Basic information

2021/0240(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Regulation	Procedure completed
Anti-Money Laundering Authority (AMLA) Amending Regulation 2010/1093 2009/0142(COD) Amending Regulation 2010/1094 2009/0143(COD) Amending Regulation 2010/1095 2009/0144(COD) **Subject** 2.50.04.02 Electronic money and payments, cross-border credit transfers 2.50.10 Financial supervision 2.80 Cooperation between administrations 7.30.20 Action to combat terrorism 7.30.30.08 Capital outflow, money laundering **Legislative priorities** Joint Declaration 2021 Joint Declaration 2022 Joint Declaration 2023-24	

Key players

	Joint committee responsible	Rapporteur	Appointed
European Parliament	ECON Economic and Monetary Affairs		
	LIBE Civil Liberties, Justice and Home Affairs	RADEV Emil (EPP)	03/10/2022
		Shadow rapporteur BENJUMEA BENJUMEA Isabel (EPP) MARQUES Pedro (S&D) TANG Paul (S&D) STRUGARIU Ramona (Renew) DELBOS-CORFIELD Gwendoline (Greens/EFA) ANDRESEN Rasmus (Greens/EFA) BRUDZIŃSKI Joachim Stanisław (ECR) MOŻDŻANOWSKA Andżelika Anna (ECR) BECK Gunnar (ID) TARDINO Annalisa (ID)	

	DALY Clare (The Left) SCHIRDEWAN Martin (The Left)	

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	HERBST Niclas (EPP)	20/12/2021
CONT Budgetary Control	FERNANDES José Manuel (EPP)	28/10/2021
JURI Legal Affairs	The committee decided not to give an opinion.	
AFCO Constitutional Affairs	SCHOLZ Helmut (The Left)	27/10/2021

Council of the European Union

European Commission

Commission DG	Commissioner
Financial Stability, Financial Services and Capital Markets Union	MCGUINNESS Mairead

European Economic and Social Committee

Key events

Date	Event	Reference	Summary
20/07/2021	Legislative proposal published	COM(2021)0421	Summary
04/10/2021	Committee referral announced in Parliament, 1st reading		
20/01/2022	Referral to joint committee announced in Parliament		
28/03/2023	Vote in committee, 1st reading		
28/03/2023	Committee decision to open interinstitutional negotiations with report adopted in committee		
05/04/2023	Committee report tabled for plenary, 1st reading	A9-0128/2023	Summary
17/04/2023	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 72)		
19/04/2023	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 72)		
19/03/2024	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE759.065 GEDA/A/(2024)001936	
24/04/2024	Results of vote in Parliament		

24/04/2024	Debate in Parliament		
24/04/2024	Decision by Parliament		
30/05/2024	Act adopted by Council after Parliament's 1st reading		
31/05/2024	Final act signed		
19/06/2024	Final act published in Official Journal		

Technical information

Procedure reference	2021/0240(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Amendments and repeals	Amending Regulation 2010/1093 2009/0142(COD) Amending Regulation 2010/1094 2009/0143(COD) Amending Regulation 2010/1095 2009/0144(COD)
Legal basis	Rules of Procedure EP 59 Treaty on the Functioning of the European Union TFEU 114-p1
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Procedure completed
Committee dossier	CJ12/9/08094

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee opinion	BUDG	PE719.588	17/05/2022	
Committee draft report		PE731.820	17/05/2022	
Committee opinion	CONT	PE719.717	18/05/2022	
Committee opinion	AFCO	PE700.579	03/06/2022	
Amendments tabled in committee		PE734.304	29/06/2022	
Amendments tabled in committee		PE734.198	05/07/2022	
Committee report tabled for plenary, 1st reading/single reading		A9-0128/2023	05/04/2023	Summary
Text agreed during interinstitutional negotiations		PE759.065	29/02/2024	
Text adopted by Parliament, 1st reading/single reading		T9-0366/2024	24/04/2024	Summary

Council of the EU

Document type	Reference	Date	Summary
Coreper letter confirming interinstitutional agreement	GEDA/A/(2024)001936	29/02/2024	

