, platinium, iridium, osmium, palladium, rhodium and rhutenium;

Amendment 77
Proposal for a regulation
Article 2 – paragraph 1 – point 15 b (new)

Text proposed by the Commission	*Amendment*
	(15b) 'precious stones' means diamonds, rubies, sapphires and emeralds;

Amendment 78
Proposal for a regulation
Article 2 – paragraph 1 – point 16

Text proposed by the Commission	*Amendment*
(16) ***'***business relationship' means a business, professional or commercial relationship which is connected with the professional activities of an obliged entity and which is expected, at the time when the contact is established, to have an element of duration, including a relationship where an obliged entity is asked to form a company or set up a trust for its customer, whether or not the formation of the company or setting up of the trust is the only transaction carried out for that customer***;***	(16) business relationship' means a business, professional or commercial relationship which is ***directly*** connected with the professional activities of an obliged entity and which is expected, at the time when the contact is established, to have an element of duration, including a relationship where an obliged entity is asked to form a company or set up a trust for its customer, whether or not the formation of the company or setting up of the trust is the only transaction carried out for that customer; or in ***the case of real estate transactions, a relationship where an obliged entity other than a credit or***

	financial institution is provided with services which involve the sale or brokerage of more than one property over a period of time;

Amendment 79
Proposal for a regulation
Article 2 – paragraph 1 – point 16 a (new)

Text proposed by the Commission	*Amendment*
	(16a) 'occasional transaction' means a transaction that is not carried out as part of a business relationship;

Amendment 80
Proposal for a regulation
Article 2 – paragraph 1 – point 16 b (new)

Text proposed by the Commission	*Amendment*
	(16b) 'atypical transaction or fact' means a transaction or a fact which does not appear to be consistent with the customer's characteristics and with the purpose and intended nature of the business relationship or the proposed transaction;

Amendment 81
Proposal for a regulation
Article 2 – paragraph 1 – point 19 – point b

Text proposed by the Commission	*Amendment*
(b) the relationships between and among credit institutions and financial institutions including where similar services are provided by a correspondent institution to a respondent institution, and including relationships established for securities transactions or funds transfers;	(b) the relationships between and among credit institutions and financial institutions including where similar services are provided by a correspondent institution to a respondent institution, and including relationships established for securities transactions or funds transfers ***or relationships established for transactions***

	in crypto-assets or transfers of crypto-asset;

Amendment 82
Proposal for a regulation
Article 2 – paragraph 1 – point 20 a (new)

Text proposed by the Commission	*Amendment*
	(20a) 'unregistered or unlicenced entity providing crypto-asset services' means an entity which provides crypto-asset services and that is not established in any jurisdiction within the Union or does not have a central contact point or substantive management presence in any jurisdiction within the Union;

Amendment 83
Proposal for a regulation
Article 2 – paragraph 1 – point 22

Text proposed by the Commission	*Amendment*
(22) 'beneficial owner' means any natural person who ultimately owns or controls a legal entity or express trust or similar legal arrangement, as well as any natural person on whose behalf or for the benefit of whom a transaction or activity is being conducted;	(22) 'beneficial owner' means any natural person who ultimately owns or controls a legal entity or ***an*** express trust or similar legal arrangement***, or an organisation that has legal capacity under national law***, as well as any natural person on whose behalf or for the benefit of whom a transaction or activity ***or business relationship*** is being conducted;

Amendment 84
Proposal for a regulation
Article 2 – paragraph 1 – point 24

Text proposed by the Commission	*Amendment*
(24) 'formal nominee arrangement' means a contract or a formal arrangement with an equivalent legal value to a contract,	(24) 'formal nominee arrangement' means a contract or a formal ***equivalent*** arrangement with an equivalent legal value

between the nominee and the nominator, where the nominator is a legal entity or natural person that issues instructions to a nominee to act on their behalf in a certain capacity, including as a director or shareholder, and the nominee is a legal entity or natural person instructed by the nominator to act on their behalf;	to a contract, between the nominee and the nominator, where the nominator is a legal entity or natural person that issues instructions to a nominee to act on their behalf in a certain capacity, including as a director or shareholder, and the nominee is a legal entity or natural person instructed by the nominator to act on their behalf;

Amendment 85
Proposal for a regulation
Article 2 – paragraph 1 – point 25 – introductory part

Text proposed by the Commission	*Amendment*
(25) 'politically exposed person' means a natural person who is or has been entrusted with ***the following*** prominent public functions:	(25) 'politically exposed person' means a natural person who is or has been entrusted with prominent public functions ***including***:

Amendment 86
Proposal for a regulation
Article 2 – paragraph 1 – point 25 – point a – point vii a (new)

Text proposed by the Commission	*Amendment*
	(viia) heads of regional and local authorities including groupings of municipalities and metropolitan regions of at least 30.000 inhabitants;

Amendment 87
Proposal for a regulation
Article 2 – paragraph 1 – point 25 – point d – point i a (new)

Text proposed by the Commission	*Amendment*
	(ia) other prominent public functions as defined by Member States;

Amendment 88
Proposal for a regulation
Article 2 – paragraph 1 – point 26 – point c

Text proposed by the Commission	*Amendment*
(c) the parents*;*	(c) the parents ***and the siblings***

Amendment 89
Proposal for a regulation
Article 2 – paragraph 1 – point 27 – point a (new)

Text proposed by the Commission	*Amendment*
	(a) ***'high-net-worth customer' means a customer who is a natural person or the beneficial owner of a legal entity that holds in total a minimum of EUR 1 000 000 in financial or investable wealth or assets, excluding that person's main private residence, in accordance with this Regulation;***

Amendment 90
Proposal for a regulation
Article 2 – paragraph 1 – point 29 – point a (new)

Text proposed by the Commission	*Amendment*
	a) a parent undertaking of a group, other than that mentioned in point a), which is subject to prudential supervision on a consolidated basis, at the highest level of prudential consolidation in the Union, including a 'financial holding company' as defined in Article 4(1), point (20), of Regulation (EU) No 575/2013 and an 'insurance holding company' as defined in Article 212(1), point (f), of Directive 2009/138/EC;

Amendment 91
Proposal for a regulation
Article 2 – paragraph 1 – point 29 a (new)

Text proposed by the Commission	*Amendment*
	(29a) 'parent undertaking' means :
	(a) a parent undertaking of a financial conglomerate, including a 'mixed financial holding company' as defined in Article 2, point (15), of Directive 2002/87/CE of the European Parliament and of the Council;
	(b) a parent undertaking of a group which is subject to prudential supervision on a consolidated basis, at the highest level of prudential consolidation in the Union, including a 'financial holding company' as defined in Article 4(1), point (20), of Regulation (EU) No 575/2013 and an 'insurance holding company' as defined in Article 212(1), point (f), of Directive 2009/138/EC;
	(c) a parent undertaking of a group which includes at least two obliged entities as defined in Article 3 of this Regulation, and which is not itself a subsidiary of another undertaking in the Union;
	however where several parent undertakings are identified within the same group, in accordance with points (a), (b) and (c), the parent undertaking is the entity within the group which is not a subsidiary of another undertaking in the Union.

Amendment 92
Proposal for a regulation
Article 2 – paragraph 1 – point 31 – point d

Text proposed by the Commission	*Amendment*
(d) a public authority with designated	(d) a public authority with designated

responsibilities for combating money laundering or terrorist financing;	responsibilities for ***preventing and*** combating money laundering or terrorist financing;

Amendment 93
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point a

Text proposed by the Commission	*Amendment*
(a) auditors, external accountants and tax advisors, and any other natural or legal person that undertakes to provide, directly or by means of other persons to which that other person is related, material aid, assistance or advice on tax matters as principal business or professional activity;	(a) auditors, external accountants***,*** and tax advisors, and any other natural or legal person that undertakes to provide, directly or by means of other persons to which that other person is related, material aid, assistance or advice on tax***, investment or personal finance*** matters as principal business or professional activity;

Amendment 94
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) certified debt collectors, wealth or asset managers;

Amendment 95
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point b – introductory part

Text proposed by the Commission	*Amendment*
(b) notaries and other independent legal professionals, where they participate, whether by acting on behalf of and for their client in any financial or real estate transaction, or by assisting in the planning or carrying out of transactions for their client concerning any of the following:	(b) notaries***, lawyers*** and other independent legal professionals, where they participate, whether by acting on behalf of and for their client in any financial or real estate transaction, or by assisting in the planning or carrying out of transactions for their client concerning any of the following:

Amendment 96
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point b – point i

Text proposed by the Commission	*Amendment*
(i) buying and selling of real property or business entities;	(i) buying and selling of real ***or virtual*** property or business entities;

Amendment 97
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point b – point iii

Text proposed by the Commission	*Amendment*
(iii) opening or management of bank, savings ***or*** securities accounts;	(iii) opening or management of bank, savings***,*** securities ***or crypto-assets*** accounts;

Amendment 98
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point d

Text proposed by the Commission	*Amendment*
(d) estate agents, including when acting as intermediaries in the letting of immovable property for transactions for which the monthly rent amounts to EUR ***10 000 or more,*** or the equivalent in national currency;	(d) estate agents, including when acting as intermediaries in the letting of immovable property for transactions for which the monthly rent amounts to EUR ***5 000 or*** or the equivalent in national currency ***or other accepted form of payment***;

Amendment 99
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point d a (new)

Text proposed by the Commission	*Amendment*
	(da) property developers;

Amendment 100
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point e a (new)

Text proposed by the Commission	*Amendment*
	(ea) persons trading in luxury goods other than metals and stones, as listed in Annex III a;

Amendment 101
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point h

Text proposed by the Commission	*Amendment*
(h) crowdfunding service providers ***other than those regulated by Regulation (EU) 2020/1503;***	(h) crowdfunding service providers

Amendment 102
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point i

Text proposed by the Commission	*Amendment*
(i) persons trading or acting as intermediaries in the trade of works of art, including when this is carried out by art galleries and auction houses, where the value of the transaction or linked transactions amounts to at least EUR ***10 000*** or the equivalent in national currency;	(i) persons trading or acting as intermediaries in the trade of works of art, including when this is carried out by art galleries and auction houses, where the value of the transaction or linked transactions amounts to at least EUR ***5 000*** or the equivalent in national currency;

Amendment 103
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point i a (new)

Text proposed by the Commission	*Amendment*
	(ia) persons providing services for the sale and purchase of unique and not

fungible crypto-assets;

Amendment 104
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point j

Text proposed by the Commission	*Amendment*
(j) persons storing, trading or acting as intermediaries in the trade of works of art when this is carried out within free zones and customs warehouses, where the value of the transaction or linked transactions amounts to at least EUR ***10 000*** or the equivalent in national currency;	(j) persons storing, trading or acting as intermediaries in the trade of works of art ***and luxury goods listed in Annex III a*** when this is carried out within free zones and customs warehouses, where the value of the transaction or linked transactions amounts to at least EUR ***5 000*** or the equivalent in national currency;

Amendment 105
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point j a (new)

Text proposed by the Commission	*Amendment*
	(ja) online platforms within the meaning of Regulation (EU) .../... [Proposal for a Regulation on a Single Market for Digital Services (Digital Services Act) and amending Directive 2000/31/EC] which make it possible for consumers and traders to conclude distance contracts for physical goods in so far as payments of EUR 10 000 or more are made or received, regardless of whether the transaction is carried out in a single operation or in several operations which appear to be linked;

Amendment 106
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point l a (new)

Text proposed by the Commission	*Amendment*
	(la) sports agents in the football sector;

Amendment 107
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point l b (new)

Text proposed by the Commission	*Amendment*
	(lb) high-level professional football clubs;

Amendment 108
Proposal for a regulation
Article 3 – paragraph 1 – point 3 – point l c (new)

Text proposed by the Commission	*Amendment*
	(lc) football associations in Member States which are members of the Union of European Football Associations

Amendment 109
Proposal for a regulation
Article 4 – paragraph 1

Text proposed by the Commission	*Amendment*
1. With the exception of casinos, Member States may decide to exempt, in full or in part, providers of gambling services from the requirements set out in this Regulation on the basis of the proven low risk posed by the nature and, where appropriate, the scale of operations of such services.	1. With the exception of casinos***, online gambling platforms, gambling services offered on a cross-border basis and sports betting providers***, Member States may decide to exempt, in full or in part, providers of gambling services ***such as state providers or state-owned and private lotteries,*** from the requirements set out in this Regulation on the basis of the proven low risk posed by the nature***, the principle of proportionality*** and, where appropriate, the scale of operations of such services**,**

	following consultation of AMLA.

Amendment 110
Proposal for a regulation
Article 4 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Member States shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.	3. Member States***, in cooperation with AMLA,*** shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.

Amendment 111
Proposal for a regulation
Article 4 a (new)

Text proposed by the Commission	*Amendment*
	Article 4a
	Exemptions for certain providers of crowdfunding services
	1. With the exception of crowdfunding service providers covered by Regulation (EU) 2020/1503, Member States may decide to exempt certain providers of crowdfunding services from the requirements set out in this Regulation on the basis of an individual risk assessment resulting in a proven low risk posed by the nature and, where appropriate, the scale of operation of such services, provided that all the following conditions are met:
	a) the crowdfunding service provider exclusively promotes projects with a public benefit purpose, it does not have as a primary aim the generation of profits and, where a profit is generated, it is invested by the provider for the pursuit of the objectives of the service and not distributed among members, founders or

	any other private parties;
	b) the crowdfunding service provider implements minimum due diligence requirements in respect of project owners that propose their projects to be funded through the crowdfunding platform in a manner consistent with Article 5 of Regulation (EU) 2020/1503 and all the natural persons involved in the senior management fulfill the criteria set out in Article 6 of Directive (EU) 2023/... [AMLD VI Proposal];
	c) all the natural persons involved in the management of the crowdfunding service provider respect fit and proper requirements which are consistent with the requirements laid down with Article 12(3), point (b), of Regulation (EU) 2020/1503;
	d) the crowdfunding service provider sets up and maintains arrangements to ensure that project owners accept funding of crowdfunding projects, or any other payment, only by means of a payment service provider in accordance with Directive (EU) 2015/2366;
	e) the crowdfunding service provider is established in the Union.
	2. Member States, in cooperation with AMLA, shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.

Amendment 112
Proposal for a regulation
Article 5 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. Member States shall require payment service providers as defined in

	Article 4(11) of Directive (EU) 2015/2366 to ensure that they do not carry out transactions for gambling service providers which do not possess a licence in the Union.

Amendment 113
Proposal for a regulation
Article 6 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Member States shall notify the Commission of any exemption that they intend to grant in accordance with Articles 4 and 5 without delay. The notification shall include a justification based on the relevant risk assessment ***for*** the exemption.	1. Member States shall notify the Commission of any exemption that they intend to grant in accordance with Articles 4 and 5 without delay. The notification shall include a ***detailed*** justification based on the relevant risk assessment ***carried out by the Member State to sustain*** the exemption. ***If deemed appropriate, Member States shall provide further evidence to support the exemption.***

Amendment 114
Proposal for a regulation
Article 6 – paragraph 2 – point a

Text proposed by the Commission	*Amendment*
(a) confirm that the exemption may be granted;	(a) confirm that the exemption may be granted ***on the basis of the justification given by the Member State***;

Amendment 115
Proposal for a regulation
Article 6 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Upon reception of a decision by the Commission pursuant to paragraph 2(a), Member States may adopt the decision granting the exemption. Such decision	3. Upon reception of a decision by the Commission pursuant to paragraph 2(a), Member States may adopt the decision granting the exemption. Such decision

shall state the reasons on which it is based. Member States shall review such decisions regularly, and in any case when they update their national risk assessment pursuant to Article 8 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	shall state the reasons on which it is based. Member States shall review such decisions regularly, ***but no later than one year after the exemption has been granted for the first time*** and in any case when they update their national risk assessment pursuant to Article 8 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].

Amendment 116
Proposal for a regulation
Article 6 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The Commission shall publish every year in the Official Journal of the European Union the list of exemptions granted pursuant to this Article.	5. The Commission shall publish every year in the Official Journal of the European Union the list of exemptions granted ***and an analytical and factual overview of the exemptions granted*** pursuant to this Article.

Amendment 117
Proposal for a regulation
Article 6 a (new)

Text proposed by the Commission	*Amendment*
	Article 6a
	Ban on citizenship by investment and minimum requirements regarding citizenship and residence by investment schemes
	1. Member States shall not put in place schemes under national law which allow for citizenship rights in exchange for any kind of investment, including capital transfers, the purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity

contributing to the public good and contributions to the state budget, and without a genuine link with the Member States concerned.

2. A Member State whose national law grants citizenship or residence rights in exchange for any kind of investment, such as capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget, shall ensure that public authorities that process applications for such residence rights carry out at least the following measures before a decision is taken:

(a) require that transactions are carried out by means of a business relationship with an obliged entity established in that Member State;

(b) request and assess information from involved obliged entities about customer due diligence measures carried out;

(c) obtain and record detailed information, substantiated by verified documents, on the identity of the applicant, on the applicant's business interests and employment activities in the previous 10 years, and on the applicant's source of funds and source of wealth;

(d) require clearance from relevant law enforcement authorities, substantiated by evidence of the absence of any criminal activities on the part of the applicant.

(e) require that applicants are subject to requirements of minimum physical presence and minimum active involvement in the investment, quality of investment, added value and contribution to the economy;.

