The Commission is aware of scandals reported in the media in recent years, including billions of euros laundered in the EU originating from several jurisdictions, including Russia.

The Commission works closely with Financial Intelligence Units of Member States to assess the risks and exposures of the EU financial system to external threats in line with the EU anti-money laundering and countering the financing of terrorism (AML/CFT) legal framework. Identifying third country jurisdictions with strategic deficiencies in their national AML/CFT regimes that pose significant threats to the EU’s financial system is a legal obligation for the Commission. The Commission therefore works both in the framework of the Financial Action Task Force (FATF) and autonomously to ensure that countries with strategic deficiencies are listed by the EU so that obliged entities located in the EU take relevant actions to mitigate external threats.

In July 2021, the Commission adopted a package of legislative proposals to strengthen the EU’s AML/CFT rules. The package includes a set of directly-applicable rules and proposes a new EU Authority, which altogether should considerably improve the effectiveness of the EU’s AML regime. There are also further measures targeting risks stemming from third countries. The EU will continue to be able to list countries which are not listed by the FATF, but which pose a threat to the EU’s financial system based on an autonomous assessment. The EU will continue to require the financial and non-financial sectors to apply enhanced vigilance for transactions with high-risk third countries to avoid money from those countries being laundered in the EU. The package proposes that the new EU AML authority plays an important role by publishing regular guidelines on risks, trends and methods at global level to inform obliged entities about money laundering and terrorism financing *modus operandi*. It also introduces an obligation for non-EU legal entities with a link to the EU to register their beneficial ownership in the EU’s beneficial ownership registers.

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1 For example, the Commission publishes regularly a Supra-National Risk Assessment (SNRA) that provides information at the EU level on the main risks to which the EU financial system is exposed.