Draft final act	00035/2024/LEX	31/05/2024	

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2021)0421	20/07/2021	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	PT_PARLIAMENT	COM(2021)0421	08/11/2021	
Contribution	ES_PARLIAMENT	COM(2021)0421	22/11/2021	
Contribution	CZ_SENATE	COM(2021)0421	03/01/2022	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EDPS	Document attached to the procedure	N9-0001/2022	22/09/2021	
EESC	Economic and Social Committee: opinion, report	CES2524/2021	08/12/2021	
ECB	European Central Bank: opinion, guideline, report	CON/2022/0004 OJ C 210 25.05.2022, p. 0005	16/02/2022	

Additional information

Source	Document	Date
EP Research Service	Briefing	15/09/2022
European Commission	EUR-Lex	

Meetings with interest representatives published in line with the Rules of Procedure

Rapporteurs, Shadow Rapporteurs and Committee Chairs

Transparency

Name	Role	Committee	Date	Interest representatives
BENJUMEA BENJUMEA Isabel	Shadow rapporteur	ECON	15/02/2024	Representación Permanente de Francia
MARQUES Pedro	Shadow rapporteur	ECON	15/02/2024	French REPER

MARQUES Pedro	Shadow rapporteur	ECON	07/02/2024	Vice-Minister of Finance of Lithuania
MARQUES Pedro	Shadow rapporteur	ECON	29/01/2024	Mayor of Rome
BENJUMEA BENJUMEA Isabel	Shadow rapporteur	ECON	25/01/2024	Representación Permanente de Austria
MARQUES Pedro	Shadow rapporteur	ECON	15/01/2024	Ireland's Minister for Financial Services
HEINÄLUOMA Eero	Shadow rapporteur	ECON	30/11/2023	UEFA
HEINÄLUOMA Eero	Rapporteur	ECON	21/11/2023	American Chamber of Commerce to the European Union
HEINÄLUOMA Eero	Rapporteur	ECON	16/11/2023	EACB
HEINÄLUOMA Eero	Rapporteur	ECON	15/11/2023	UEFA
BENJUMEA BENJUMEA Isabel	Shadow rapporteur	ECON	03/10/2023	Embajada de Italia
HEINÄLUOMA Eero	Rapporteur	ECON	19/09/2023	European Association of Co-operative Banks
HEINÄLUOMA Eero	Rapporteur	ECON	12/09/2023	Permanent Representative of Malta to the EU
POPTCHEVA Eva-Maria Alexandrova	Rapporteur	ECON	30/06/2023	the Spanish Banking Association (AEB), the Spanish Confederation of Savings Banks (CECA) and the National Union of Credit Cooperatives (UNACC), the Spanish Union of Insurance Entities and Reinsurers (UNESPA), as well as the Association of Property, Commercial and Movable Property Registrars of Spain, the General Council of Notaries and Madrid Futuro Association, with the collaboration of the Ministry of Economic Affairs and Digital Transformation, the Community of Madrid and the City Council of Madrid.
BENJUMEA BENJUMEA Isabel	Shadow rapporteur	ECON	21/04/2023	CaixaBank, S.A.
MARQUES Pedro	Shadow rapporteur	ECON	23/03/2023	Permanent Representation of Austria to the European Union
BENJUMEA BENJUMEA Isabel	Rapporteur	ECON	22/03/2023	Ayuntamiento de Madrid
MARQUES Pedro	Shadow rapporteur	ECON	17/03/2023	Transparency International Liaison Office to the European Union
MARQUES Pedro	Shadow rapporteur	ECON	09/03/2023	Boekenbon
POPTCHEVA Eva-Maria Alexandrova	Rapporteur	ECON	23/02/2023	CaixaBank, S.A.
URTASUN Ernest	Shadow rapporteur	ECON	26/01/2023	Permanent Representation of Spain to the EU
MARQUES Pedro	Shadow rapporteur	ECON	26/01/2023	Fédération Bancaire Française
MARQUES Pedro	Shadow rapporteur	ECON	12/01/2023	Chef de la Task Force pour la candidature de la France à l'accueil de la future Autorité européenne de lutte contre le blanchiment d'argent (AMLA)
LÓPEZ AGUILAR	Committee		14/12/2022	Commissioner for financial services, financial stability and Capital Markets Union,