(f) have in place a monitoring mechanism for ex post control of

	successful applicants' continued compliance with the legal requirements of the schemes.
	The applicant's physical presence as referred to in point (e) of the first subparagraph shall be regularly monitored by relevant authorities and non-compliance with that requirement shall result in the non-granting or withdrawal of citizenship or residence rights.
	3. Applicants with documented connections with suspicious activities, including close business relationships with persons having a criminal record related to money laundering, terrorist financing or predicate offences, or close personal or business relationships with individuals subjected to targeted financial sanctions shall not be granted residence rights under such schemes.
	4. Applicants who are nationals of countries referred to in Articles 23, 24 or 25 shall not be granted residency right under such schemes.

Amendment 118
Proposal for a regulation
Article 7 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) in addition to the obligation to apply targeted financial sanctions, mitigate and manage the risks of non-implementation and evasion of proliferation financing-related targeted financial sanctions.	(b) in addition to the obligation to apply targeted financial sanctions, mitigate and manage the risks of non-implementation***, divergent implementation*** and evasion of ***all targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorist financing and*** proliferation financing-related targeted financial sanctions.

Amendment 119
Proposal for a regulation
Article 7 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
Those policies, controls and procedures shall be proportionate to the nature and size of the obliged entity.	Those policies, controls and procedures shall be proportionate to the nature***, activity*** and size of the obliged entity. ***Those policies, controls and procedures shall take into account supranational and national risk assessments and the guidelines of financial intelligence units (FIUs) and supervisors, including the results of controls by the competent authorities.***

Amendment 120
Proposal for a regulation
Article 7 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) an independent audit function to ***test*** the internal policies, controls and procedures referred to in point (a);	(c) an independent audit function to ***assess whether*** the internal policies, controls and procedures referred to in point (a) ***operate effectively***;

Amendment 121
Proposal for a regulation
Article 7 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) the verification, when recruiting and assigning staff to certain tasks and functions and when appointing its agents and distributors, that those persons are of good repute, proportionate to the risks associated with the tasks and functions to be performed;	(d) the verification, when recruiting and assigning staff to certain tasks and functions and when appointing its agents and distributors, that those persons are of good repute, ***have the skills and knowledge*** proportionate to the risks associated with the tasks and functions to be performed;

Amendment 122
Proposal for a regulation
Article 7 – paragraph 4

Text proposed by the Commission	*Amendment*
4. By [2 years after the entry into force of this Regulation], AMLA shall ***issue guidelines on*** the elements that obliged entities should take into account when deciding on the extent of their internal policies, controls and procedures.	4. By [two years after the entry into force of this Regulation], AMLA***, after consulting the European Supervisory Authority (European Banking Authority) (EBA), established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council,*** shall ***develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify*** the elements that obliged entities should take into account when deciding on the extent of their internal policies, controls and procedures ***based on their assessed level of risk***. ***They shall also include guidance on how to determine the number of staff to be entrusted with compliance functions as set out in Article 9, taking into account the nature, activity and size of obliged entities and the inherent risks of the sector in which they operate.***

Amendment 123
Proposal for a regulation
Article 7 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 4 of this Article in accordance with Articles 38 to 41 of Regulation (EU) 2023/... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

Amendment 124
Proposal for a regulation
Article 8 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Obliged entities shall take appropriate measures, proportionate to their nature and size, to identify and assess the risks of money laundering and terrorist financing to which they are exposed, as well as the risks of non-implementation and evasion of proliferation financing-related targeted financial sanctions, taking into account:	1. Obliged entities shall take appropriate measures, proportionate to their nature***, activity*** and size, to identify and assess the risks of money laundering and terrorist financing to which they are exposed, as well as the risks of non-implementation and evasion of ***all targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorism financing and*** proliferation financing-related targeted financial sanctions, taking into account ***at least the following***:

Amendment 125
Proposal for a regulation
Article 8 – paragraph 1 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) relevant guidelines, recommendations and opinions issued by AMLA in accordance with Articles 43 and 44 of Regulation (EU) 2023/... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final];

Amendment 126
Proposal for a regulation
Article 8 – paragraph 1 – point c b (new)

Text proposed by the Commission	*Amendment*
	(cb) the conclusions drawn from past infringements of AML/CFT rules by the obliged entity in question or any

connection of the obliged entity in question with a case of money laundering or terrorist financing;

Amendment 127
Proposal for a regulation
Article 8 – paragraph 1 – point c c (new)

Text proposed by the Commission	*Amendment*
	(cc) information from FIUs and law enforcement agencies;

Amendment 128
Proposal for a regulation
Article 8 – paragraph 1 – point c d (new)

Text proposed by the Commission	*Amendment*
	(cd) information obtained as part of the initial customer due diligence process and ongoing monitoring;

Amendment 129
Proposal for a regulation
Article 8 – paragraph 1 – point c e (new)

Text proposed by the Commission	*Amendment*
	(ce) own knowledge and professional experience.

Amendment 130
Proposal for a regulation
Article 8 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. Obliged entities may, depending on the level of risk identified and the principle of proportionality, consider at their sole discretion additional sources of

	information, including:
	(a) information from organisations of obliged entities on typologies and on emerging risks;
	(b) information from civil society organisations, including corruption perception indices and other country reports;
	(c) information from international standard-setting bodies such as mutual evaluation reports or other reports and reviews;
	(d) information from credible and reliable open sources and the media;
	(e) information from credible and reliable commercial organisations, such as risk reports;
	(f) information from statistic organisations and the academia.

Amendment 131
Proposal for a regulation
Article 9 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Obliged entities shall appoint one executive member of their ***board of directors or, if there is no board, of its equivalent governing body*** who shall be responsible for the implementation of measures to ensure compliance with this Regulation ('compliance manager'). Where the entity has no ***governing*** body, the function should be performed by a member of its senior management.	1. Obliged entities shall appoint one executive member of their ***management body in its management function*** who shall be responsible for the implementation ***and monitoring*** of measures to ensure compliance with this Regulation ('compliance manager'). Where the entity has no ***management*** body, the function should be performed by a member of its senior management. ***This paragraph is without prejudice to national provisions on joint civil or criminal liability of management bodies.***

Amendment 132
Proposal for a regulation
Article 9 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The compliance manager shall ***be responsible for implementing*** the obliged entity's policies, controls and procedures ***and for receiving*** information on significant or material weaknesses in such policies, controls and procedures. The compliance manager shall regularly report on those matters to the ***board of director or equivalent governing*** body. For parent undertakings, that person shall also be responsible for overseeing group-wide policies, controls and procedures.	2. The compliance manager shall ***ensure that*** the obliged entity's policies, controls and procedures ***are fully implemented and shall receive*** information on significant or material weaknesses in such policies, controls and procedures. The compliance manager shall regularly report on those matters to the ***management*** body. For parent undertakings, that person shall also be responsible for overseeing group-wide policies, controls and procedures.

Amendment 133
Proposal for a regulation
Article 9 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Obliged entities shall have a compliance officer, to be appointed by the ***board of directors or governing body***, who shall be in charge of the day-to-day operation of the obliged entity's anti-money laundering and countering the financing of terrorism (AML/CFT) policies. That person shall also be responsible for reporting suspicious transactions to the Financial Intelligence Unit (FIU) in accordance with Article 50(6).	3. Obliged entities shall have a compliance officer, to be appointed by the ***management body in its management function***, who shall be in charge of the day-to-day operation of the obliged entity's anti-money laundering and countering the financing of terrorism (AML/CFT) policies ***including being a contact point for competent authorities***. That person shall also be responsible for reporting suspicious transactions to the FIU in accordance with Article 50(6). ***The compliance officer shall be independent in its function and responsibilities.***

Amendment 134
Proposal for a regulation
Article 9 – paragraph 3 – subparagraph 2

Text proposed by the Commission	*Amendment*
An obliged entity that is part of a group may appoint as its compliance officer an individual who performs that function in another entity within that group.	An obliged entity that is part of a group may appoint as its compliance officer an individual who performs that function in another entity within that group***, provided that the other entity is established in the same Member State as the obliged entity***.

Amendment 135
Proposal for a regulation
Article 9 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. A compliance officer shall not be penalised in any way in the context of employment for the carrying out of duties. A compliance officer shall not be dismissed prior to the end of the term of appointment unless facts emerge that make it unreasonable for the obliged entity concerned to retain the person. Obliged entities shall notify supervisors of the dismissal of compliance officers and the reason therefor.

Amendment 136
Proposal for a regulation
Article 9 – paragraph 3 b (new)

Text proposed by the Commission	*Amendment*
	3b. Where the suitability of a compliance manager or compliance officer is verified by a non-AML/CFT authority, that authority shall, without undue delay, inform the supervisor in the Member State where the obliged entity concerned is established of the receipt of the application for suitability verification and of the date by which the decision on the suitability needs to be taken. The

supervisor shall, in cooperation with other competent authorities as appropriate, provide the non-AML/CFT authority with any input necessary within its supervisory competence, within an appropriate deadline taking into account the date by which the decision on the suitability needs to be taken.

The input referred to in the first subparagraph shall consist of an assessment as to whether the knowledge, skills and experience of the appointee suffice for the performance of the function of compliance manager or compliance officer for which the appointee was nominated and such assessment shall become a part of the decision of the authority verifying the suitability.

Where the supervisor concludes, that the appointee does not have adequate knowledge, skills and experience to perform the tasks set out in the first and second subparagraphs in respect of the function of a compliance manager, or the third subparagraph in respect of the function of a compliance officer, the authority verifying the suitability shall not take a decision that would allow the appointee to perform those tasks.

The procedure for identifying the relevant supervisor, specific deadlines for providing the input referred to in this paragraph and other technical details regarding supervisors' cooperation with authorities verifying the suitability, including the ECB acting in accordance with Regulation (EU) No 1024/2013 of the European Parliament and of the Council and other authorities thereunder, shall be set out in the guidelines contained in Article 52 of Directive (EU) 2023/... [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].'

Amendment 137
Proposal for a regulation
Article 9 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Obliged entities shall provide the compliance functions with adequate resources, including staff and technology, in proportion to the size, nature and risks of the obliged entity for the implementation of compliance functions, and shall ensure that the powers to propose any measures necessary to ensure the effectiveness of the obliged entity's internal policies, controls and procedures are granted to the persons responsible for those functions.	4. Obliged entities shall provide the compliance functions with adequate resources, including staff and technology, in proportion to the size, nature***, activity*** and risks of the obliged entity for the implementation of compliance functions, and shall ensure that ***the access to all information, data, records and systems that might be of relevance in connection with the performance of their duties and*** the powers to propose any measures necessary to ensure the effectiveness of the obliged entity's internal policies, controls and procedures are granted to the persons responsible for those functions.

Amendment 138
Proposal for a regulation
Article 9 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The compliance manager shall submit once a year, or more frequently where appropriate, to the ***governing*** body a report on the implementation of the obliged entity's internal policies, controls and procedures, and shall keep the management body informed of the outcome of any reviews. The ***governing*** body shall take the necessary actions to remedy any deficiencies identified in a timely manner.	5. The compliance manager shall submit once a year, or more frequently where appropriate, to the ***management*** body a report on the implementation of the obliged entity's internal policies, controls and procedures, and shall keep the management body informed of the outcome of any reviews. The ***management*** body shall take the necessary actions to remedy any deficiencies identified in a timely manner.

Amendment 139
Proposal for a regulation
Article 9 – paragraph 6 – introductory part

Text proposed by the Commission	*Amendment*
6. Where the size of the obliged entity justifies it, the functions referred to in paragraphs 1 and 3 may be performed by the same natural person.	6. Where the size of the obliged entity justifies it, the functions referred to in paragraphs 1 and 3 may be performed by the same natural person. ***The compliance officer may cumulate functions referred to in paragraphs 1 and 3 with other functions.***

Amendment 140
Proposal for a regulation
Article 11 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Employees entrusted with tasks related to the obliged entity's compliance with this Regulation shall inform the compliance officer of any close private or professional relationship established with the obliged entity's customers or prospective customers and shall be prevented from undertaking any tasks related to the obliged entity's compliance in relation to those customers.	2. Employees entrusted with tasks related to the obliged entity's compliance with this Regulation shall inform the compliance officer of any close private or professional relationship established with the obliged entity's customers or prospective customers***, who have indicated their intention to be legally bound by a contract in their statements or conduct as they were reasonably understood by the other party,*** and shall be prevented from undertaking any tasks related to the obliged entity's compliance in relation to those customers.

Amendment 141
Proposal for a regulation
Article 11 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. Obliged entities shall have in place adequate procedures to ensure that responsibility for a business relationship

	changes from one employee to another at appropriate intervals. Where the size of the obliged entity or the need for special qualifications does not allow for the establishment of such a procedure, the compliance officer shall carry out, in a risk-based manner, a special examination of the affected business relationships at appropriate intervals.

Amendment 142
Proposal for a regulation
Article 11 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. Obliged entities shall have in place appropriate procedures for their employees, or persons in a comparable position, to report breaches of this Regulation internally through a specific, independent and anonymous channel, proportionate to the nature and size of the obliged entity concerned.	3. Obliged entities shall have in place appropriate procedures for their employees, or persons in a comparable position, to report breaches of this Regulation internally through a specific, independent and anonymous channel, proportionate to the nature***, activity*** and size of the obliged entity concerned.

Amendment 143
Proposal for a regulation
Article 11 – paragraph 3 – subparagraph 1

Text proposed by the Commission	*Amendment*
Obliged entities shall take measures to ensure that employees, managers ***or*** agents who report breaches pursuant to the first subparagraph are protected ***against retaliation, discrimination and any*** other ***unfair treatment.***	Obliged entities shall take measures to ensure that employees, managers***,*** agents***, and other persons referred to in Article 4 of Directive (EU) 2019/1937 of the European Parliament and of the Council***[5a]*** who report breaches pursuant to the first subparagraph are protected ***in accordance with that Directive and*** other ***applicable legal acts***
	[5a] Directive (EU) 2016/97 of the European Parliament and of the Council of 20

January 2016 on insurance distribution (recast) (OJ L 26, 2.2.2016, p. 19).

Amendment 144
Proposal for a regulation
Article 12 a (new)

Text proposed by the Commission	*Amendment*
	Article 12a
	Minimum requirements for sole traders, single operators or microenterprises
	1. By ... [two years from the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption concerning minimum requirements and standards for compliance with this Chapter by obliged entities which are sole traders, single operators or microenterprises. In particular, AMLA shall develop requirements and standards in relation to execution of compliance functions. When developing the draft regulatory technical standards referred to in the first subparagraph, AMLA shall take due account of the inherent levels of risks of the business models of the different types of obliged entities in order to ensure that the requirements and standards for compliance are proportionate to the risks identified.
	2. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 1 of this Article in accordance with Articles 38 to 41 of Regulation (EU) .../... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

Amendment 145
Proposal for a regulation
Article 13 – paragraph 1

Text proposed by the Commission	*Amendment*
1. ***A*** parent undertaking shall ensure that the requirements on internal procedures, risk assessment and staff referred to in Section 1 of this Chapter apply in all branches and subsidiaries of the group in the Member States ***and, for groups whose*** parent undertaking is established in the Union in third countries. The group-wide policies, controls and procedures shall also include data protection policies and policies, controls and procedures for sharing information within the group for AML/CFT purposes.	1. ***Each*** parent undertaking ***established in the Union shall put in place group-wide policies, controls and procedures to comply with this Regulation and*** shall ensure that the requirements on internal procedures, risk assessment and staff referred to in Section 1 of this Chapter apply in all branches and subsidiaries of the group in the Member States ***as well as*** in third countries***. To that end, a parent undertaking shall carry out a group-wide risk assessment, taking into account the risks identified by all branches and subsidiaries of the group, and on the basis of that assessment establish and implement group-wide policies, controls and procedures***. The group-wide policies, controls and procedures shall also include data protection policies and policies, controls and procedures for sharing information within the group for AML/CFT purposes. ***Obliged entities that are part of a group shall implement the group-wide policies, controls and procedures, taking into account their specificities and the risks to which they are exposed.***

Amendment 146
Proposal for a regulation
Article 13 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. The policies, controls and procedures pertaining to the sharing of information referred to in paragraph 1 shall require obliged entities within the group to exchange information when such sharing is	2. The policies, controls and procedures pertaining to the sharing of information referred to in paragraph 1 shall require obliged entities within the group to exchange information when such sharing is

relevant for preventing money laundering and terrorist financing. The sharing of information within the group shall cover in particular the identity and characteristics of the customer, its beneficial owners or the person on behalf of whom the customer acts, the nature and purpose of the business relationship and the suspicions that funds are the proceeds of criminal activity or are related to terrorist financing reported to FIU pursuant to Article 50, unless otherwise instructed by the FIU.	relevant for preventing money laundering and terrorist financing***, including customer due diligence and risk management***. The sharing of information within the group shall cover in particular the identity and characteristics of the customer, its beneficial owners or the person on behalf of whom the customer acts, the nature and purpose of the business relationship and ***of the transactions, as well as, where applicable, the analysis of atypical transactions and*** the suspicions that funds are the proceeds of criminal activity or are related to terrorist financing reported to FIU pursuant to Article 50, unless otherwise instructed by the FIU.

Amendment 147
Proposal for a regulation
Article 13 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
Groups shall put in place group-wide policies, controls and procedures to ensure that the information exchanged pursuant to the first subparagraph is subject to sufficient guarantees in terms of confidentiality, data protection and use of the information, including to prevent its disclosure.	***The group-wide policies, procedures and controls shall require that entities within a group which are not obliged entities pursuant to Article 3 of this Regulation provide relevant information to obliged entities within the same group in order to comply with the requirements set out in this Regulation.*** Groups shall put in place group-wide policies, controls and procedures to ensure that the information exchanged pursuant to the first ***and second*** subparagraph is subject to sufficient guarantees in terms of confidentiality, data protection and use of the information, including to prevent its disclosure.

