

PROPOSAL FOR A REGULATION ON INFORMATION ACCOMPANYING TRANSFERS OF FUNDS AND CERTAIN CRYPTO-ASSETS (RECAST) - Q3 2021

[DEPARTURES]

> ■■■ ACTION PLAN ON PREVENTING MONEY LAUNDERING AND TERRORIST FINANCING

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CONTENT

On 20 July 2021, the Commission adopted an anti-money laundering and countering the financing of terrorism (AML/CFT) legislative package, including a proposal for the revision of Regulation 2015/847/EU in order to make it possible to trace transfers of crypto-assets.

The anonymity associated with crypto assets, as well as their speed and global reach bring obvious risks of their being used for criminal purposes, especially cybercrime.

Europol's Internet Organised Crime Threat Assessment states that crypto currencies have become the default payment method for victim-to-criminal payments in ransomware, as well as criminal-to-criminal payments on the Darkweb.

The Commission's AML Package provides for the Revision of the 2015 Regulation on Transfers of Funds. The revised Regulation will extend the obligation of payment service providers to accompany transfers of funds with information on the payer and payee to crypto assets, giving effect to the Financial Action Taskforce (FATF)'s recommendation 16 on wire transfers and Recommendation 15 on virtual assets.

References:

- Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on information accompanying transfers of funds and certain crypto-assets (recast). COM/2021/422 final available at:
 - <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021PC0422>
 - See also: [https://oeil.secure.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2021/0241\(COD\)&l=en](https://oeil.secure.europarl.europa.eu/oeil/popups/ficheprocedure.do?reference=2021/0241(COD)&l=en)
 - European Commission Anti-money laundering and countering the financing of terrorism legislative package available at: https://ec.europa.eu/info/publications/210720-anti-money-laundering-countering-financing-terrorism_en
 - Europol Internet Organised Crime Threat Assessment available at: <https://www.europol.europa.eu/iocta-report>

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