Juan Fernando	chair	LIBE		preserving and improving financial stability
MARQUES Pedro	Shadow rapporteur	ECON	25/11/2022	Transparency International Liaison Office to the European Union
MARQUES Pedro	Shadow rapporteur	ECON	24/11/2022	Crédit Agricole S.A.
MARQUES Pedro	Shadow rapporteur	ECON	21/11/2022	European Banking Authority
POPTCHEVA Eva-Maria Alexandrova	Rapporteur	ECON	15/11/2022	Transparency International Liaison Office to the European Union
MARQUES Pedro	Shadow rapporteur	ECON	21/10/2022	Austrian Chamber of Civil Law Notaries
MARQUES Pedro	Shadow rapporteur	ECON	19/10/2022	French Banking Federation
HEINÄLUOMA Eero	Rapporteur	ECON	05/09/2022	European commission
HEINÄLUOMA Eero	Rapporteur	ECON	02/09/2022	RUSI
RADEV Emil	Rapporteur	LIBE	06/07/2022	American Chamber of Commerce to the European Union
MARQUES Pedro	Shadow rapporteur	ECON	16/06/2022	Transparency International Liaison Office to the European Union
RADEV Emil	Rapporteur	LIBE	14/06/2022	Conseil des Notariats de l'Union Européenne
MARQUES Pedro	Shadow rapporteur	ECON	14/06/2022	Banco de Portugal
MARQUES Pedro	Shadow rapporteur	ECON	09/06/2022	PEPDATA
BENJUMEA BENJUMEA Isabel	Shadow rapporteur	ECON	08/06/2022	SEPBLAC
MARQUES Pedro	Shadow rapporteur	ECON	06/06/2022	Banco de Portugal
MARQUES Pedro	Shadow rapporteur	ECON	03/06/2022	Czech Permanent Representation
RADEV Emil	Rapporteur	LIBE	18/05/2022	Finance Denmark Finanssiala ry - Finance Finland
MARQUES Pedro	Shadow rapporteur	ECON	18/05/2022	European Securities and Markets Authority
MARQUES Pedro	Shadow rapporteur	ECON	13/05/2022	European Payment Institutions Federation
GARICANO Luis	Rapporteur	ECON	11/05/2022	International Center for Ukraine´s Victory Antac
MARQUES Pedro	Shadow rapporteur	ECON	06/05/2022	Nordic Banking associations
HEINÄLUOMA Eero	Rapporteur	ECON	27/04/2022	German Ministry of Finance & Permanent Representation of the Federal Republic of Germany to the European Union
GARICANO Luis	Rapporteur	ECON	26/04/2022	Colegio de Registradores de España
HEINÄLUOMA Eero	Rapporteur	ECON	21/04/2022	Philea – a joint Dafne & EFC convergence

PETER-HANSEN Kira Marie	Shadow rapporteur	ECON	08/04/2022	Finans Danmark
PETER-HANSEN Kira Marie	Shadow rapporteur	ECON	07/04/2022	Meeting with CEO's from the Nordic Banking Associations - and MEP Kira Maria Peter-Hansen + members from the Green's Secretariat
HEINÄLUOMA Eero	Rapporteur	ECON	06/04/2022	French banking Federation
HEINÄLUOMA Eero	Rapporteur	ECON	01/04/2022	Intrum
GARICANO Luis	Rapporteur	ECON	29/03/2022	European Banking Federation
GARICANO Luis	Rapporteur	ECON	28/03/2022	Transaction Monitoring Netherlands (TMNL)
HEINÄLUOMA Eero	Rapporteur	ECON	25/03/2022	Stripe, Inc.
HEINÄLUOMA Eero	Rapporteur	ECON	25/03/2022	AxHA
HEINÄLUOMA Eero	Rapporteur	ECON	25/03/2022	AGFW | Der Energieeffizienzverband für Wärme, Kälte und KWK e. V.
HEINÄLUOMA Eero	Rapporteur	ECON	23/03/2022	EACB
DELBOS-CORFIELD Gwendoline	Shadow rapporteur	LIBE	18/03/2022	Transparency International EU
HEINÄLUOMA Eero	Rapporteur	ECON	18/03/2022	ING
HEINÄLUOMA Eero	Rapporteur	ECON	18/03/2022	Ernst & Young Core Business Services
MARQUES Pedro	Shadow rapporteur	ECON	11/03/2022	German Insurance Association
MARQUES Pedro	Shadow rapporteur	ECON	08/03/2022	European Association of Co-operative Banks
MARQUES Pedro	Shadow rapporteur	ECON	07/03/2022	French banking federation
HEINÄLUOMA Eero	Rapporteur	ECON	04/03/2022	NEXI
MARQUES Pedro	Shadow rapporteur	ECON	04/03/2022	German Insurance Association
GARICANO Luis	Rapporteur	ECON	03/03/2022	Tilburg Institute for Law, Technology and Society
GARICANO Luis	Rapporteur	ECON	03/03/2022	Finance Denmark Finanssiala ry - Finance Finland Swedish Bankers´ Association
HEINÄLUOMA Eero	Rapporteur	ECON	01/03/2022	Finance Watch
GARICANO Luis	Rapporteur	ECON	25/02/2022	EUROFI
MARQUES Pedro	Shadow rapporteur	ECON	11/02/2022	European Banking Federation
MARQUES	Shadow			