Amendment 148
Proposal for a regulation
Article 13 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. Entities within the same group shall be entitled to use the information received as up-to-date information for the intra-group business relationship, provided that:
	(a) the information or documents are provided by another entity within the same group;
	(b) the receiving entity within the same group and the providing entity within the same group are not aware that the information is no longer up to date

Amendment 149
Proposal for a regulation
Article 13 – paragraph 3

Text proposed by the Commission	*Amendment*
3. By [2 years from the entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the minimum requirements of group-wide policies, including minimum standards for information sharing within the group, the role and responsibilities of parent undertakings that are not themselves obliged entities with respect to ensuring group-wide compliance with AML/CFT requirements and the conditions under which the provisions of this Article apply to entities that are part of structures which share common ownership, management or compliance control, including networks or partnerships.	3. By … [2 years from the entry into force of this Regulation], AMLA***, after consulting EBA,*** shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the minimum requirements of group-wide policies, including minimum standards for information sharing within the group, the role and responsibilities of parent undertakings that are not themselves obliged entities with respect to ensuring group-wide compliance with AML/CFT requirements and the conditions under which the provisions of this Article apply to entities that are part of structures which share common ownership, management or compliance control, including networks or partnerships.

Amendment 150
Proposal for a regulation
Article 14 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Where branches or subsidiaries of obliged entities are located in third countries where the minimum AML/CFT requirements are less strict than those set out in this Regulation, the ***obliged entity concerned*** shall ensure that those branches or subsidiaries comply with the requirements laid down in this Regulation, including requirements concerning data protection, or equivalent.	1. Where branches or subsidiaries of obliged entities are located in third countries where the minimum AML/CFT requirements are less strict than those set out in this Regulation, the ***parent undertaking*** shall ensure that those branches or subsidiaries comply with the requirements laid down in this Regulation, including requirements concerning data protection, or equivalent.

Amendment 151
Proposal for a regulation
Article 14 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Where the law of a third country does not permit compliance with the requirements laid down in this Regulation, ***obliged entities*** shall take additional measures to ensure that branches and subsidiaries in that third country effectively handle the risk of money laundering or terrorist financing, and ***the head office*** shall inform the supervisors of their home Member State. Where the supervisors of the home Member State consider that the additional measures are not sufficient, they shall exercise additional supervisory actions, including requiring the group not to establish any business relationship, to terminate existing ones or not to undertake transactions, or to close down its operations in the third country.	2. Where the law of a third country does not permit compliance with the requirements laid down in this Regulation, ***the parent undertaking*** shall take additional measures to ensure that branches and subsidiaries in that third country effectively handle the risk of money laundering or terrorist financing, and shall inform the supervisors of their home Member State ***of those additional measures***. Where the supervisors of the home Member State consider that the additional measures are not sufficient, they shall exercise additional supervisory actions, including requiring the group not to establish any business relationship, to terminate existing ones or not to undertake transactions, or to close down its operations in the third country.

Amendment 152
Proposal for a regulation
Article 14 – paragraph 3

Text proposed by the Commission	*Amendment*
3. By [2 years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the type of additional measures referred to in paragraph 2, including the minimum action to be taken by obliged entities where the law of a third country does not permit the implementation of the measures required under Article 13 and the additional supervisory actions required in such cases.	3. By … [2 years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the type of additional measures referred to in paragraph 2, including the minimum action to be taken by obliged entities where the law of a third country does not permit the implementation of the measures required under Article 13 and the additional supervisory actions required in such cases. ***The draft regulatory technical standards shall include a list of third countries where the minimum AML/CFT requirement are deemed equivalent to those laid down in this Regulation. This list shall be regularly updated.***

Amendment 153
Proposal for a regulation
Article 15 – paragraph 2

Text proposed by the Commission	*Amendment*
2. In addition to the circumstances referred to in paragraph 1, credit and financial institutions ***and crypto-asset service providers*** shall apply customer due diligence when ***either*** initiating or executing an occasional transaction that constitutes a transfer of funds as defined in Article 3, point (9) of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], ***or a transfer of crypto-assets as defined in Article 3, point (10) of that Regulation, exceeding EUR 1***	2. In addition to the circumstances referred to in paragraph 1, credit and financial institutions shall apply customer due diligence when initiating or executing an occasional transaction that constitutes a transfer of funds as defined in Article 3, point (9) of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], ***amounts to EUR 1 000 or more*** or the equivalent in national currency.

000 or the equivalent in national currency.

Credit and financial institutions which are obliged entities shall also apply customer due diligence measures when involved in or carrying out an occasional transaction involving crypto-assets that amounts to EUR 1 000 or more, or the equivalent in national currency, whether the transaction is carried out in a single operation or through linked transactions.

Amendment 154
Proposal for a regulation
Article 15 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Providers of gambling services shall apply customer due diligence upon the collection of winnings, the wagering of a stake, or both, when carrying out transactions amounting to at least EUR ***2 000*** or the equivalent in national currency, whether the transaction is carried out in a single operation or in linked transactions.	3. Providers of gambling services shall apply customer due diligence upon the collection of winnings, the wagering of a stake, or both, when carrying out transactions amounting to at least EUR ***2 000 or the equivalent in national currency, or, in the case of online gambling services, transactions amounting to at least EUR 1 000*** or the equivalent in national currency, whether the transaction is carried out in a single operation or in linked transactions.

Amendment 155
Proposal for a regulation
Article 15 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. By way of derogation from paragraph 1, based on an appropriate risk assessment which demonstrates a low risk, a supervisor may allow obliged entities not to apply certain customer due diligence measures with respect to electronic money that can be used only in

	a limited way, where all of the following risk-mitigating conditions are met:
	a) the maximum amount stored does not exceed EUR 150;
	b) the payment instruments can be used exclusively to purchase, either in store or online, goods or services in a single Member State, from the issuer, or within a network of service providers under direct commercial agreement with a professional issuer;
	The payment instruments referred to in point b) of the first subparagraph shall not be linked to a bank account, shall not allow for balance top-ups and shall not exchangeable for cash.

Amendment 156
Proposal for a regulation
Article 15 – paragraph 5 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) the criteria to be taken into account for identifying occasional transactions, including those involving crypto-assets;

Amendment 157
Proposal for a regulation
Article 15 – paragraph 5 – point b b (new)

Text proposed by the Commission	*Amendment*
	(bb) the criteria to be taken into account to identify business relationships;

Amendment 158
Proposal for a regulation
Article 16 – paragraph 1 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) identify and record the identity of nominee shareholders and nominee directors of a corporate or other legal entity and identify their status as such, where applicable;

Amendment 159
Proposal for a regulation
Article 16 – paragraph 1 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) verify whether the customer or the beneficial owner are subject to targeted financial sanctions relating to terrorism and terrorism financing and proliferation financing, and to other applicable Union targeted financial sanctions;

Amendment 160
Proposal for a regulation
Article 16 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. Without prejudice to any other measures required to comply with the obligation to apply targeted financial sanctions, for credit and financial institutions the measures laid down in paragraph 1, point (ca), shall include the regular screening of the customer's identity as well as the beneficial owner's identity against the relevant sanctions lists of designated persons in order to verify that the customer is not a designated individual, entity or group subject to targeted financial sanctions.

Amendment 161
Proposal for a regulation
Article 16 – paragraph 3

Text proposed by the Commission	*Amendment*
3. By [***2*** years after the date of application of this Regulation], AMLA shall issue guidelines on ***the risk variables and risk factors to be taken into account by obliged entities when entering into business relationships or carrying out occasional transactions.***	3. By … [***two*** years after the date of application of this Regulation], AMLA***, after consulting Europol and the European Supervisory Authorities (ESAs)*** shall issue guidelines on***:***

Amendment 162
Proposal for a regulation
Article 16 – paragraph 3 – point a (new)

Text proposed by the Commission	*Amendment*
	(a) the risk variables and risk factors to be taken into account by obliged entities when entering into business relationships or carrying out occasional transactions;

Amendment 163
Proposal for a regulation
Article 16 – paragraph 3 – point b (new)

Text proposed by the Commission	*Amendment*
	(b) measures to be applied by obliged entities for assessing whether the customer or the beneficial owner is subject to targeted financial sanctions including how to identify entities controlled by persons subject to targeted financial sanctions.

Amendment 164
Proposal for a regulation
Article 17 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Where an obliged entity is unable to comply with the customer due diligence measures laid down in Article 16(1), it shall ***refrain from carrying*** out a transaction or ***establishing*** a business relationship, and shall terminate the business relationship and consider filing a suspicious transaction report to the FIU in relation to the customer in accordance with Article 50.	1. Where an obliged entity is unable to comply with the customer due diligence measures laid down in Article 16(1), it shall ***not carry*** out a transaction or ***establish*** a business relationship, and shall terminate the business relationship and consider filing a suspicious transaction report to the FIU in relation to the customer in accordance with Article 50. ***Where there is a suspicion of money laundering or terrorist financing, the obliged entity shall file a suspicious transaction report to the FIU.***

Amendment 165
Proposal for a regulation
Article 17 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
The first subparagraph shall not apply to notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors, to the strict extent that those persons ***ascertain the legal position of their client, or perform the task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings.***	***Paragraph 1*** shall not apply to notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors, to the strict extent that those persons:

Amendment 166
Proposal for a regulation
Article 17 – paragraph 1 – subparagraph 1 – point a (new)

Text proposed by the Commission	*Amendment*
	(a) ascertain the legal position of their client, except where the legal advice, is provided for the purpose of money

	laundering, or terrorist financing, or where those persons know or have a have a well-grounded suspicion that the client is seeking legal advice for the purposes of money laundering or terrorist financing or for the purposes of applying for residence rights or citizenship through investment schemes, and the advice is not sought in relation to judicial proceedings; or

Amendment 167
Proposal for a regulation
Article 17 – paragraph 1 – subparagraph 1 – point b (new)

Text proposed by the Commission	*Amendment*
	(b) perform the task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings.

Amendment 168
Proposal for a regulation
Article 18 – title

Text proposed by the Commission	*Amendment*
Identification and verification of the customer's identity	Identification and verification of the customer's identity ***and the beneficial owner's identity***

Amendment 169
Proposal for a regulation
Article 18 – paragraph 1 – point a – point iv

Text proposed by the Commission	*Amendment*
(iv) the usual place of residence or, if there is no fixed residential address with legitimate residence in the Union, the postal address at which the natural person	(iv) the usual place of residence or, if there is no fixed residential address with legitimate residence in the Union, the postal address at which the natural person

can be reached and, where possible, the occupation, profession, or employment status and the tax identification number;	can be reached and, where ***relevant for the purposes of customer due diligence,*** possible, the occupation, profession, or employment status and the tax identification number;

Amendment 170
Proposal for a regulation
Article 18 – paragraph 1 – point b – point iii

Text proposed by the Commission	*Amendment*
(iii) the names of the legal representatives as well as, where available, the registration number, the tax identification number and the Legal Entity Identifier. Obliged entities shall also verify that the legal entity has activities on the basis of accounting documents for the latest financial year or other relevant information;	(iii) the names of the legal representatives as well as, where available, the registration number, the tax identification number and the Legal Entity Identifier. ***On a risk sensitive basis,*** obliged entities shall also ***consider the need to*** verify that the legal entity has activities on the basis of accounting documents for the latest financial year or other relevant information;

Amendment 171
Proposal for a regulation
Article 18 – paragraph 1 – point b – point iii a (new)

Text proposed by the Commission	*Amendment*
	(iiia) where a legal entity is established in more than one jurisdiction, the Legal Entity Identifier;

Amendment 172
Proposal for a regulation
Article 18 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
Where, after having exhausted all possible means of identification pursuant to the first subparagraph, no natural person is identified as beneficial owner, or where	Where, after having exhausted all possible means of identification pursuant to the first subparagraph, no natural person is identified as beneficial owner, or where

there ***is any doubt*** that the person(s) identified is/are the beneficial owner(s), obliged entities shall identify the natural person(s) holding the position(s) of senior managing official(s) in the corporate or other legal entity and shall verify their identity. Obliged entities shall keep records of the actions taken as well as of the difficulties encountered during the identification process, which led to resorting to the identification of a senior managing official.	there ***are doubts*** that the person(s) identified is/are the beneficial owner(s), obliged entities shall ***record that no beneficial owner is identified and*** identify the natural person(s) holding the position(s) of senior managing official(s) in the corporate or other legal entity and shall verify their identity. Obliged entities shall keep records of the actions taken as well as of the difficulties encountered during the identification process, which led to resorting to the identification of a senior managing official.

Amendment 173
Proposal for a regulation
Article 18 – paragraph 4 – introductory part

Text proposed by the Commission	*Amendment*
4. Obliged entities shall obtain the information, documents and data necessary for the verification of the customer ***and beneficial owner identity*** through either of the following:	4. Obliged entities shall obtain the information, documents and data necessary for the verification of the customer through either of the following:

Amendment 174
Proposal for a regulation
Article 18 – paragraph 4 – point a

Text proposed by the Commission	*Amendment*
(a) the submission of the identity document, passport or equivalent and the acquisition of information from reliable and independent sources, whether accessed directly or provided by the customer***;***	(a) the submission of the identity document, passport or equivalent and***,*** ***where relevant,*** the acquisition of information from reliable and independent sources, whether accessed directly or provided by the customer***, via reliable and trustworthy means, either physically or electronically, whereby the extent of the consultation for the verification shall be commensurate to the risk;***

Amendment 175
Proposal for a regulation
Article 18 – paragraph 4 – point b

Text proposed by the Commission	*Amendment*
(b) the use of electronic identification means and relevant trust services as set out in Regulation (EU) 910/2014.	(b) the use of electronic identification means and relevant trust services as set out in Regulation (EU) 910/2014 of the European Parliament and of the Council***, in a reliable and trustworthy form via secure authentication processes, where appropriate, or other secure remote or electronic identification procedures regulated, recognised, approved or accepted by competent authorities, provided that the level of security designated is at least 'high' or equivalent***;

Amendment 176
Proposal for a regulation
Article 18 – paragraph 4 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) where applicable, the submission of proof of registration in the central register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] for customers who are legal entities incorporated outside the Union, in accordance with Article 48 of this Regulation.
	Where a customer is a legal entity or a trustee or person in equivalent position acting on behalf of the legal arrangement, obliged entities shall take appropriate measures to verify the identity of the beneficial owner(s) of a legal entity or legal arrangement, including, where possible, on the basis of identity documents or by means of electronic identification, in order to know who the beneficial owner is and understand the

ownership and control structure of the legal entity or legal arrangement.

Amendment 177
Proposal for a regulation
Article 18 – paragraph 4 – subparagraph 1

Text proposed by the Commission	*Amendment*
For the purposes of verifying the information on the beneficial owner(s), obliged entities shall also consult the central registers referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] as well as additional information**.** Obliged entities shall determine the extent of the additional information to be consulted, having regard to the risks posed by the transaction or the business relationship and the beneficial owner.	For the purposes of verifying the information on the beneficial owner(s), obliged entities shall also consult ***(531, 532)*** the central registers referred to in Article 10 of Directive (EU) .../... [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***, irrespective of the Member State of the central register in which the beneficial ownership information is held. Where appropriate, and on a risk sensitive basis, obliged entities shall also consult*** additional information ***from the customer or from reliable and independent sources, in particular where the information in central registers does not match the information available to them under Article 18, where they have doubts as to the accuracy of the information or where there is a higher risk of money laundering or terrorist financing.*** Obliged entities shall determine the extent of the additional information to be consulted ***on a risk basis***, having regard to the risks posed by the transaction or the business relationship and the beneficial owner***, or the unusual or complex nature of the ownership structures given the nature of the company's business***. ***Obliged entities shall report to the entity in charge of the central registers any discrepancies they find between the beneficial ownership information available therein and the beneficial***

	ownership information available to them pursuant to this Article. National law pertaining to banking secrecy and confidentiality shall not hinder compliance with the obligation set out in this subparagraph.

Amendment 178
Proposal for a regulation
Article 19 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Verification of the identity of the customer and of the beneficial owner shall take place before the establishment of a business relationship or the carrying out of an occasional transaction. Such obligation shall not apply to situations of lower risk under Section 3 of this Chapter, provided that the lower risk justifies postponement of such verification.	1. Verification of the identity of the customer and of the beneficial owner shall take place before the establishment of a business relationship or the carrying out of an occasional transaction. Such obligation shall not apply to situations of lower risk under Section 3 of this Chapter, provided that the lower risk justifies postponement of such verification. ***By way of derogation from the first subparagraph, obliged entities other than credit and financial institutions involved in real estate transactions shall carry out verification of the customer identity, whether the buyer or seller or both, at the point that there is a formal offer.***

Amendment 179
Proposal for a regulation
Article 21 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Obliged entities shall conduct ongoing monitoring of the business relationship, including transactions undertaken by the customer throughout the course of that relationship, to control that those transactions are consistent with the obliged entity's knowledge of the	1. Obliged entities shall conduct ongoing monitoring of the business relationship, including transactions undertaken by the customer throughout the course of that relationship, to control that those transactions are consistent with the obliged entity's knowledge of the

customer, the customer's business activity and risk profile, and where necessary, with the information about the origin of the funds and to detect those transactions that shall be made subject to a more thorough analysis pursuant to Article 50.	customer, the customer's business activity and risk profile, and where necessary, with the information about the origin ***and destination*** of the funds and to detect those transactions that shall be made subject to a more thorough analysis pursuant to Article 50.

