



Plenary sitting

B9-0046/2019

16.9.2019

MOTION FOR A RESOLUTION

to wind up the debate on the statements by the Council and the Commission

pursuant to Rule 132(2) of the Rules of Procedure

on the state of implementation of anti-money laundering legislation
(2019/2820(RSP))

Gunnar Beck
on behalf of the ID Group

European Parliament resolution on the state of implementation of anti-money laundering legislation (2019/2820(RSP))

The European Parliament,

- having regard to the 40 recommendations issued by the Financial Action Task Force (FATF) in 1990 and their subsequent revisions, in particular Recommendations V and VIII,
 - having regard to the FATF’s international best practices on combating the abuse of non-profit organisations (Recommendation 8) and its Handbook for Countries and Assessors on evaluation and assessment,
 - having regard to Special Report No 35/2018 of the European Court of Auditors on ‘Transparency of EU funds implemented by NGOs’, which requests that the EU draw up a legal definition of NGOs,
 - having regard to the statements by the Council and the Commission of 18 September 2019 on the implementation of anti-money laundering legislation,
 - having regard to Rule 132(2) of its Rules of Procedure,
- A. whereas the European Union has adopted robust legislation to combat money laundering and terrorist financing;
- B. whereas the European Union is constantly revising and modernising its legislation in order to mitigate risks relating to money laundering and terrorist financing;
1. Stresses that NGOs are considered ‘subjects at risk’ in the Anti-Money Laundering (AML) Framework, either as fronts for terrorist organisations that raise and transfer funds, or as legitimate enterprises that indirectly support the aims of terrorist organisations;
 2. Is deeply concerned about increased cooperation between the public sector and civil society organisations, particularly NGOs, which are among the most common types of civil society organisations, since these organisations are vulnerable to money laundering and terrorist financing; stresses that this double-sided position of NGOs may have an impact on the efficacy of the measures currently in place at EU and international level to certify their transparency and accountability;
 3. Urges the Commission to incorporate NGOs explicitly into the scope of the AML Framework, thoroughly scrutinise their funding and expenditure, and adopt far-reaching transparency rules;
 4. Stresses that increased regulation and financial transparency of NGOs must become central to counterterrorism policies, in order to reduce NGOs’ vulnerability to abuse by terrorist organisations;

5. Urges the Commission not to cooperate, when debating or drafting AML rules, with NGOs that have not been thoroughly scrutinised and have not reported on the origin of their funds and expenditures;
6. Urges the Commission to adopt clear rules on engaging with NGOs in the debate and drafting process of new AML proposals, in order to avoid potential conflicts of interest;
7. Deplores the comments made by the Commission during the exchange of views of Parliament's Committee on Economic and Monetary Affairs with representatives of the Commission and the European Banking Authority on the state of implementation of anti-money laundering legislation, of 5 September 2019, namely that the Commission is not scrutinising NGOs 'in order not to criminalise them', which would seem to imply that economic agents already under scrutiny by the supervisory authorities under the AML Framework are somehow being criminalised;
8. Urges the Commission to come forward with a formal definition of NGOs, since the lack of such a definition frustrates efforts to regulate NGOs' transparency and fiscal accountability effectively;
9. Instructs its President to forward this resolution to the European Council, the Council, the Commission and the Financial Action Task Force.