Pedro	rapporteur	ECON	10/02/2022	Association of German Banks
MARQUES Pedro	Shadow rapporteur	ECON	28/01/2022	RELX
GARICANO Luis	Rapporteur	ECON	17/01/2022	Bruegel
GARICANO Luis	Rapporteur	ECON	14/01/2022	Tilburg Institute for Law, Technology and Society
MARQUES Pedro	Shadow rapporteur	ECON	14/01/2022	Eupportunity / Pepdata
MARQUES Pedro	Shadow rapporteur	ECON	16/12/2021	Privado
GARICANO Luis	Rapporteur	ECON	10/12/2021	Centre for European Policy Studies
MARQUES Pedro	Shadow rapporteur	ECON	02/12/2021	The Luxembourg Bankers' Association / ALFI - Luxembourg Fund Industry Association
MARQUES Pedro	Shadow rapporteur	ECON	02/12/2021	Western Union
GARICANO Luis	Rapporteur	ECON	26/11/2021	Transparency International Liaison Office to the European Union
MARQUES Pedro	Shadow rapporteur	ECON	22/11/2021	Association for Financial Markets in Europe
MARQUES Pedro	Shadow rapporteur	ECON	22/11/2021	The French banking Federation (FBF)
MARQUES Pedro	Shadow rapporteur	ECON	15/11/2021	Europol's Institutional Affairs Team
GARICANO Luis	Rapporteur	ECON	08/11/2021	Association of German Banks (BdB)
MARQUES Pedro	Shadow rapporteur	ECON	08/11/2021	EFAMA - European Fund and Asset Management Association
GARICANO Luis	Rapporteur	ECON	26/10/2021	QED
GARICANO Luis	Rapporteur	ECON	20/10/2021	Actuarial Association of Europe (AAE)
GARICANO Luis	Rapporteur	ECON	07/10/2021	JPMorgan Chase & Co
MARQUES Pedro	Shadow rapporteur	ECON	16/09/2021	Digital Currencies Governance Group Limited
MARQUES Pedro	Shadow rapporteur	ECON	18/06/2021	EUPPORTUNITY (QB, Lda.) PEPDATA

Other Members

Transparency		
Name	**Date**	**Interest representatives**
SIPPEL Birgit	26/01/2024	Bundeskanzleramt
SIPPEL Birgit	24/01/2024	German Permanent Representation
TANG Paul	04/05/2023	Landesverband für Markthandel und Schausteller Hessen e.V. Representation of the State of Hessen to the European Union

LALUCQ Aurore	27/03/2023	Tracfin
WALSH Maria	22/03/2023	Financial Services Ireland
LENAERS Jeroen	09/02/2023	Teya Services Ltd.
BJÖRK Malin	07/02/2023	Ridens
DE LANGE Esther	05/09/2022	Onfido
BOYER Gilles	28/04/2022	Fédération bancaire française

Final act	
Regulation 2024/1620 OJ OJ L 19.06.2024	Summary

Anti-Money Laundering Authority (AMLA)

2021/0240(COD) - 19/06/2024 - Final act

PURPOSE: to establish a new European Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA).

LEGISLATIVE ACT: Regulation (EU) 2024/1620 of the European Parliament and of the Council establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010.

CONTENT: this Regulation is part of a set of new rules that will protect EU citizens and the EU financial system against money laundering and terrorist financing. It establishes a **new European Authority for Anti-Money Laundering and Countering the Financing of Terrorism** (AMLA) that will have direct and indirect supervisory powers over high-risk obliged entities in the financial sector. The Authority will have its headquarters in Frankfurt am Main, Germany.