Amendment 180
Proposal for a regulation
Article 21 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
The frequency of updating customer information pursuant to the first sub-paragraph shall be based on the risk posed by the business relationship. The frequency of updating of customer information shall in any case not exceed five years.	The frequency of updating customer information pursuant to the first sub-paragraph shall be based on the risk posed by the business relationship. The frequency of updating of customer information shall ***be established on a risk sensitive basis, particularly taking into account changes of relevant circumstances and shall*** in any case not exceed five years. ***In case of high-risk business relationships customer information shall be updated at least every two years.***

Amendment 181
Proposal for a regulation
Article 21 a (new)

Text proposed by the Commission	*Amendment*
	Article 21a
	Timing of the assessment of whether the customer and the beneficial owner is subject to targeted financial sanctions
	1. Obliged entities shall assess whether the customer or the beneficial owner is subject to targeted financial sanctions when verifying the identity of the customer and the beneficial owner pursuant to Article 19.

2. In addition to the requirements set out in paragraph 1, and without prejudice to any other measures required to comply with the obligation to apply targeted financial sanctions, credit and financial institutions shall screen the identity of their existing customers or beneficial owners against the relevant Union sanctions lists of designated persons on a regular basis, and each time targeted financial sanctions are adopted by the Union.

3. In addition to the requirements set out in paragraph 1 and without prejudice to any other measures provided for by Union law relating to targeted financial sanctions, obliged entities other than credit and financial institutions shall assess on a regular basis whether any existing customer or beneficial owner is subject to targeted financial sanctions.

4. Where an obliged entity identifies, when performing its customer due diligence, that a customer or beneficial owner is subject to targeted financial sanctions, it shall immediately notify the competent authority accordingly.

5. By … [two years after the entry into force of this Regulation], AMLA shall issue guidelines on the measures to be applied by obliged entities for assessing whether the customer or the beneficial owner is subject to targeted financial sanctions. Those guidelines shall include the following elements:

a) risk-based procedures to be established by obliged entities in order to assess whether the customer or the beneficial owner is subject to targeted financial sanctions;

b) the extent, timing and procedures for screening measures to be applied by credit and financial institutions and crypto-asset service providers with regard

	to existing customers or when entering into a new business relationship;
	c) the conditions to be fulfilled for identifying entities controlled by persons subject to targeted financial sanctions; d) the notification measures to competent authorities in case an obliged entity identifies a customer or a beneficial owner subject to targeted financial sanctions.

Amendment 182
Proposal for a regulation
Article 22 – paragraph 1 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) the type of exemptions that may apply to certain customer due diligence measures with respect to electronic money, on the basis of an appropriate risk assessment which demonstrates a low risk;

Amendment 183
Proposal for a regulation
Article 22 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) the reliable and independent sources of information that may be used to verify the identification data of natural or legal persons for the purposes of Article 18(4);	(c) the reliable and independent sources of information that may be used to verify the identification data of natural or legal persons for the purposes of Article 18(4) ***in addition to minimum requirements to be complied with and necessary steps to be taken by obliged entities where discrepancies are found***;

Amendment 184
Proposal for a regulation
Article 22 – paragraph 2 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) the residual risk, taking into account a proper risk assessment, the risk mitigating measures put in place by the obliged entities, including innovation and technical developments to detect and prevent suspicious transactions.

Amendment 185
Proposal for a regulation
Article 22 a (new)

Text proposed by the Commission	*Amendment*
	Article 22a
	Special provisions regarding online gambling
	1. Gambling services, that are provided at a distance, by electronic means or any other technology for facilitating communication, shall be subject to this Article.
	2. Providers of gambling services shall ensure that transfers from players to gambling accounts are made only from an account held at a credit or financial institution referred to in Article 3 paragraph 1 and 2.
	3. A provider of gambling services shall refund a player only by executing a payment transaction within the meaning of Article 4, point (5), of Directive (EU) 2015/2366 to a payment account set up in the name of that player with a payment service provider as referred to in Article 1, point (1)(a) and (d), of that Directive.
	4. In addition to the circumstances referred to in Article 15(3) providers of gambling services referred to in paragraph 1 shall perform customer due diligence in the context of a business

relationship at the opening of a gambling account

Amendment 186
Proposal for a regulation
Article 23 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
Those delegated acts shall be adopted within one month after the Commission has ascertained that the criteria in point (a), (b) or (c) are met.	Those delegated acts shall be adopted within one month of ***the publication of a public statement or a compliance document concerning the third country by international organisations and standard setters,*** after the Commission has ascertained that the criteria in point (a), (b) or (c) are met.

Amendment 187
Proposal for a regulation
Article 23 – paragraph 3

Text proposed by the Commission	*Amendment*
3. For the purposes of paragraph 2, the Commission shall take into account calls for the application of enhanced due diligence measures and additional mitigating measures ('countermeasures') by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them.	3. For the purposes of paragraph 2, the Commission shall take into account calls for the application of enhanced due diligence measures and additional mitigating measures (countermeasures) by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them. ***For the purposes of establishing whether a third country has significant strategic deficiencies in its national AML/CFT regime, the Commission shall also consider, where appropriate, any relevant assessments by AMLA or other Union institutions, bodies and agencies, competent authorities, civil society organisations, and academia. The***

Commission shall make its assessments of high-risk third countries publicly available.

Amendment 188
Proposal for a regulation
Article 23 – paragraph 6

Text proposed by the Commission	*Amendment*
6. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis to ensure that the specific countermeasures identified pursuant to paragraph 5 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	6. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis***, within one month of any relevant change in the assessment by international organisations and standard setters, and at least every two years*** to ensure that the specific countermeasures identified pursuant to paragraph 5 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.

Amendment 189
Proposal for a regulation
Article 24 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The Commission, when drawing up the delegated acts referred to in paragraph 2 shall take into account information on jurisdictions under increased monitoring by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them.	3. The Commission, when drawing up the delegated acts referred to in paragraph 2 shall take into account information on jurisdictions under increased monitoring by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them. ***The Commission shall also consider, where appropriate, any relevant assessments by AMLA or other Union institutions, bodies and agencies, competent authorities, civil society organisations, and academia. The***

	Commission shall make its assessments of high risk third countries publicly available.

Amendment 190
Proposal for a regulation
Article 24 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis to ensure that the specific enhanced due diligence measures identified pursuant to paragraph 4 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	5. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis***, within one month of any relevant change in the assessment by international organisations and standard setters, and at least every two years*** to ensure that the specific enhanced due diligence measures identified pursuant to paragraph 4 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.

Amendment 191
Proposal for a regulation
Article 25 – title

Text proposed by the Commission	*Amendment*
Identification of third countries posing a threat to the Union's financial system	Identification of third countries posing a ***specific and serious*** threat to the Union's financial system

Amendment 192
Proposal for a regulation
Article 25 – paragraph 1

Text proposed by the Commission	*Amendment*
1. ***The Commission is empowered to adopt delegated acts in accordance with*** Article ***60 identifying*** third countries that pose a specific and serious threat to the	1. ***In the context of its tasks specified in*** Article ***5 (1) (b) of Regulation (EU) .../... [insert reference to AMLA Regulation], AMLA shall monitor and***

financial system of the Union and the proper functioning of the internal market other than those covered by Articles 23 and 24.	***assess, in line with the risk-based approach,*** third countries that pose a specific and serious threat to the financial system of the Union and the proper functioning of the internal market other than those covered by Articles 23 and 24. ***AMLA shall carry out the assessment referred to in the first subparagraph on its own initiative, or following a request from the European Parliament, the Council or the Commission.*** ***Following a request from the European Parliament, the Council or the Commission, AMLA shall analyse whether a specific third country poses a specific and serious threat to the financial system of the Union and the proper functioning of the internal market and assess whether specific enhanced due diligence measures or countermeasures should be proposed in accordance with paragraph 3 in order to mitigate such threat. Where AMLA concludes that the specific third country referred to in the first subparagraph does not pose a specific and serious threat to the financial system of the Union, it shall provide a report to the requesting institution within [30/ 60] days of receipt of the request stating the reasons for its decision.***

Amendment 193
Proposal for a regulation
Article 25 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. ***The Commission, when drawing up the delegated acts*** referred to in paragraph 1, shall take into account ***in particular*** the following criteria:	2. ***For the purpose of identifying and monitoring the third countries posing a specific and serious threat to the financial system of the Union and the proper functioning of the internal market*** referred to in paragraph 1, ***and determining the level of threat, AMLA***

	shall take into account the following criteria ***where relevant***:

Amendment 194
Proposal for a regulation
Article 25 – paragraph 2 – point a – point i

Text proposed by the Commission	*Amendment*
(i) the criminalisation of money laundering and terrorist financing;	(i) the criminalisation of money laundering and ***its predicate offences and*** terrorist financing;

Amendment 195
Proposal for a regulation
Article 25 – paragraph 2 – point a – point v

Text proposed by the Commission	*Amendment*
(v) the availability of accurate and timely information of the beneficial ownership of legal persons and arrangements to competent authorities;	(v) the ***requirements relating to*** the availability of accurate and timely information of the beneficial ownership of legal persons and arrangements to competent authorities ***held by a public authority or body functioning as a beneficial ownership register, or an alternative mechanism that is as efficient***;

Amendment 196
Proposal for a regulation
Article 25 – paragraph 2 – point a – point v a (new)

Text proposed by the Commission	*Amendment*
	(va) the laws, regulations and administrative provisions of the third country prevent the effective cooperation with competent authorities and judicial authorities of the Member States;

Amendment 197
Proposal for a regulation
Article 25 – paragraph 2 – point a – point v b (new)

Text proposed by the Commission	*Amendment*
	(vb) policies in relation to targeted financial sanctions and proliferation financing-related targeted financial sanctions and requirements to mitigate and manage the risks of non-implementation and evasion such sanctions;

Amendment 198
Proposal for a regulation
Article 25 – paragraph 2 – point a – point v c (new)

Text proposed by the Commission	*Amendment*
	(vc) whether the third country is on the Union list of non-cooperative jurisdictions for tax purposes;

Amendment 199

Proposal for a regulation
Article 25 – paragraph 2 – point a – point v d (new)

Text proposed by the Commission	*Amendment*
	(vd) whether the third country legal framework provides financial secrecy;

Amendment 200
Proposal for a regulation
Article 25 – paragraph 2 – point a – point v e (new)

Text proposed by the Commission	*Amendment*
	(ve) whether the third country's actions run counter to the FATF core principles or represent a gross violation of the

commitment to international cooperation;

Amendment 201
Proposal for a regulation
Article 25 – paragraph 2 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) the quality and effectiveness of financial supervision;

Amendment 202
Proposal for a regulation
Article 25 – paragraph 2 – point c b (new)

Text proposed by the Commission	*Amendment*
	(cb) the existence of a regulatory framework for crypto-assets service providers;

Amendment 203
Proposal for a regulation
Article 25 – paragraph 2 – point c c (new)

Text proposed by the Commission	*Amendment*
	(cc) the extent to which that third country is identified as having significant levels of corruption or other criminal activity;

Amendment 204
Proposal for a regulation
Article 25 – paragraph 2 – point c d (new)

Text proposed by the Commission	*Amendment*
	(cd) the recurrence of the involvement of the third country in money laundering or terrorist financing, as reflected in criminal analyses and investigations by

	Member States' competent authorities, and notably those supported by Europol.

Amendment 205
Proposal for a regulation
Article 25 – paragraph 3

Text proposed by the Commission	*Amendment*
3. For the purposes of determining the level of threat referred to in paragraph 1***, the Commission may request AMLA to adopt an*** opinion ***aimed at assessing*** the specific impact on the integrity of the Union's financial system due to the level of threat posed by a third country.	3. For the purposes of determining the level of threat referred to in paragraph 1 ***and identifying mitigating measures AMLA shall take into account any*** opinion ***issued by EBA, ESMA or EIOPA concerning*** the specific impact on the ***orderly functioning and*** integrity of the Union's financial system due to the level of threat posed by a third country.

Amendment 206
Proposal for a regulation
Article 25 – paragraph 4

Text proposed by the Commission	*Amendment*
4. ***The Commission, when drawing up the delegated acts referred to in paragraph 1***, shall take into account ***in particular*** relevant evaluations, assessments or reports drawn up by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.	4. ***When monitoring identifying the third countries posing a specific and serious threat to the Union and determining the level of threat***, ***AMLA shall assess the impact of such threat on the financial system of the Union and on the proper functioning of the internal market. AMLA*** shall take into account***, where appropriate, any*** relevant ***public revelations,*** evaluations, assessments or reports drawn up by ***other Union institutions, bodies and agencies, competent authorities, civil society organisations and academia as well as*** international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.

Amendment 207
Proposal for a regulation
Article 25 – paragraph 5

Text proposed by the Commission	*Amendment*
5. Where the identified specific and serious threat from the concerned third country amounts to a significant strategic deficiency, Article 23(4) shall apply and the delegated act referred to in paragraph 2 shall identify specific countermeasures as referred to in Article 23(5).	***deleted***

Amendment 208
Proposal for a regulation
Article 25 – paragraph 6

Text proposed by the Commission	*Amendment*
6. Where the identified specific and serious threat from the concerned third country amounts to a compliance weakness, the delegated act referred to in paragraph 2 shall identify specific enhanced due diligence measures as referred to in Article 24(4).	***deleted***

Amendment 209
Proposal for a regulation
Article 25 – paragraph 7

Text proposed by the Commission	*Amendment*
7. ***The Commission shall review the delegated acts*** referred to in paragraph ***2*** on a regular basis to ensure that the measures referred to in ***paragraphs 5 and 6*** take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	7. ***In order to ensure a consistent approach towards threats of money laundering or terrorist financing coming from the third countries*** referred to in paragraph ***1, AMLA shall identify specific enhanced due diligence measures that obliged entities shall apply to mitigate risks related to business relationships or***

occasional transactions involving natural or legal persons from a high third country that poses a specific and serious threat to the Union.

For that purpose, AMLA shall develop draft regulatory technical standards to specify the appropriate enhanced due diligence measures, proportionate to the level of threat, among those listed in Article 28(4), points (a) to (g) that obliged entities shall apply. AMLA shall submit those draft regulatory technical standards to the Commission for adoption. Those draft regulatory technical standards shall be based on a purely technical assessment of the risks of money laundering and terrorist financing and do not imply strategic decisions or policy choices.

The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in this paragraph in accordance with Articles 38 to 41 of Regulation (EU) .../... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

AMLA shall review the regulatory technical standards referred to in paragraph 5 on a regular basis ***and at least every two years*** to ensure that the measures referred to in ***that paragraph*** take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks. ***If necessary, AMLA shall prepare and submit to the Commission the draft for updating those standards.***

Amendment 210
Proposal for a regulation
Article 25 – paragraph 7 a (new)

Text proposed by the Commission	*Amendment*
	7a. If the specific and serious threat to the financial system of the Union persists and no effective measures have been taken or are being taken by the third country to mitigate the high risks, the Commission shall adopt by means of delegated acts specific countermeasures among those listed in Article 29, where justified by the nature of the threat. For that purpose, the Commission shall request AMLA to issue an opinion aimed at assessing the measures which may have been taken or are being taken by the third country to mitigate the threat and identifying possible countermeasures.
	In case of significant divergences with the opinion of AMLA, the Commission shall carry out a reasoned analysis, which shall be made publicly available.

Amendment 211
Proposal for a regulation
Article 25 a (new)

Text proposed by the Commission	*Amendment*
	Article 25a
	Identification of credit or financial institutions not established in the Union posing a specific and serious threat to the Union's financial system
	1. AMLA shall assess, in line with the risk-based approach, whether specific credit or financial institutions not established in the Union which pose a specific and serious threat to the financial system of the Union.
	AMLA shall carry out the assessment referred to in the first subparagraph on its own initiative following information

received in the context of its supervisory tasks, or following a request from the European Parliament, the Council, a Member State, or a supervisor.

2. For the purpose of the identification of credit or financial institutions as referred to in paragraph 1, AMLA shall take into account in particular the following criteria as regards the credit or financial institution:

(a) the involvement of such entity in money laundering and terrorist financing;

(b) any connections with organised crime and terrorism;

(c) compliance with customer due diligence procedures;

(d) any illegal activities; and

(e) the provision of products and services prohibited in the Union, such as anonymous accounts, and other anonymising tools providing for the anonymization of the customer account or obfuscation of transactions, as its main activity.

3. For the purpose of identifying credit of financial institutions as referred to in paragraph 1, AMLA shall take into account, where appropriate, any relevant information, public revelations and relevant evaluations, assessments or reports drawn up by other Union institutions, bodies, agencies and competent authorities, civil society organisations and academia, as well as by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.

Where relevant, AMLA may launch a public consultation to seek information on the criteria laid down in paragraph 2, and request information to third country

supervisory authorities, FIUs and Europol, as deemed appropriate.

AMLA shall take into account any opinion issued by EBA, ESMA or EIOPA, for the purposes of determining the level of threat referred to in paragraph 1, assessing the degree of exposure of the Union to a specific credit or financial institution not established in the Union, and the specific impact of the concerned credit or financial institution on the orderly functioning and integrity of the Union's financial system. (616)

4. Where AMLA concludes that a specific credit or financial institution not established in the Union poses a specific and serious threat to the financial system of the Union which cannot be eliminated by other means, it shall require selected obliged entities to adopt one or more of the following measures:

(a) the application of elements of enhanced due diligence;

(b) the introduction of enhanced relevant reporting mechanisms or systematic reporting of financial transactions;

(c) limiting business relationships or transactions with that credit institution or financial institution.