Tasks

The Authority will perform the following tasks with respect to ML/TF risks facing the internal market:

- monitor developments across the internal market and assess threats, vulnerabilities and risks in relation to money laundering/terrorist financing (ML /TF);

- monitor developments in third countries and assess threats, vulnerabilities and risks in relation to their AML/CFT systems that have an actual or potential impact on the internal market;

- collect and analyse information, from its own supervisory activities and those of the supervisors and supervisory authorities, on weaknesses identified in the application of AML/CFT rules by obliged entities, the risk exposure of obliged entities, the sanctions imposed and the remedial actions taken;

- establish a central AML/CFT database of information collected from supervisory authorities or stemming from the Authority’s activities, and keep it up to date;

- analyse the information collected in the central database and share those analyses with supervisors, supervisory authorities and non-AML/CFT authorities on a need-to-know and confidential basis;

- support the analysis of risks of ML/TF and of non-implementation and evasion of targeted financial sanctions affecting the internal market;

- support, facilitate and strengthen cooperation and exchange of information between obliged entities and supervisors, supervisory authorities and non-AML/CFT authorities.

The new authority will boost the efficiency of the AML/CFT framework by creating an integrated mechanism with national supervisors to ensure obliged entities comply with AML/CFT-related obligations in the financial sector.

Powers

To bring AML/CFT supervision to an efficient and uniform level across the Union, the Authority is provided with the following powers: direct supervision of a certain number of selected obliged entities in the financial sector, including crypto-asset service providers; monitoring, analysis and exchange of information concerning ML/TF risks affecting the internal market; coordination and oversight of AML/CFT supervisors of the financial sector; coordination and oversight of AML/CFT supervisors of the non-financial sector, including self-regulatory bodies; and the coordination and support of FIUs.

The Authority will have a **full range of supervisory powers** in relation to directly supervised entities in order to ensure compliance with applicable requirements. Those powers will apply in cases where the selected obliged entity does not meet its requirements, in cases where certain requirements are not likely to be met, as well as in cases where internal procedures and controls are not appropriate to ensure sound management of selected obliged entity's ML/TF risks. The exercise of those powers could be done by means of binding decisions addressed to individual selected obliged entities.

Penalties

In addition to supervisory powers and in order to ensure compliance, in cases of serious, systematic or repeated breaches of directly applicable requirements, the Authority will impose pecuniary sanctions on the selected obliged entities.

ENTRY INTO FORCE: 26.6.2024.

APPLICATION: from 1.7.2025.

Anti-Money Laundering Authority (AMLA)

2021/0240(COD) - 24/04/2024 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 482 votes to 47, with 38 abstentions, a legislative resolution on the proposal for a regulation of the European Parliament and of the Council establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) 1094/2010, (EU) 1095/2010.

The European Parliament's position adopted at first reading under the ordinary legislative procedure amends the proposal as follows:

Authority to combat money laundering and terrorist financing

The Regulation establishes an Authority for anti-money laundering and countering the financing of terrorism. The creation of the Authority is essential to ensure effective and adequate supervision of obliged entities presenting a high risk of money laundering and terrorist financing (ML/FT), to promote common approaches to the supervision of all other obliged entities and to facilitate common approaches and cooperation between Financial Intelligence Units (FIUs).

The Authority's headquarters will be in **Frankfurt am Main**, Germany.

The objective of the Authority should be to protect the public interest, the stability and integrity of the Union's financial system, and the proper functioning of the internal market by:

- preventing the use of the Union's financial system for the purposes of money laundering and terrorist financing ('ML/TF');

- contributing to the identification and assessment of ML/TF risks and threats across the internal market, as well as risks and threats originating from outside the Union that impact, or have the potential to impact, the internal market;

- ensuring high-quality supervision in the area of anti-money laundering and countering the financing of terrorism ('AML/CFT') across the internal market;

- contributing to supervisory convergence in the area of AML/CFT across the internal market;

- contributing to the harmonisation of practices in the detection of suspicious transactions or activities by Financial Intelligence Units ('FIUs');

- supporting and coordinating the exchange of information between FIUs, and between FIUs and other competent authorities.

Tasks

With regard to the selected reporting entities selected, the Authority should ensure group-wide compliance with the requirements set out in the AML /CFT framework and in any other legally binding EU act imposing anti-money laundering and combating the financing of terrorism obligations on financial institutions.

With respect to **financial supervisors**, the Authority should in particular carry out periodic reviews to ensure that all financial supervisors perform their tasks adequately. It should also investigate systematic failures of supervision resulting from breaches, or the non-application or incorrect application, of Union law. With respect to **non-financial supervisors**, including self-regulatory bodies where appropriate, the Authority should coordinate peer reviews of supervisory standards and practices and request non-financial supervisors to ensure the observance of AML/CFT requirements in their sphere of competence.

The Authority should facilitate the functioning of the AML/CFT supervisory colleges in both the financial and non-financial sectors. Overall, the Authority should contribute to the **convergence of supervisory practices** and the promotion of high supervisory standards. In addition, the Authority should coordinate and support the conduct of joint analyses by FIUs, or request the launch of joint analyses, and should make IT and artificial intelligence services available to FIUs to enhance their data analysis capabilities, as well as tools for secure information sharing, including through the hosting of FIU.net, the dedicated IT system allowing FIUs to cooperate and exchange information with each other and, where appropriate, with their counterparts from third countries and third parties.

In addition, the Authority should be tasked with monitoring and measuring the degree of convergence and the consistent application of legal requirements and high supervisory standards by supervisory authorities and obliged entities.

In carrying out its supervisory tasks in relation to selected obliged entities, the Authority should therefore ensure that those entities have in place adequate systems to implement requirements related **to targeted financial sanctions**.

The Authority should pay particular attention to the input provided by civil society and should ensure appropriate engagement of civil society and active solicitations of its views during its policy-making process.

Organisation

The Authority's structure should comprise: (a) a General Board; (b) an Executive Board; (c) a Chair of the Authority; (d) an Executive Director; (e) an Administrative Board of Review.

The **Chair of the Authority** should be appointed on the basis of objective criteria by the Council after approval by the European Parliament. Both the European Parliament and the General Board should be able to conduct hearings of the candidates for the position of Chair of the Authority, shortlisted by the Commission. In order to ensure an informed choice of the best candidate by the European Parliament and the Council and a high degree of transparency in the appointment process, the General Board should be able to issue a public opinion on the results of its hearings, or transmit its opinion to the European Parliament, the Council and the Commission.

The **Executive Director** of the Authority should be appointed by the Executive Board based on a shortlist drawn up by the Commission. To enable an optimal choice, the shortlist should comprise at least two candidates, selected by the Commission based on the grounds of merit and documented high-level administrative, budgetary and management skills, to be demonstrated by the shortlisted candidates during an open selection procedure.

The Authority should be provided with the **requisite human and financial resources** so that it can fulfil the objectives, tasks and responsibilities assigned to it under this Regulation.

Anti-Money Laundering Authority (AMLA)

2021/0240(COD) - 20/07/2021 - Legislative proposal

PURPOSE: to establish the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA).

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: all recent major money laundering cases reported in the EU had a cross-border dimension. The detection of these financial movements is however left to the national Financial Investigation Units (FIUs) and to cooperation among them. While this reflects the operational independence and autonomy of FIUs, the absence of a common structure to underpin this cooperation leads to situations where joint analyses are not performed for lack of common tools or resources.

Efforts should made at EU level through the creation of an Authority responsible for contributing to the implementation of harmonised rules. In addition, the Authority should pursue a harmonised approach to strengthen the Union's existing AML/CFT preventive framework, and specifically AML supervision and cooperation between FIUs. That approach should reduce divergences in national legislation and supervisory practices.

The EU's Security Union Strategy for 2020-2025 highlighted the importance of enhancing the EU's framework for anti-money laundering and countering terrorist financing in order to protect Europeans from terrorism and organised crime.

Furthermore, on 20 July 2021, the European Commission presented an ambitious package of legislative proposals to strengthen the EU's anti-money laundering and countering the financing of terrorism (AML/CFT) rules. It is part of the Commission's commitment to protect EU citizens and the EU's financial system from money laundering and terrorist financing. The aim is to improve the detection of suspicious transactions and activities, and close loopholes used by criminals to launder illicit proceeds or finance terrorist activities through the financial system.