5. Where a coordinated action by competent authorities is necessary to respond to a specific and serious threat to the integrity of the Union's financial system or the proper functioning of the internal market, AMLA shall be empowered to adopt decisions requiring national competent authorities to ensure that non-selected obliged entities are required to take the necessary mitigating measures with respect to specific credit or financial institutions in accordance with the AMLA decision referred to in

paragraph 4.

6. Where the analysis referred to in paragraph 1 is requested by the Commission, the European Parliament, the Council, a Member State, or by a supervisor, and AMLA concludes that a specific credit or financial institution not established in the Union does not pose a specific and serious threat to the financial system of the Union, it shall provide a reasoned justification to the requestor within 60 days.

AMLA shall publish on its website a notice regarding any decision as referred to in paragraph 4. The notice shall at least specify the measures imposed in accordance with that paragraph and the reasons why AMLA is of the opinion that it is necessary to impose the measures including the evidence supporting those reasons.

A measure shall take effect when the notice is published on the AMLA website or at a time specified in the notice that is after its publication. Where it decides to impose a measure as referred to in paragraph 4, AMLA shall notify the competent authorities without delay.

Amendment 212
Proposal for a regulation
Article 26 – paragraph 3

Text proposed by the Commission	*Amendment*
3. In issuing and reviewing the guidelines referred to in paragraph 1, AMLA shall take into account evaluations, assessments or reports of international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing**.**	3. In issuing and reviewing the guidelines referred to in paragraph 1, AMLA shall take into account evaluations, assessments or reports of ***Union institutions, bodies and agencies, and competent authorities,*** international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist

financing

Amendment 213
Proposal for a regulation
Article 27 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) verify the identity of the customer and the beneficial owner after the establishment of the business relationship, provided that the specific lower risk identified justified such postponement***,*** but in any case no later than ***30*** days of the relationship being established***;***	(a) verify the identity of the customer and the beneficial owner after the establishment of the business relationship, provided that the specific lower risk identified***, in the business-wide risk assessment and the customer risk assessment,*** justified such postponement but in any case no later than ***60*** days of the relationship being established***.***

Amendment 214
Proposal for a regulation
Article 27 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
The measures referred to in the first subparagraph shall be proportionate to the nature and size of the business and to the specific elements of lower risk identified. However, obliged entities shall carry out sufficient monitoring of the transactions and business relationship to enable the detection of unusual or suspicious transactions.	The measures referred to in the first subparagraph shall be proportionate to the nature***, type of activity*** and size of the business and to the specific elements of lower risk identified. However, obliged entities shall carry out sufficient monitoring of the transactions and business relationship to enable the detection of unusual or suspicious transactions.

Amendment 215
Proposal for a regulation
Article 27 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Obliged entities shall verify on a regular basis that the conditions for the application of simplified due diligence	4. Obliged entities shall verify on a regular basis that the conditions for the application of simplified due diligence

continue to exist. The frequency of such verifications shall be commensurate to the nature and size of the business and the risks posed by the specific relationship**.**	continue to exist. The frequency of such verifications shall be commensurate to the nature***, type of activity*** and size of the business and the risks posed by the specific relationship

Amendment 216
Proposal for a regulation
Article 27 – paragraph 5 – point d a (new)

Text proposed by the Commission	*Amendment*
	(da) the customer, or the beneficial owner is subjected to targeted financial sanctions or

Amendment 217
Proposal for a regulation
Article 27 – paragraph 5 – point d b (new)

Text proposed by the Commission	*Amendment*
	(db) the customer is a family members or a person known to be a their close associates of persons subject to targeted financial sanctions.

Amendment 218
Proposal for a regulation
Article 28 – paragraph 1

Text proposed by the Commission	*Amendment*
1. In the cases referred to in Articles 23, 24, 25 and 30 to ***36,*** as well as in other cases of higher risk that are identified by obliged entities pursuant to Article 16(2), second subparagraph ('cases of higher risk'), obliged entities shall apply enhanced customer due diligence measures to manage and mitigate those risks appropriately.	1. In the cases referred to in Articles 23, 24, 25 and 30 to ***36b*** as well as in other cases of higher risk that are identified by obliged entities pursuant to Article 16(2), second subparagraph ('cases of higher risk'), obliged entities shall apply enhanced customer due diligence measures to manage and mitigate those risks appropriately.

Amendment 219
Proposal for a regulation
Article 28 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Obliged entities shall examine the origin and destination of funds involved in, and the purpose of, all transactions that fulfil at least one of the following conditions:	2. Obliged entities shall examine the origin and destination of funds involved in, and the purpose of, all transactions that ***are atypical and may*** fulfil at least one of the following conditions:

Amendment 220
Proposal for a regulation
Article 28 – paragraph 4 – introductory part

Text proposed by the Commission	*Amendment*
4. With the exception of the cases covered by Section 2 of this Chapter, in cases of higher risk, obliged entities may apply any of the following enhanced customer due diligence measures, proportionate to the higher risks identified:	4. With the exception of the cases covered by Section 2 of this Chapter, in cases of higher risk, obliged entities may ***shall*** apply ***at least one*** of the following enhanced customer due diligence measures, proportionate to the higher risks identified:

Amendment 221
Proposal for a regulation
Article 28 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
Where the risks identified by the Member States pursuant to the first subparagraph are likely to affect the financial system of the Union, AMLA shall, upon a request from the Commission or ***of*** its own initiative, consider updating the guidelines adopted pursuant to Article 26.	Where the risks identified by the Member States pursuant to the first subparagraph are likely to affect the financial system of the Union, AMLA shall, upon a request from the Commission or ***on*** its own initiative, consider updating the guidelines adopted pursuant to Article 26 ***or, where appropriate, issue draft regulatory technical standards to impose enhanced due diligence requirements upon obliged***

	entities uniformly within the Union and submit them to the Commission for adoption.

Amendment 222
Proposal for a regulation
Article 28 – paragraph 5 a (new)

Text proposed by the Commission	*Amendment*
	5a. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 5 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

Amendment 223
Proposal for a regulation
Article 28 – paragraph 6

Text proposed by the Commission	*Amendment*
6. Enhanced customer due diligence measures shall not be invoked automatically with respect to branches or subsidiaries of obliged entities established in the Union which are located third countries referred to in Articles 23, 24 and 25 where those branches or subsidiaries fully comply with the group-wide policies, controls and procedures in accordance with Article 14.	***deleted***

Amendment 224
Proposal for a regulation
Article 29 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
For the purposes of Articles 23 and 25, the Commission ***may*** choose from among the following countermeasures:	For the purposes of Articles 23 and 25, the Commission ***shall*** choose from among the following countermeasures:

Amendment 225
Proposal for a regulation
Article 29 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. In addition to the countermeasures chosen under paragraph 1, Member States shall not grant residence status to nationals of countries referred to in Article 23, 24 and 25 on the basis of national schemes that grant citizenship or residence rights in exchange for any kind of investments, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget.

Amendment 226
Proposal for a regulation
Article 30 a (new)

Text proposed by the Commission	*Amendment*
	Article 30a
	Specific enhanced due diligence measures for correspondent cross-border relationships with non-Union entities providing crypto-asset services
	1. With respect to correspondent cross-border relationships involving the provision of crypto-asset services as

defined in Article 3(16) of Regulation (EU) .../... [MiCA] with a respondent entity not established in the Union and providing similar services, including transfers of crypto-assets, crypto-asset service providers shall, in addition to the customer due diligence measures laid down in Article 16, be required when entering into a business relationship, to:

(a) determine that the respondent entity is registered or licenced under the law of a third country;

(b) gather sufficient information about the correspondent entity to understand fully the nature of the respondent institution's business and to determine from publicly available information the reputational risk of the entity and the quality of supervision;

(c) assess the respondent entity's AML/CFT controls;

(d) obtain approval from senior management before establishing the correspondent relationship;

(e) document the respective responsibilities of each party to the correspondent relationship;

(f) with respect to payable-through crypto-asset accounts, be satisfied that the respondent entity has verified the identity of, and performed ongoing due diligence on, the customers having direct access to accounts of the correspondent entity, and that it is able to provide relevant customer due diligence data to the correspondent entity, upon request.

Where crypto-asset service providers decide to terminate correspondent relationships for reasons relating to anti-money laundering and counter-terrorist financing policy, they shall document and record their decision.

	Crypto-asset service providers shall update the due diligence information obtained pursuant to paragraph 1 for the correspondent relationship on a regular basis or when new risks emerge in relation to the respondent entity.
	2. Crypto-asset service providers shall take into account the information referred to in the first paragraph in order to determine, on a risk sensitive basis, the appropriate enhanced due diligence measures required to mitigate the risks associated with the respondent entity.
	3. By … [two years after the date of entry into force of this Regulation], AMLA shall, after consulting EBA, issue guidelines specifying the criteria and elements that crypto-asset services providers shall take into account for conducting the assessment referred to in paragraph 1 and the risk mitigating measures referred to in paragraph 2, including the variables and risk factors criteria to be taken into account to assess the level of risk associated with a particular category of crypto-asset service provider.

Amendment 227
Proposal for a regulation
Article 30 b (new)

Text proposed by the Commission	*Amendment*
	Article 30b
	Specific enhanced due diligence regarding crypto-assets transactions involving a self-hosted address
	1. In addition to the customer due diligence measures laid down in Article 16, and without prejudice to the measures required by Regulation (EU) .../... [please insert reference – proposal for a recast of

Regulation (EU) 2015/847 - COM/2021/422 final], crypto-asset service providers shall have in place appropriate risk management systems, including risk-based procedures, to identify and assess the risk of money laundering and terrorist financing as well as the risk of non-implementation or evasion of targeted financial sanctions associated with crypto-assets transactions directed to or originating from a self-hosted address.

2. With respect to the transactions referred to in paragraph 1, crypto-asset service providers shall apply mitigating measures commensurate with the risks identified. Those measures shall include:

(a) taking risk-based measures to verify through suitable technical means whether the self-hosted address is owned or controlled by their customers;

(b) taking risk-based measures to identify, and verify the identity of the person who owns or controls or benefits from a self-hosted address, to the extent possible outside the framework of a customer relationship, including through reliance on third party verification;

(c) requiring additional information on the origin and destination of the crypto-assets, in accordance with a risk based approach;

(d) conducting enhanced monitoring of those transactions, in accordance with a risk based approach;

(e) any other risk-based measure to mitigate and manage the risks of money laundering and terrorist financing as well as the risk of non-implementation and evasion of targeted financial sanctions.

Where the identification and verification is not technically feasible, crypto-asset service providers shall apply appropriate alternative measures to mitigate and

manage the risks of money laundering and terrorist financing as well as the risk of non-implementation or evasion of targeted financial sanctions, in accordance with regulatory technical standards referred to in paragraph 3.

3. By … [two years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall be developed taking into account of technological developments and shall specify the following:

(a) the criteria and means for the identification and verification of a self-hosted address, whether or not it is owned or controlled by a customer, including criteria for secure and trusted means of electronic identification and verification performed by third parties; (b) alternative risk-mitigating measures to be applied where the verification of a self-hosted address owned or controlled by a third party is not technically feasible outside of a customer relationship;

(c) other enhanced due diligence measures associated with the level of risk posed by transactions with a self-hosted address.

4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

Amendment 228
Proposal for a regulation
Article 31 a (new)

Text proposed by the Commission	*Amendment*
	Article 31a
	Prohibition of correspondent relationships with unregistered or unlicensed entities providing crypto asset services
	Credit and financial institutions shall not enter into or continue a correspondent relationships with unregistered or unlicensed entities providing crypto-asset services. Credit and financial institutions shall take appropriate measures to ensure that they do not engage in or continue correspondent relationships with an entity that is known to allow its accounts or distributed ledger addresses to be used by an unregistered or unlicensed entity providing crypto-asset services.

Amendment 229
Proposal for a regulation
Article 31 b (new)

Text proposed by the Commission	*Amendment*
	Article 31b
	Public register on shell banks and unregistered and unlicensed entities providing crypto-asset services
	1. Where competent authorities, supervisors or obliged entities become aware of shell banks and unregistered and unlicensed crypto-asset service providers operating within or outside the Union, they shall inform AMLA.
	2. AMLA shall establish and maintain an indicative and non-exhaustive public register of shell banks and unregistered

and unlicensed entities providing crypto-asset services based on information which may be provided by competent authorities, supervisors, obliged entities and any additional information at its disposal. That register shall be publicly available in machine-readable format.

3. AMLA shall update the register referred to in paragraph 2 on a regular basis, taking into account any changes in circumstances concerning the entities included in the list or any relevant information that has been brought to its attention.

Amendment 230
Proposal for a regulation
Article 31 c (new)

Text proposed by the Commission	*Amendment*
	Article 31c
	Specific provisions regarding applicants for citizenship and residence by investment schemes
	In addition to the customer due diligence measures laid down in Article 16, with respect to customers who are third-country nationals who apply for residence rights in a Member State in exchange for any kind of investment, including transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget, obliged entities shall, as a minimum, carry out enhanced customer due diligence measures as set out in Article 28(4), points (a) (c) (e) and (f).

Amendment 231Proposal for a regulation
Article 32 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) take adequate measures to establish the source of wealth and source of funds that are involved in business relationships or transactions with politically exposed persons;	(b) take adequate measures to establish the source of wealth and source of funds that are involved in business relationships or ***occasional*** transactions with politically exposed persons;

Amendment 232
Proposal for a regulation
Article 32 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. By [***3*** years from the date of entry into force of this Regulation], AMLA shall issue guidelines on the following matters:	3. By … [***two*** years from the date of entry into force of this Regulation], AMLA shall issue guidelines on the following matters:

Amendment 233
Proposal for a regulation
Article 35 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Obliged entities shall apply one or more of the measures referred to in Article 28(4) to mitigate the risks posed by the business relationship**,** until such time as that person is deemed to pose no further risk, but in any case for not less than ***12*** months following the time when the individual is no longer entrusted with a prominent public function.	2. Obliged entities shall apply one or more of the measures referred to in Article ***28(4)*** to mitigate the risks posed by the business relationship***. Obliged entities shall apply those measures in a manner proportionate to the risks identified*** until such time as that person is deemed to pose no further risk, but in any case for not less than ***24*** months following the time when the individual is no longer entrusted with a prominent public function.

Amendment 234
Proposal for a regulation
Article 36 a (new)

Text proposed by the Commission	*Amendment*
	Article 36a
	Specific provisions regarding certain high-net-worth customers
	1. In addition to the customer due diligence measures laid down in Article 16, obliged entities shall have in place appropriate risk management systems, including risk-based procedures, to determine whether the customer or the beneficial owner of the customer is a high risk high-net-worth individual.
	2. A customer whose wealth derives from the extractive industry, or from reported links with politically exposed persons, or from the exploitation of monopolies in third countries identified by credible sources or acknowledged processes as having significant levels of corruption or other criminal activity shall be considered to be a high-risk high-net-worth individual where:
	a) obliged entities other than those referred to in Article 3 (3) (b):
	i) have a business relationship with that customer that exceeds EUR 1 000 0000, calculated on the basis of the customer's financial or investable wealth or assets either under management by the obliged entity or relating to which the obliged entity offers material aid, assistance or advice, excluding the customer's main private residence, regardless of whether that amount is reached at the time of establishment of the business relationship or after in the course of one year; or
	ii) perform an occasional transaction, or offer material aid, assistance or advice relating to an occasional transaction for that customer that exceeds EUR 1 000 0000; b) obliged entities referred to in

Article 3 (3)

(b) obliged entities referred to in Article 3 (3) (b):

(i) act on behalf of and for that customer in any business relationship or occasional transaction which exceeds EUR 1 000 000; or

(ii) when they assist in the planning or carry out transactions for that customer which, alone or combined in the course of a business relationship which extend over one year, exceed EUR 1 000 000.

3. Without prejudice to paragraph 2, for the purposes of paragraph 1, obliged entities shall also consider information obtained as part of the customer due diligence process and ongoing monitoring of transactions in accordance with this Chapter or any other relevant information at their disposal.

4. For the purpose of this Article, extraction of natural resources extractive industry means any activity involving the exploration, prospection, discovery, development, and extraction of minerals, oil, natural gas deposits or other materials, within the economic activities listed in Section B, Divisions 05 to 08 of Annex I to Regulation (EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2, as referred to in Article 41(1) of Directive 2013/34.

5. With respect to transactions or business relationships with high risk high-net-worth customers who present high risk factors as referred to in paragraph 1, obliged entities shall apply the following enhanced due diligence measures:

(a) take adequate measures to establish the source of wealth and source of funds

that are involved in business relationships or occasional transactions with those customers and determine to the extent possible be satisfied that the business relationships or transactions are not linked to money laundering, terrorist financing or predicate offences or in accordance with Union law, whether committed in the Union or in third countries;

(b) obtain senior management approval for establishing or continuing business relationships with those customers as well as for carrying out occasional transactions with those customers;

(c) conduct enhanced, ongoing monitoring of business relationships with those customers.

Amendment 235
Proposal for a regulation
Article 36 b (new)

Text proposed by the Commission	*Amendment*
	Article 36b
	Specific provisions regarding offshore financial centres
	1. In addition to the customer due diligence measures laid down in Article 16 and without prejudice to any stricter measures applicable under Section 2, obliged entities shall have in place appropriate risk management systems, including risk-based procedures, to determine whether the customer or the beneficial owner of the customer is a legal entity established or having a substantial link with an a jurisdiction designated by AMLA as an offshore financial centre.
	2. With respect to transactions or business relationships with legal entities companies established or having a

substantial link with an offshore financial centre, obliged entities shall apply the following measures, on a risk sensitive basis:

(a) gather sufficient information about the legal entity to understand fully the nature of the business of that entity;

(b) obtain senior management approval for establishing or continuing business relationships with that legal entity;

(c) take adequate measures to establish the source of funds that are involved in business relationships or transactions with the legal entity;

(d) conduct enhanced, ongoing monitoring of those business relationships.

3. AMLA shall develop draft regulatory technical standards to specify what constitutes a substantial link as referred to in paragraph 1 and further specify the criteria for the identification of offshore financial centres as defined in Article 2, taking into account:

a) the inclusion of non-cooperative jurisdictions in the Annex I of the EU list of non-cooperative jurisdictions for tax purposes;

b) the provision of financial secrecy, as identified by credible sources/ acknowledged processes;

c) the absence of minimum substance requirements for legal entities;

AMLA shall develop draft implementing technical standards to specify the offshore financial centres identified in accordance with the criteria referred to in the first subparagraph.

AMLA shall adopt those draft implementing technical standards and submit them to the Commission for adoption by … [two years after the date

of entry into force of this Regulation].

Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.

AMLA shall review the list of offshore financial centres on a regular basis and at least every two years and submit proposals for amendments to the Commission.

4. For the purpose of paragraph 3, AMLA shall also take into account the relevant lists and definitions of offshore financial centres adopted by international organisations and standard setters as well as relevant evaluations, assessments, reports or public statements drawn up by them.

AMLA shall develop those technical standards by … [two years from the date of entry into force of this Regulation] and submit them to the Commission for adoption. Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.

Amendment 236
Proposal for a regulation
Article 36 c (new)

Text proposed by the Commission	*Amendment*
	Article 36c
	Persons subject to restrictive measures by international organisations
	1. Obliged entities shall report to the FIUs where they detect any business relationship or occasional transaction with persons subject to UN sanctions as referred in Annex III point (1) (d) in the

temporary period between the moment the UN designation is made publicly available and the moment targeted financial sanctions adopted by the Union become applicable.

In the circumstances referred to in the first subparagraph, obliged entities shall refrain from carrying out any transaction related to a person subject to UN sanctions until they have notified the FIU and have complied with any further specific instruction from the FIU.

2. When the FIU receives a notification as referred to in paragraph 1 of this Article, it may decide to suspend any transaction or account in accordance with Article 20 of Directive [insert reference to AMLD6]

3. This Article is without prejudice to the possibility of Member States to apply temporary measures that ensure a higher level of protection of the financial system of the Union, such as temporary measures applying UN designations directly pending the adoption by the Union of targeted financial sanctions.

Amendment 237
Proposal for a regulation
Article 37 a (new)

Text proposed by the Commission	*Amendment*
	Article 37a
	Monitoring of transactions with regard to risks posed by targeted financial sanctions
	1. Without prejudice to other measures required by Union law relating to targeted financial sanctions, credit and financial institutions shall screen the information accompanying a transfer of funds or crypto-assets pursuant to [please insert reference – Regulation on information

accompanying transfers of funds and certain crypto-assets (Recast)] in order to assess whether the payee or the payer of a funds transfer, or the originator or the beneficiary of a transfer of crypto-assets, are subject to targeted financial sanctions.

By … [two years after the entry into force of this Regulation] AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption.

Those draft regulatory technical standards shall specify:

(a) which information shall be screened by the credit or financial institution of the payer as well as the relevant obligations of this institution;

(b) which information shall be screened by the credit or financial institution of the payee as well the relevant obligations of this institution;

The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

Amendment 238
Proposal for a regulation
Article 38 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Obliged entities may rely on other obliged entities, whether situated in a Member State or in a third country, to meet the customer due diligence requirements laid down in Article 16(1), points (a), (b)	1. Obliged entities may rely on other obliged entities, whether situated in a Member State or in a third country, to meet the customer due diligence requirements laid down in Article 16(1), points (a), (b)***, (c) and (d), and Article 21 (2) and (3)***,

and (c), provided that:	provided that:

Amendment 239
Proposal for a regulation
Article 38 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Obliged entities shall not rely on obliged entities established in third countries identified pursuant to Section 2 of this Chapter. ***However, obliged entities established in the Union whose branches and subsidiaries are established in those third countries may rely on those branches and subsidiaries, where all the conditions set out in paragraph 3, points (a) to (c), are met.***	4. Obliged entities shall not rely on obliged entities established in third countries identified pursuant to Section 2 of this Chapter.

Amendment 240
Proposal for a regulation
Article 38 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. Reliance on other obliged entities may also include the re-use of relevant customer due diligence information and documentation obtained and processed by that entity.

Amendment 241
Proposal for a regulation
Article 40 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Obliged entities may outsource tasks deriving from requirements under this Regulation for the purpose of performing customer due diligence to an agent or external service provider***, whether*** a natural or legal person, with the exception	1. Obliged entities may outsource tasks deriving from requirements under this Regulation for the purpose of performing customer due diligence to an agent or external service provider***. Such tasks can be outsourced to*** a natural or legal person,

of natural or legal persons residing or established in third countries identified pursuant to Section 2 of this Chapter.	with the exception of natural or legal persons residing or established in third countries identified pursuant to Section 2 of this Chapter.

Amendment 242
Proposal for a regulation
Article 40 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) ***the drawing up and*** approval of the obliged entity's policies, controls and procedures to comply with the requirements of this Regulation;	(c) approval of the obliged entity's policies, controls and procedures to comply with the requirements of this Regulation;

Amendment 243
Proposal for a regulation
Article 40 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) the ***attribution of a risk profile to a prospective client and the entering*** into a business relationship with ***that*** client;	(d) the ***decision to enter*** into a business relationship with ***a*** client ***based on the attribution of a risk profile***;

Amendment 244
Proposal for a regulation
Article 40 – paragraph 2 – point e

Text proposed by the Commission	*Amendment*
(e) the ***identification*** of criteria for the detection of suspicious or unusual transactions and activities;	(e) the ***approval*** of criteria for the detection of suspicious or unusual transactions and activities;

Amendment 245
Proposal for a regulation
Article 40 – paragraph 2 – point f

Text proposed by the Commission	*Amendment*
(f) the reporting of suspicious activities or threshold-based declarations to the FIU pursuant to Article 50.	(f) the reporting of suspicious activities or threshold-based declarations to the FIU pursuant to Article 50***, unless such activities are outsourced to a service provider belonging to the same group as the obliged entity and which is established in the same Member State as the obliged entity***.

Amendment 246
Proposal for a regulation
Article 40 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Where an obliged entity outsources a task pursuant to paragraph 1, it shall ensure that the agent or external service provider applies the measures and procedures adopted by the obliged entity. The conditions for the performance of such tasks shall be laid down in a written agreement between the obliged entity and the outsourced entity. The obliged entity shall perform regular controls to ascertain the effective implementation of such measures and procedures by the outsourced entity. The frequency of such controls shall be determined on the basis of the critical nature of the tasks outsourced.	3. Where an obliged entity outsources a task pursuant to paragraph 1, it shall ensure that the agent or external service provider applies the measures and procedures adopted by the obliged entity. The conditions for the performance of such tasks shall be ***clearly specified and*** laid down in a written agreement between the obliged entity and the outsourced entity. The obliged entity shall perform regular controls to ascertain the effective implementation of such measures and procedures by the outsourced entity. The frequency of such controls shall be determined on the basis of the critical nature of the tasks outsourced. ***The obligation to lay down in a written agreement the conditions for the performance of customer due diligence tasks by the outsourced entity shall be without prejudice to any obligation of the obliged entity under Regulation (EU) 2016/679. Any subsequent outsourcing of tasks by the outsourced entity to other third party service providers shall be foreseen in the written agreement with the obliged entity, provided that the***

	outsourced entity maintains full responsibility for applying the measures and procedures agreed with the obliged entity.

Amendment 247
Proposal for a regulation
Article 40 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. Where an obliged entity outsources a task pursuant to paragraph 1 which requires the consultation of beneficial ownership registers referred to in Article 10 of Directive [insert reference to AMLD6] and in accordance with the rules laid down in Article 11 of Directive [insert reference to AMLD6], the obliged entity shall notify the respective supervisor of the outsourcing agreement.

Amendment 248
Proposal for a regulation
Article 41 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
By [3 years after the entry into force of this Regulation], AMLA shall issue guidelines addressed to obliged entities on:	By [3 years after the entry into force of this Regulation], AMLA***, in cooperation with the ESAs,*** shall issue guidelines addressed to obliged entities on:

Amendment 249
Proposal for a regulation
Article 41 a (new)

Text proposed by the Commission	*Amendment*
	Article 41a
	Unwarranted de-risking, non-discrimination and financial inclusion

1. Credit and financial institutions shall have in place controls and procedures to ensure that and in the application of customer due diligence requirements provided under this Chapter does not result in the unwarranted refusal, or termination, of business relationships with entire categories of customers and that obliged entities comply with Article 15 and Article 16(2) of Directive 2014/92/EU. The internal policies, controls and procedures of credit and financial institutions shall include options for mitigating the risks of money laundering and terrorist financing that obliged entities will consider applying before deciding to reject a customer on the grounds of a risk of money laundering or terrorist financing.

The internal policies and procedures of credit and financial institutions shall include options and criteria to adjust the features of products or services offered to a given customer on an individual and risk-sensitive basis and, where applicable, in accordance with the level of services offered under Directive 2014/92/EU.

2. Without prejudice to paragraph 1, credit and financial institutions shall have in place internal policies, controls and procedures to ensure that the application of customer due diligence requirements provided under this Chapter does not result in the undue exclusion of non-profit organisations and their representatives and associates from access to financial services exclusively on the basis of geographical risk.

3. Obliged entities shall not rely exclusively on information provided by public authorities from the third countries covered by Articles 23, 24 and 25, as well as from the third countries covered by a decision adopted in accordance with Chapter 2 of Title V of the Treaty on

	European Union providing for the interruption or reduction, in part or completely, of economic and financial relations.
	4. By ... [three years after the entry into force of this Regulation], AMLA and EBA shall jointly issue guidelines on the clarification of the relationship between requirements in this Chapter and access to financial services, including in relation to the interactions between this Chapter and Directive (EU) 2014/92 and Directive (EU) 2015/2366. Those guidelines shall include guidance on how to maintain a balance between financial inclusion of categories of customers particularly affected by de-risking, and AML/CFT requirements. The guidelines shall clarify how risk can be mitigated in relation to those customers and ensure transparent and fair processes for customers.

Amendment 250
Proposal for a regulation
Article 42 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. In case of corporate entities, the beneficial owner(s) as defined in Article 2(22) shall be the natural person(s) who control(s), directly or indirectly, the corporate entity, either through an ownership interest or through control via other means.	1. In case of corporate ***and other legal*** entities ***regardless of form or structure***, the beneficial owner(s) as defined in Article 2(22) shall be the natural person(s) who ***owns, or*** control(s), directly or indirectly, the corporate ***or other legal*** entity, either through an ownership interest or through control via other means.

Amendment 251
Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
For the purpose of this Article***, 'control through*** an ownership interest' shall mean an ownership of ***25%*** plus one of the shares or voting rights or other ownership interest in the corporate entity, including through bearer shareholdings, on every level of ownership.	For the purpose of this Article an ownership interest' shall mean an ownership of ***15 %*** plus one of the shares or voting rights or other ***direct or indirect*** ownership interest in the corporate entity, including through bearer shareholdings, on every level of ownership. ***In assessing whether there is an ownership interest in the corporate entity, shareholdings on every level of ownership shall be taken into account. Indirect ownership shall be calculated by multiplying the shares or voting rights or other ownership interests held by the intermediate entities in the chain and by adding together the results from the various chains.*** ***For the purpose of this Article, 'control of the corporate or legal entity' means the possibility to exercise, directly or indirectly, significant influence and impose relevant decisions within the corporate or legal entity. The 'indirect control of the corporate or legal entity' means control of intermediate entities in the chain or in various chains of the structure, where the direct control is identified on each level of the structure, insofar the control over intermediate entities allows for a natural person to control the legal entity.***

Amendment 252
Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 2 – introductory part

Text proposed by the Commission	*Amendment*
For the purpose of this Article, 'control via other means' ***shall include*** at least one of the following***:***	For the purpose of this Article, 'control ***of the corporate or legal entity' including control*** via other means' ***includes*** at least

	one of the following:

Amendment 253
Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) the ***ability to exert a significant*** influence ***on*** the decisions taken by the corporate entity, including veto rights, decision rights and any decisions regarding profit distributions or leading to a shift in assets;	(b) the ***exercise of dominant*** influence ***over*** the decisions taken by the corporate entity, including veto rights, decision rights and any decisions regarding profit distributions or leading to a shift in assets;

Amendment 254
Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) ***links with family members*** of managers or directors/those owning or controlling the corporate entity;	(d) ***control through informal means, such as close personal connections with relatives or associates*** of managers or directors/those owning or controlling the corporate entity;

Amendment 255
Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 2 – point e

Text proposed by the Commission	*Amendment*
(e) use of formal or informal nominee arrangements***.***	(e) use of formal or informal nominee arrangements***, including powers to manage or dispose of the corporate entity's assets or income, in particular its bank or financial accounts;***

Amendment 256
Proposal for a regulation
Article 42 – paragraph 1 – subparagraph 2 – point e a (new)

Text proposed by the Commission	*Amendment*
	(ea) control through debt instruments or other financing arrangements.

Amendment 257
Proposal for a regulation
Article 42 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Member States shall notify to the Commission by [3 months from the date of application of this Regulation] a list of the types of corporate and other legal entities existing under their national laws with beneficial owner(s) identified in accordance with paragraph 1. The notification shall include the specific categories of entities, description of characteristics, names and, where applicable, legal basis under the national laws of the Member States. It shall also include an indication of whether, due to the specific form and structures of legal entities other than corporate entities, the mechanism under Article 45(3) applies, accompanied by a detailed justification of the reasons for that.	3. Member States shall notify to the Commission by … [3 months from the date of application of this Regulation] a list of the types of corporate and other legal entities existing under their national laws with beneficial owner(s) identified in accordance with paragraph 1. The notification shall include the specific categories of entities, description of characteristics, names and, where applicable, legal basis under the national laws of the Member States. It shall also include an indication of whether, due to the specific form and structures of legal entities other than corporate entities, the mechanism under Article 45(3) applies, accompanied by a detailed justification of the reasons for that. ***In that notification, Member States shall also include other legal entities or vehicles to which, under national law, identification of beneficial ownership information is not deemed applicable, in particular if that is the case for investment vehicles such as special purpose vehicles or entities, protected cell companies or series limited liability companies.***

Amendment 258
Proposal for a regulation
Article 42 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The Commission shall ***make recommendations to*** Member States ***on*** the specific rules and criteria to ***identity*** the beneficial owner(s) of legal entities other than corporate entities ***by [1 year*** from the date of application of this Regulation]. ***In the event that Member States decide not to apply any of the recommendations, they shall notify the Commission thereof and provide a justification for such a decision.***	4. The Commission shall ***determine*** the specific rules and criteria to ***identify*** the beneficial owner(s) of legal entities other than corporate entities ***through the adoption of a delegated act by … [six months*** from the date of application of this Regulation].

Amendment 259
Proposal for a regulation
Article 42 – paragraph 5 – point a

Text proposed by the Commission	*Amendment*
(a) companies listed on a regulated market that is subject to disclosure requirements consistent with Union legislation or subject to equivalent international standards***; and***	(a) companies listed on a regulated market that is subject to disclosure requirements consistent with Union legislation or subject to equivalent international standards***, except for undertakings active in the extractive industry as defined in Article 41 (1) of Directive 2013/34;***

Amendment 260
Proposal for a regulation
Article 42 – paragraph 5 a (new)

Text proposed by the Commission	*Amendment*
	5a. By way of derogation from paragraph 1 of this Article, an ownership interest shall mean an ownership of 5 % plus one share or voting right or other ownership interest in the corporate entity, for the following legal entities:

	i) undertakings active in the extractive industry as defined in Article 41 (1) of Directive 2013/34;
	ii) legal entities that are exposed to a higher risk of money laundering and terrorist financing as identified by the Commission in accordance with paragraph 5b.

Amendment 261
Proposal for a regulation
Article 42 – paragraph 5 b (new)

Text proposed by the Commission	*Amendment*
	5b. By … [three months from the date of application of this Regulation], Member States shall provide the Commission with a list of all categories of corporate and other legal entities existing in their territory.
	The Commission shall be empowered to identify, by means of delegated acts, the categories of legal entities or sectors that are associated with higher risk of money laundering and terrorist financing and its predicate offences for which a threshold of 5% shall be an ownership interest.
	For the purpose of the first subparagraph, the Commission shall consult AMLA and take into account the national risk assessment carried out in accordance with Article 8 of Directive and any additional information provided by the Member States. [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].
	In order to identify the categories of legal entities or sectors of higher risk in accordance with this paragraph, the Commission shall, where relevant, consult experts from the private sector, civil society and academia. The Commission

	shall review the delegated acts on a regular basis to ensure that the categories of corporate entities identified as associated with higher risks are correct, and that the lower thresholds imposed are proportionate and adequate to the risks identified.