CONTENT: the proposed Regulation aims to establish a **new decentralised EU Authority** for anti-money laundering and counter the financing of terrorism (AMLA). Its objective is the prevention of money laundering and terrorism financing in the Union, by contributing to enhanced supervision and improved cooperation between FIUs and supervisory authorities.

The Authority will become a centrepiece of an integrated AML/CFT supervisory system, consisting of the Authority itself and the national authorities with an AML/CFT supervisory mandate.

In particular, AMLA will:

- establish a single integrated system of AML/CFT supervision across the EU, based on common supervisory methods and convergence of high supervisory standards;

- directly supervise some of the riskiest financial institutions that operate in a large number of Member States or require immediate action to address imminent risks;

- monitor and coordinate national supervisors responsible for other financial entities, as well as coordinate supervisors of non-financial entities;

- support cooperation among national Financial Intelligence Units and facilitate coordination and joint analyses between them, to better detect illicit financial flows of a cross-border nature.

It is proposed that the Authority be established at the beginning of 2023 and the activity of direct supervision commence at the beginning of 2026.

Anti-Money Laundering Authority (AMLA)

2021/0240(COD) - 05/04/2023 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Economic and Monetary Affairs and the Committee on Civil Liberties, Justice and Home Affairs adopted a joint report by Eva Maria POPTCHEVA (Renew Europe, ES) and Emil RADEV (EPP, BG) on the proposal for a regulation of the European Parliament and of the Council establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) 1094/2010, (EU) 1095/2010.

This proposal seeks to establish an EU authority for anti-money laundering and countering the financing of terrorism (AMLA). Its objective being to protect the public interest, the stability and the integrity of the Union’s financial system. It should identify and assess risks and threats of money laundering, especially of the broader and more complex schemes associated with criminal organisations, and terrorist financing across the internal market, as well as risks and threats originating from outside the Union that are impacting, or have the potential to impact the internal market.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Tasks

The amended text enhances the tasks of AMLA. It should:

- monitor and respond to developments across the internal market and assess threats, vulnerabilities and risks in relation to money laundering/terrorist financing (ML/TF), including cross-border transactions;

- contribute to the drawing up of the **lists of high risk third countries**;

- monitor and support the implementation of targeted financial sanctions, asset freezes and confiscations under the Union restrictive measures across the internal market, as well as **publish information** on asset freezes, seizures and confiscations;

- issue publications and provide training and other services to obliged entities and non-obliged entities in order to raise awareness of, and address, ML /TF risks and risks related to targeted financial sanctions;

- conduct **peer reviews** of the fulfilment, by the entities in charge of **central beneficial ownership registers**, of the requirements laid down in the proposal for 6th Anti-Money Laundering Directive).

The Authority should also be able to:

- carry out **mediation** upon the request of a financial supervisor;

- **settle disagreements** between financial supervisors;

- take supervisory decisions directly applicable to the obliged entities concerned in accordance with this Regulation

- receive data and analyses from competent authorities, third countries, international organisations and other reliable sources with a view to **preparing new targeted financial sanctions**;

- receive information on any possible violations, circumvention and evasion of targeted financial sanctions.

- decide whether it is necessary to set up AML/CFT supervisory colleges with respect to **non-financial sector obliged entities** that operate under the freedom to provide services or of establishment in several Member States and that have a significant annual EU-wide turnover.

Stronger framework for the cooperation of the Financial Intelligent Units (FIUs)

Taking into account the cross-border nature of money laundering and terrorist financing, coordination and cooperation between FIUs are extremely important. To improve such coordination and cooperation, and, in particular, to ensure that subjects of the FIU´s interest in other Member States are identified, along with their proceeds, and funds, the Authority and FIUs should constitute the FIU Support and Coordination Mechanism. Its aim should be preventing, detecting and effectively combating money laundering and terrorism financing in the internal market, facilitating cooperation among FIUs, supporting and, in some cases, initiating joint analyses in order to bring together all relevant information, identifying trends and factors relevant in assessing the risks of money laundering and terrorist financing at national and Union level, as well as exchanging views on cooperation-related issues such as effective cooperation among FIUs and between FIUs and third-country financial intelligence units. To that end, Europol, Eurojust and EPPO should have liaison officers based in the Authority´s premises in order to ensure a smooth cooperation.