Amendment 262
Proposal for a regulation
Article 43 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) the settlor(s);	(a) the ***economic and legal*** settlor(s);

Amendment 263
Proposal for a regulation
Article 43 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. In the case of legal entities and legal arrangements similar to express trusts, the beneficial owners shall be the natural persons holding equivalent or similar positions to those referred to under paragraph 1.	2. In the case of legal entities and legal arrangements similar to express trusts, the beneficial owners shall be the natural persons holding equivalent or similar positions to those referred to under paragraph 1. ***In the event that the parties of the express trust laid down in paragraph 1, point (a), (b), (c), or (d) are corporate or legal entities or arrangements themselves, the beneficial owner shall be the natural person who owns, directly or indirectly, those entities or arrangements, through an ownership of at least one share or voting right or other ownership interest in the corporate entity or the ultimate natural persons who exercise control through a chain of control or ownership of corporate or legal entities or arrangements or through control via other means.***

Amendment 264
Proposal for a regulation
Article 44 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) the first name and surname, full place and date of birth, residential address, country of residence and nationality or nationalities of the beneficial owner, national identification number and source of it, such as passport or national identity document, ***and, where applicable, the tax identification number or other equivalent number assigned to the person by his or her country of usual residence;***	(a) the first name and surname, full place and date of birth, residential address, country of residence and nationality or nationalities of the beneficial owner, national identification number and source of it, such as passport or national identity document,

Amendment 265
Proposal for a regulation
Article 44 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Beneficial ownership information ***shall be obtained*** within ***14*** calendar days from ***the*** creation ***of legal entities or legal arrangements***. It shall be updated promptly, and in any case no later than ***14*** calendar days following any change of the beneficial owner(s), and on an annual basis.	2. ***The entities referred to in Articles 42 and 43 shall obtain adequate, accurate, and current*** beneficial ownership information within ***21*** calendar days from ***their*** creation. It shall be updated promptly, and in any case no later than ***21*** calendar days following any change of the beneficial owner(s), and on an annual basis.

Amendment 266
Proposal for a regulation
Article 45 – paragraph 1 – subparagraph 2

Text proposed by the Commission	*Amendment*
The beneficial owner(s) of corporate or other legal entities shall provide those entities with all the information necessary for the corporate or other legal entity.	The beneficial owner(s) of corporate or other legal entities shall provide those entities with all the information necessary for the corporate or other legal entity ***and shall inform obliged entities without***

undue delay about all changes relating to beneficial ownership.

Amendment 267
Proposal for a regulation
Article 45 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Where, after having exhausted all possible means of identification pursuant to Articles 42 and 43, no person is identified as beneficial owner, or where there is any doubt that the person(s) identified is the beneficial owner(s), the corporate or other legal entities shall keep records of the actions taken in order to identify their beneficial owner(s).	2. Where, after having exhausted all possible means of identification pursuant to Articles 42 and 43, no person is identified as beneficial owner, or where there is any doubt that the person(s) identified is the beneficial owner(s), the corporate or other legal entities shall keep records of the actions taken in order to identify their beneficial owner(s) ***and hold additional information available on a risk-sensitive basis, and promptly provide it to competent authorities where required, including resolutions of the board of directors and minutes of their meetings, partnership agreements, trust deeds, informal arrangements determining powers equivalent to powers of attorney or other contractual agreements and documentation***.

Amendment 268
Proposal for a regulation
Article 45 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. In the cases referred to in paragraph 2, when providing beneficial ownership information in accordance with Article 16 of this Regulation and Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], corporate or other legal entities shall	3. In the cases referred to in paragraph 2, when providing beneficial ownership information in accordance with Article 16 of this Regulation and Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], corporate or other legal entities shall provide the following ***information, which***

provide the following:	***shall be clearly stated in the register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***:

Amendment 269
Proposal for a regulation
Article 46 – title

Text proposed by the Commission	*Amendment*
Trustees obligations	Trustees obligations ***relating to the identification of beneficial owners of express trusts or similar legal arrangements***

Amendment 270
Proposal for a regulation
Article 46 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. Where the trustee or person holding an equivalent position in a similar legal arrangement is not established or resides in the Union, beneficial ownership information shall be obtained and held in the conditions laid down in paragraph 1 by the settlor, provided that:
	1) the express trust or legal arrangement is governed under the law of one Member State; or
	2) either the settlor, the protector or the beneficiary are residents in one Member State.

Amendment 271
Proposal for a regulation
Article 47 – title

Text proposed by the Commission	*Amendment*
Nominees obligations	***Measures to mitigate risks relating to nominee shareholders and nominee directors***

Amendment 272
Proposal for a regulation
Article 47 – paragraph 1

Text proposed by the Commission	*Amendment*
Nominee shareholders and nominee directors of a corporate or other legal entities shall maintain adequate, accurate and current information on the identity of their nominator and the nominator's beneficial owner(s) and disclose them, as well as their status, to the corporate or other legal entities. Corporate or other legal entities shall report this information to the registers set up pursuant to Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	Nominee shareholders and nominee directors of a corporate or other legal entities ***shall be granted a licence under national law to offer nominee services and*** shall maintain adequate, accurate and current information on the identity of their nominator and the nominator's beneficial owner(s) and disclose them, as well as their status, to the corporate or other legal entities***, regardless of whether the nominee arrangements are formal or informal***. Corporate or other legal entities shall report this information to the registers set up pursuant to Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]. ***Corporate and other legal entities shall also report this information to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.***

Amendment 273
Proposal for a regulation
Article 48 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) enter into a business relationship with an obliged entity;	(a) enter into ***or hold*** a business relationship with an obliged entity;

Amendment 274
Proposal for a regulation
Article 48 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) acquire real estate in their territory.	(b) ***own or*** acquire ***land or*** real estate in their territory.

Amendment 275
Proposal for a regulation
Article 48 – paragraph 1 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) own or acquire goods as referred to in Article 16b and Article 16c of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], unless Member States make the beneficial ownership information available in other registers or electronic data retrieval systems in accordance with Articles 16b or 16c of that Directive;

Amendment 276
Proposal for a regulation
Article 48 – paragraph 1 – point b b (new)

Text proposed by the Commission	*Amendment*
	(bb) own or acquire a majority or minority stake in bodies governed by public law, as defined in Article 2(1), point (4) of Directive 2014/24/EU of the European Parliament and of the Council;

Amendment 277
Proposal for a regulation
Article 48 – paragraph 1 – point b c (new)

Text proposed by the Commission	*Amendment*
	(bc) are awarded a public procurement for goods, services or concessions or have been awarded a public procurement for goods, services or concessions that is ongoing.

Amendment 278
Proposal for a regulation
Article 48 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Where the legal entity, the trustee of the express trust or the person holding an equivalent position in a similar legal arrangement enters into multiple business relationships or acquires real estate in different Member States, a certificate of proof of registration of the beneficial ownership information in a central register held by one Member State shall be considered as sufficient proof of registration.	2. Where the legal entity, the trustee of the express trust or the person holding an equivalent position in a similar legal arrangement enters into multiple business relationships or acquires ***land or*** real estate ***other relevant high value goods or assets referred to in point (ba)*** in different Member States, a certificate of proof of registration of the beneficial ownership information in a central register held by one Member State shall be considered as sufficient proof of registration.

Amendment 279
Proposal for a regulation
Article 48 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. With regard to already existing business relationships referred in paragraph 1, points (a), (ba) and (bd), or real estate owned as of … [the date of application of this Regulation], obliged entities and legal entities as referred to in paragraph 1 shall comply with the requirements set out in paragraphs 1 and 2 by … [six months after the date of application of this Regulation].

Amendment 280
Proposal for a regulation
Article 49 – paragraph 2

Text proposed by the Commission	*Amendment*
Member States shall notify those rules on sanctions by [6 months after the entry into force of this Regulation] to the Commission together with their legal basis and shall notify it without delay of any subsequent amendment affecting them.	Member States shall notify those rules on sanctions by **…** [6 months after the entry into force of this Regulation] to the Commission together with their legal basis and shall notify it without delay of any subsequent amendment affecting them. ***By … [two years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall define indicators to classify the level of gravity of infringements and criteria to be taken into account when setting the level of administrative sanctions, including ranges of pecuniary sanctions relative to the turnover of the entity that shall be applied as references for effective, proportionate and dissuasive sanctions.*** ***The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].***

Amendment 281
Proposal for a regulation
Article 50 – title

Text proposed by the Commission	*Amendment*
Reporting of suspicious ***transactions***	***Reporting of suspicions***

Amendment 282
Proposal for a regulation
Article 50 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Obliged entities shall report to the FIU all ***suspicious transactions***, including attempted transactions.	1. Obliged entities shall report ***all suspicions of money laundering, terrorist financing or predicate offences*** to the FIU, including suspicious attempted transactions.

Amendment 283
Proposal for a regulation
Article 50 – paragraph 1 – subparagraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) reporting to the FIU, on their own initiative, where the obliged entity knows, suspects or has reasonable grounds to suspect that funds, regardless of the amount involved, are the proceeds of criminal activity or are related to terrorist financing, and by responding to requests by the FIU for additional information in such cases;	(a) reporting to the FIU, on their own initiative, where the obliged entity knows, suspects or has reasonable grounds to suspect that funds, ***assets or activities,*** regardless of the amount involved, ***are related to*** the proceeds of criminal activity or are related to terrorist financing, and by responding to requests by the FIU for additional information in such cases;

Amendment 284
Proposal for a regulation
Article 50 – paragraph 1 – subparagraph 2

Text proposed by the Commission	*Amendment*
For the purposes of points (a) and (b), obliged entities shall reply to a request for information by the FIU within 5 ***days***. In justified and urgent cases, ***FIUs shall be***	For the purposes of points (a) and (b), obliged entities shall reply to a request for information by the FIU within five ***working days, unless the FIU determines***

able to shorten such a deadline ***to 24 hours***.	***a different deadline***. In justified and urgent cases, ***such as where transactions are in progress or a prompt action is required, FIUs may require the information to be provided as soon as possible, and within*** a deadline ***that shall not be longer than one working day***.

Amendment 285
Proposal for a regulation
Article 50 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
A suspicion is based on the characteristics of the customer, the size and nature of the transaction or activity, the link between several transactions or activities and any other circumstance known to the obliged entity, including the consistency of the transaction or activity with the risk profile of the client.	A suspicion ***may be*** based on the characteristics of the customer ***and their counterparts***, the size and nature of the transaction or activity***, the methods, techniques and patterns of execution of the transaction or activity, the use of anonymising tools***, the link between several transactions or activities and any other circumstance known to the obliged entity, including the ***origin of funds or assets and the*** consistency of the transaction or activity with the risk profile of the client ***and the characteristics of the transaction or customer when linked to patterns highlighted by the risk assessments conducted in accordance with Articles 7 and 8 of Directive (EU) .../... [please insert reference proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***.

Amendment 286
Proposal for a regulation
Article 50 – paragraph 3

Text proposed by the Commission	*Amendment*
3. By [two years after entry into force of this Regulation], AMLA shall develop draft implementing technical standards and	3. By **…** [two years after entry into force of this Regulation], AMLA shall develop draft implementing technical

submit them to the Commission for adoption. Those draft implementing technical standards shall specify the format to be used for the reporting of ***suspicious transactions*** pursuant to paragraph 1**.**	standards and submit them to the Commission for adoption. Those draft implementing technical standards shall specify the ***means and*** format to be used for the reporting of ***suspicions*** pursuant to paragraph 1. ***The technical standards shall include appropriate formats for the reporting of specific indicators that may be associated with crypto-asset transactions.***

Amendment 287
Proposal for a regulation
Article 50 – paragraph 5

Text proposed by the Commission	*Amendment*
5. AMLA shall issue and periodically update guidance on indicators of unusual or suspicious activity or behaviours.	5. AMLA shall issue and periodically update***, with the assistance of other Union bodies, offices and agencies involved in the AML/CFT framework,*** guidance on indicators of unusual or suspicious activity or behaviours.

Amendment 288
Proposal for a regulation
Article 50 – paragraph 6 a (new)

Text proposed by the Commission	*Amendment*
	6a. By ... [three years from the entry into force of this Regulation], AMLA shall develop an electronic filing system, (FIU.net one-stop-shop), to be used by obliged entities to submit to the FIU of the Member State in whose territory the obliged entity transmitting the information is established, and to any other concerned FIU, reports of suspicion of money laundering, predicate offences and terrorist financing, including on attempted transactions. The FIU.net one-stop-shop shall provide a single access point for reporting of suspicions through

protected channels of communications and via a standardised form, as well for communication between the competent FIUs and obliged entities, and for information and intelligence sharing between FIUs on submitted reports of suspicions. The FIU.net one-stop-shop shall be managed by AMLA, and shall be hosted by the FIU.net.

The FIU.net one-stop-shop shall become fully operational by … [five years from the entry into force of this Regulation], and its use for the submission of reports of suspicion and the transmission of information between obliged entities and competent FIUs shall become mandatory as of … [five years after entry into force of this Regulation].

The FIU.net one-stop-shop shall be established as a decentralised system. Information transmitted by obliged entities via such system shall be controlled and stored by the competent FIUs, in full compliance with the Union data protection acquis. When establishing the FIU.net one-stop-shop, AMLA shall specify the conditions for operational management of the system, its composition, and digital procedural standards enabling the interconnection through the single access points.

Amendment 289
Proposal for a regulation
Article 51 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. By way of derogation from Article 50(1), Member States may allow obliged entities referred to in Article 3, point (3)(a), (b) ***and (d)*** to transmit the information referred to in Article 50(1) to a self-regulatory body designated by the Member	1. By way of derogation from Article 50(1), Member States may allow obliged entities referred to in Article 3, point (3)(a), (b) to transmit the information referred to in Article 50(1) to a self-regulatory body designated by the Member State.

State.

Amendment 290
Proposal for a regulation
Article 51 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors shall be exempted from the requirements laid down in Article 50(1) to the extent that such exemption relates to information that they receive from, or obtain on, one of their clients, in the course of ascertaining the legal position of their client, or performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings.	2. Notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors shall be exempted from the requirements laid down in Article 50(1) to the extent that such exemption relates to information that they receive from, or obtain on, one of their clients, in the course of ascertaining the legal position of their client ***except where the legal advice is provided for the purpose of money laundering or terrorist financing, or where those persons know or have a well-grounded suspicion that the client is seeking legal advice for the purposes of money laundering or terrorist financing and the advice is not sought in relation to judicial proceedings***, or performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings. ***With regard to specific transactions that involve a particularly high risk of being used for money laundering or terrorist financing, Member States may adopt or maintain additional reporting obligations for the professionals mentioned in this paragraph to which the exemption from the requirements laid down in Article 50(1) does not apply. For that purpose, Member States may introduce specific provisions in national law on the application of requirements applicable to***

such professionals under Article 17.

Amendment 291
Proposal for a regulation
Article 52 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Obliged entities shall refrain from carrying out transactions which they know or suspect to be related to proceeds of criminal activity or to terrorist financing until they have completed the necessary action in accordance with Article 50(1), second subparagraph, point (a), and have complied with any further specific instructions from the FIU or other competent authority in accordance with the applicable law.	1. Obliged entities shall refrain from carrying out transactions which they know or suspect to be related to proceeds of criminal activity or to terrorist financing until they have completed the necessary action in accordance with Article 50(1), second subparagraph, point (a), and have complied with any further specific instructions from the FIU or other competent authority in accordance with the applicable law. ***Obliged entities may carry out the transaction concerned after a proper risk assessment if they have not received instructions to the contrary from the FIU within three days.***

Amendment 292
Proposal for a regulation
Article 54 – paragraph 5

Text proposed by the Commission	*Amendment*
5. For obliged entities referred to in Article 3, points (1), (2), (3)(a) and (b), in cases relating to ***the same customer and*** the same transaction involving two or more obliged entities, and by way of derogation from paragraph 1, disclosure may take place between the relevant obliged entities provided that they are located in the Union, or with entities in a third country which imposes requirements equivalent to those laid down in this Regulation, and that they are from the same category of obliged entities and are subject to professional secrecy and personal data protection	5. For obliged entities referred to in Article 3, points (1), (2), (3)(a) and (b), in cases relating to the same transaction involving two or more obliged entities, and by way of derogation from paragraph 1, disclosure may take place between the relevant obliged entities provided that they are located in the Union, or with entities in a third country which imposes requirements equivalent to those laid down in this Regulation, and that they are from the same category of obliged entities and are subject to professional secrecy and personal data protection requirements***, in***

requirements.	***line with the Union acquis on data protection***.

Amendment 293
Proposal for a regulation
Article 55 – paragraph 1

Text proposed by the Commission	*Amendment*
1. To the extent that it is strictly necessary for the purposes of preventing money laundering and terrorist financing, obliged entities may process special categories of personal data referred to in Article 9(1) of Regulation (EU) 2016/679 and personal data relating to criminal convictions and offences referred to in Article 10 of that Regulation subject to the safeguards provided for in paragraphs 2 and 3.	1. To the extent that it is strictly necessary for the purposes of preventing money laundering and terrorist financing ***and in accordance with the principle of proportionality***, obliged entities may process special categories of personal data referred to in Article 9(1) of Regulation (EU) 2016/679 and personal data relating to criminal convictions and offences referred to in Article 10 of that Regulation subject to the safeguards provided for in paragraphs 2 and 3.

Amendment 294
Proposal for a regulation
Article 55 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. Obliged entities shall be able to process personal data covered by Article 9 of Regulation (EU) 2016/679 provided that:	2. Obliged entities shall be able to process personal data covered by Article 9 ***and 10*** of Regulation (EU) 2016/679 provided that:

Amendment 295
Proposal for a regulation
Article 55 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) the data originate from reliable sources, are accurate and up-to-date;	(b) the data originate from reliable sources, are accurate***, adequate*** and up-to-

date;

Amendment 296
Proposal for a regulation
Article 55 – paragraph 2 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) the processing of the data does not lead to biased and discriminatory outcomes;

Amendment 297
Proposal for a regulation
Article 55 – paragraph 2 – point b b (new)

Text proposed by the Commission	*Amendment*
	(bb) obliged entities ensure the possibility of human intervention on the part of the controller by appropriately trained staff to verify automated individual decision-making;

Amendment 298
Proposal for a regulation
Article 55 – paragraph 2 – point b c (new)

Text proposed by the Commission	*Amendment*
	(bc) obliged entities ensure verification, where a higher risk is identified solely on the basis of special categories of data;

Amendment 299
Proposal for a regulation
Article 55 a (new)

Text proposed by the Commission	*Amendment*
	Article 55a

Exchange of data under partnerships for information sharing in AML/CFT field

1. For the purpose of combating money laundering and terrorist financing and related predicate offences, including for the fulfilment of their obligations under Chapter V of this Regulation, obliged entities and public authorities may participate in partnerships for information sharing in AML/CFT field established under national law in one or across several Member States.

2. Without prejudice to Article 54, each Member State may lay down in its national law that, to the extent that is necessary and proportionate, obliged entities, and where applicable, public authorities that are party to the partnership for information sharing in AML/CFT field, may share personal data collected in the course of performing customer due diligence obligations under Chapter III, and process that data within the partnership for the purposes of the prevention of money laundering and terrorist financing, provided that at a minimum:

(a) obliged entities concerned inform their customers or prospective customers that they may share their personal data under this paragraph;

(b) personal data shared originate from reliable sources, are accurate and up-to-date;

(c) the obliged entities concerned adopt measures of a high level of security in accordance with Article 32 of Regulation (EU) 2016/679, in particular in terms of confidentiality, including secure channels for exchange of information;

(d) each instance of sharing of personal data is recorded by obliged entities, and where applicable, public authorities, concerned; the records shall be made

	available, without prejudice to Article 54(1), to data protection authorities and authorities responsible for protection of customers from undue tipping-off upon request;
	(e) obliged entities and, where applicable, public authorities, that are party to the partnership for information sharing in AML/CFT field implement appropriate measures for protection of justified interests of the customer concerned. Further processing of personal data under this paragraph for other purposes, in particular commercial purposes, shall be prohibited.

Amendment 300
Proposal for a regulation
Article 57 – paragraph 1

Text proposed by the Commission	*Amendment*
Obliged entities shall have systems in place that enable them to respond fully and speedily to enquiries from their FIU or from other competent authorities, in accordance with their national law, as to whether they are maintaining or have maintained, during a five-year period prior to that enquiry a business relationship with specified persons, and on the nature of that relationship, through secure channels and in a manner that ensures full confidentiality of the enquiries.	Obliged entities shall have systems in place that enable them to respond fully and speedily to enquiries from their FIU or from other competent authorities, in accordance with their national law, as to whether they are maintaining or have maintained, during a five-year period prior to that enquiry a business relationship with specified persons, and on the nature of that relationship, through secure channels and in a manner that ensures full confidentiality of the enquiries. ***Such system shall also provide for the authentication of competent authorities.***

Amendment 301
Proposal for a regulation
Article 58 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Credit institutions, financial institutions and crypto-asset service providers shall be prohibited from keeping anonymous accounts, anonymous passbooks, anonymous safe-deposit boxes or anonymous crypto-asset ***wallets*** as well as any account otherwise allowing for the anonymisation of the customer account holder.	1. Credit institutions, financial institutions and crypto-asset service providers shall be prohibited from keeping anonymous ***bank and payment*** accounts, anonymous passbooks, anonymous safe-deposit boxes or anonymous crypto-asset ***accounts*** as well as any account otherwise allowing for the anonymisation of the customer account holder ***or the increased obfuscation of transactions***.

Amendment 302
Proposal for a regulation
Article 58 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
Owners and beneficiaries of existing anonymous accounts, anonymous passbooks, anonymous safe-deposit boxes or crypto-asset ***wallets*** shall be subject to customer due diligence measures before those accounts, passbooks, deposit boxes or crypto-asset ***wallets*** are used in any way.	Owners and beneficiaries of existing anonymous ***bank and payment*** accounts, anonymous passbooks, anonymous safe-deposit boxes or crypto-asset ***accounts*** shall be subject to customer due diligence measures before those accounts, passbooks, deposit boxes or crypto-asset ***accounts*** are used in any way.

Amendment 303
Proposal for a regulation
Article 59 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Persons trading in goods or providing services may accept or make a payment in cash only up to an amount of EUR ***10 000*** or equivalent amount in national or foreign currency, whether the transaction is carried out in a single operation or in several operations which appear to be linked.	1. Persons trading in goods or providing services may accept or make a payment in cash only up to an amount of EUR ***7 000*** or equivalent amount in national or foreign currency, whether the transaction is carried out in a single operation or in several operations which appear to be linked.

Amendment 304
Proposal for a regulation
Article 59 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. When implementing paragraph 1, Member States shall not discriminate between residents and non-residents with regard to the limits applicable for cash payments.

Amendment 305
Proposal for a regulation
Article 59 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Member States may adopt lower limits following consultation of the European Central Bank in accordance with Article 2(1) of Council Decision 98/415/EC[57] . Those lower limits shall be notified to the Commission within 3 months of the measure being introduced at national level.	2. Member States may adopt lower limits following consultation of the European Central Bank in accordance with Article 2(1) of Council Decision 98/415/EC***57 provided that financial inclusion is guaranteed in accordance with Article 15 and Article 16(2) of Directive 2014/92/EU. Any lower limit adopted by Member States shall be necessary to pursue legitimate objectives and proportionate to such objectives***. Those lower limits shall be notified to the Commission within 3 months of the measure being introduced at national level.
[57] Council Decision of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42).	[57] Council Decision of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42).

Amendment 306
Proposal for a regulation
Article 59 – paragraph 4 – point a

Text proposed by the Commission	*Amendment*
(a) payments between natural persons who are not acting in a professional function;	(a) payments between natural persons who are not acting in a professional function***, except for transactions related to land and real estate, precious metals and stones and other luxury goods above the corresponding thresholds as listed in Annex IIIa***;

Amendment 307
Proposal for a regulation
Article 59 – paragraph 4 – point b

Text proposed by the Commission	*Amendment*
(b) payments or deposits made at the premises of credit institutions. In such cases, the credit institution shall report the payment or deposit above the limit to the FIU.	(b) payments or deposits made at the premises of credit institutions. In such cases, the credit institution shall report the payment or deposit above the limit to the FIU ***except for recurrent instalments in accordance with an agreement with the credit institution***.

Amendment 308
Proposal for a regulation
Article 59 – paragraph 5

Text proposed by the Commission	*Amendment*
5. Member States shall ensure that appropriate measures, including sanctions, are taken against natural or legal persons ***acting in their professional capacity*** which are suspected of a breach of the limit set out in paragraph 1, or of a lower limit adopted by the Member States.	5. Member States shall ensure that appropriate measures, including sanctions, are taken against natural or legal persons which are suspected of a breach of the limit set out in paragraph 1, or of a lower limit adopted by the Member States.

Amendment 309
Proposal for a regulation
Article 59 a (new)

Text proposed by the Commission	*Amendment*
	Article 59a
	Payments in crypto-assets without the involvement of a crypto-asset service provider
	1. Persons trading in goods or providing services may accept or make a transfer in crypto-assets from a self-hosted address only up to an amount equivalent to EUR 1 000 whether the transaction is carried out in a single operation or in several operations which appear to be linked, unless the customer or beneficial owner of such self-hosted address can be identified.
	2. The limit referred to in paragraph 1 shall not apply to:
	(a) transfers of crypto-assets between natural persons who are not acting in a professional function;
	(b) transfers of crypto-assets involving a crypto-asset service provider.
	3. Member States shall ensure that appropriate measures, including sanctions, are taken against natural or legal persons acting in their professional capacity which are suspected of a breach of the limit set out in paragraph 1.
	4. The overall level of the sanctions shall be calculated, in accordance with the relevant provisions of national law, in such way as to produce results proportionate to the seriousness of the infringement, thereby effectively discouraging further offences of the same kind.
	5. By … [three years after entry into force of this Regulation], the Commission shall assess whether the provisions relating to payment in crypto-assets referred to in paragraph 1 should be

	amended, in light of the regulatory technical standards developed by AMLA in accordance with Article 30b and taking into account technological developments and the framework for a European Digital Identity. Where appropriate, the Commission shall present a legislative proposal.

Amendment 310
Proposal for a regulation
Article 60 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The power to adopt delegated acts referred to in Articles 23, 24 and ***25*** shall be conferred on the Commission for an indeterminate period ***of time*** from [date of entry into force of this Regulation].	2. The power to adopt delegated acts referred to in Articles 23, 24 and ***42*** shall be conferred on the Commission for an indeterminate period from [date of entry into force of this Regulation].

Amendment 311
Proposal for a regulation
Article 60 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The power to adopt delegated acts referred to in Articles 23, 24 and ***25*** may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.	3. The power to adopt delegated acts referred to in Articles 23, 24 and ***42*** may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.

Amendment 312
Proposal for a regulation
Article 60 – paragraph 6

Text proposed by the Commission	*Amendment*
6. A delegated act adopted pursuant to Articles 23, 24 and ***25*** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of one month of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.	6. A delegated act adopted pursuant to Articles 23, 24 and ***42*** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of one month of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.

Amendment 313
Proposal for a regulation
Article 62 – paragraph 1

Text proposed by the Commission	*Amendment*
By [***5*** years from the date of application of this Regulation], and every ***three*** years thereafter, the Commission shall present a report to the European Parliament and to the Council on the application of this Regulation.	By … [***three*** years from the date of application of this Regulation], and every ***two*** years thereafter, the Commission shall present a report to the European Parliament and to the Council on the application of this Regulation.

Amendment 314Proposal for a regulation
Article 63 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
By [***3*** years from the date of application of this Regulation], the Commission shall present reports to the European Parliament and to the Council assessing the need and proportionality of:	By [***two*** years from the date of application of this Regulation], the Commission shall present reports to the European Parliament and to the Council assessing the need and proportionality of:

Amendment 315
Proposal for a regulation
Article 63 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) ***lowering*** the percentage for the identification of beneficial ownership of legal entities;	(a) ***amending*** the percentage for the identification of beneficial ownership of legal entities;

Amendment 316
Proposal for a regulation
Article 63 – paragraph 1 – point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) introducing a prohibition on nominee arrangements as well as measures to detect undisclosed nominees, including in combination with transparency and licensing measures for different type of nominee arrangements;

Amendment 317
Proposal for a regulation
Article 63 – paragraph 1 – point a b (new)

Text proposed by the Commission	*Amendment*
	(ab) extending the prohibition on anonymous accounts to the provision by crypto-asset service providers of privacy wallets, mixers and tumblers;

Amendment 318
Proposal for a regulation
Article 63 – paragraph 1 – point a c (new)

Text proposed by the Commission	*Amendment*
	(ac) including as obliged entities in the scope of this Regulation professional sport clubs, sport federations and sport confederations and sport agents in sectors other than football;

Amendment 319
Proposal for a regulation
Article 63 – paragraph 1 – point a d (new)

Text proposed by the Commission	*Amendment*
	(ad) including as obliged entities in the scope of this Regulation additional categories of providers of digital services;

Amendment 320
Proposal for a regulation
Article 63 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) ***further lowering*** the limit for large cash payments.	(b) ***amending*** the limit for large cash payments***, following consultation with the European Central Bank***. ***Such reports shall be accompanied, if appropriate, by a legislative proposal.***

Amendment 321
Proposal for a regulation
Article 64 a (new)

Text proposed by the Commission	*Amendment*
	Article 64a ***Amendments to Regulation (EU) No xx/2023 [please insert reference to the new Funds Transfer Regulation]*** ***Regulation (EU) No xx/2023 [please insert reference to the new Funds Transfer Regulation] is amended as follows:*** ***(1) Article 23, second paragraph, is replaced by the following:*** ***'The European Banking Authority (EBA) shall issue guidelines by … [18 months***

after the date of entry into force of this Regulation] specifying the measures referred to in this Article. On ... [18 months after the date of entry into force of this Regulation], the power to issue such guidelines shall be transferred to the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA). Guidelines issued by EBA pursuant to this paragraph shall continue to apply until amended or repealed by AMLA.';

(2) Article 25 is amended as follows:

(a) Paragraph 1 is replaced by the following:

'1. The processing of personal data under this Regulation is subject to Regulation (EU) 2016/679. Personal data that is processed pursuant to this Regulation by the Commission, EBA or AMLA is subject to Regulation (EU) 2018/1725.';

(b) Paragraph 4, second subparagraph, is replaced by the following:

'The European Data Protection Board shall, after consulting EBA, issue guidelines on the practical implementation of data protection requirements for transfers of personal data to third countries in the context of transfers of crypto-assets. EBA shall issue guidelines on suitable procedures for determining whether to execute, reject, return or suspend a transfer of crypto-assets in situations where compliance with data protection requirements for the transfer of personal data to third countries cannot be ensured. On ... [18 months after the date of entry into force of this Regulation], the right to be consulted and the power to issue guidelines shall be transferred from EBA to AMLA. Guidelines issued by EBA pursuant to this paragraph shall continue

	to apply until amended or repealed by AMLA.';
	(3) Article 28 is replaced by the following:
	'1. Without prejudice to the right to provide for and impose criminal sanctions, Member States shall lay down rules on administrative sanctions and measures applicable to breaches of this Regulation and shall take the measures necessary to ensure that those rules are implemented. The sanctions and measures provided for shall be effective, proportionate and dissuasive and shall be consistent with those laid down in accordance with Chapter VI, Section 4, of Directive (EU) .../... [please insert reference to AML Directive].'.

Amendment 322
Proposal for a regulation
Article 65 – paragraph 2

Text proposed by the Commission	*Amendment*
It shall apply from [***3*** years from its date of entry into force].	It shall apply from … [***two*** years from its date of entry into force].

Amendment 323
Proposal for a regulation
Annex II – paragraph 1 – point 1 – point b

Text proposed by the Commission	*Amendment*
(b) public administrations ***or enterprises;***	(b) public administrations

Amendment 324
Proposal for a regulation
Annex III – paragraph 1 – point 1 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) customers who are high-net-worth individuals or whose beneficial owner is a high-net-worth individual whose wealth derives prominently from the extractive industry, or from links with politically exposed persons or from the exploitation of monopolies in third countries identified by credible sources or through acknowledged processes as having significant levels of corruption or other criminal activity;

Amendment 325
Proposal for a regulation
Annex III – paragraph 1 – point 1 – point d

Text proposed by the Commission	*Amendment*
(d) companies that have nominee shareholders or shares in bearer form;	(d) companies ***or other legal entities*** that have nominee shareholders or shares in bearer form ***or fiduciary deposits***;

Amendment 326
Proposal for a regulation
Annex III – paragraph 1 – point 1 – point g a (new)

Text proposed by the Commission	*Amendment*
	(ga) customer is subject to sanctions, embargos or similar measures issued by international organisations, such as the United Nations;

Amendment 327
Proposal for a regulation
Annex III a (new)

Text proposed by the Commission	*Amendment*
	List of luxury goods referred to in Article 3
	(1) Jewellery, gold- or silversmith articles of a value exceeding EUR 5 000;
	(2) Clocks and watches of a value exceeding EUR 5 000;
	(3) Motor vehicles, aircrafts and watercrafts of a value exceeding EUR 50 000;
	(4) Garments and clothing accessories of a value exceeding EUR 5 000;

Amendment 328
Proposal for a regulation
Article 15 – paragraph 4

Text proposed by the Commission	*Amendment*
4. In the case of credit institutions, the performance of customer due diligence shall also take place, under the oversight of supervisors, at the moment that the institution has been determined failing or likely to fail pursuant to Article 32(1) of Directive 2014/59/EU of the European Parliament and of the Council[52] or when the deposits are unavailable in accordance with Article 2(1)(8) of Directive 2014/49/EU of the European Parliament and of the Council[53] . Supervisors shall decide on the intensity and scope of such customer due diligence measures having regard to the specific circumstances of the credit institution.	4. In the case of credit institutions, the performance of customer due diligence shall also take place, ***where necessary*** under the oversight of supervisors, at the moment that the institution has been determined failing or likely to fail pursuant to Article 32(1) of Directive 2014/59/EU of the European Parliament and of the Council[52] or when the deposits are unavailable in accordance with Article 2(1)(8) of Directive 2014/49/EU of the European Parliament and of the Council[53] . Supervisors shall decide on the intensity and scope of such customer due diligence measures having regard to the specific circumstances of the credit institution.
[52] Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and	[52] Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and

amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council Text with EEA relevance (OJ L 173, 12.6.2014, p. 190).

[53] Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes Text with EEA relevance (OJ L 173, 12.6.2014, p. 149).

amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council Text with EEA relevance (OJ L 173, 12.6.2014, p. 190).

[53] Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes Text with EEA relevance (OJ L 173, 12.6.2014, p. 149).