



# Closing the door on **dirty money**

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## **Commission Action Plan for a new single EU Anti-Money Laundering System**



*"We need to put an end to dirty money infiltrating our financial system. Today we are further bolstering our defences to fight money laundering and terrorist financing, with a comprehensive and far-reaching Action Plan. There should be no weak links in our rules and their implementation. We are committed to delivering on all these actions - swiftly and consistently - over the next 12 months. We are also strengthening the EU's global role in terms of shaping international standards on fighting money laundering and terrorism financing."*

**VALDIS DOMBROVSKIS**

Executive Vice-President in charge of an Economy that Works for People

- ✓ An ambitious and multifaceted Action Plan.
- ✓ Concrete measures to be taken over the next 12 months.
- ✓ Better enforcement, supervision and coordination of the EU's rules.
- ✓ Shutting down any remaining loopholes and removing any weak links in the EU's rules.

## The Action Plan builds on 6 pillars:



### 1 Effective application of EU rules

Successful implementation of rules at national level, and rigorous monitoring at EU level, is key. The Commission and Member States will continue working hand in hand to fight money laundering. Today's Action Plan encourages the European Banking Authority (EBA) to make full use of its new powers to tackle money laundering and terrorist financing.

**Timeline:** *ongoing*



### 2 A single EU rulebook

The integration of the EU's internal market and financial system needs to be matched by a single set of rules to prevent money laundering and terrorist financing. When money crosses national borders, rules must too. Diverging interpretations of the rules lead to loopholes in our system, which can be exploited by criminals. To combat this, the Commission will propose a single EU rulebook.

**Timeline:** *Commission proposal in Q1 of 2021*



### 3 EU-level supervision

Supervision is key to ensure that the private sector takes measures to reduce risks. National supervision alone has not been enough. Stronger supervision at EU level is required. The Commission intends to propose an EU-wide anti-money laundering supervisory system. The role and scope of this EU-level supervision will be proposed following a thorough assessment of all options.

**Timeline:** *Commission proposal in Q1 of 2021*



### 4 A coordination and support mechanism for Member State Financial Intelligence Units

Financial Intelligence Units in Member States are hubs of financial intelligence. They play a critical role in identifying transactions and activities that could be linked to criminal activities. More coordination is needed between these Units. The Commission will propose the creation of a coordination mechanism for Financial Intelligence Units.

**Timeline:** *Commission proposal in Q1 of 2021*



### 5 Enforcing EU-level criminal law provisions and information exchange

Rapid and trustworthy information-exchange is crucial. EU rules already facilitate cooperation and exchanges of information between law enforcement authorities. This provides better access to information to help their investigations. The future Financial Crime Centre at Europol will foster the fight against money laundering and terrorist financing. The private sector can also play a role in fighting money laundering and terrorist financing. The Commission will issue guidance on the role of public-private partnerships to clarify and enhance data sharing.

**Timeline:** *Commission guidance in Q1 of 2021*



### 6 A stronger EU in the world

The EU is determined to step up its efforts in order to be seen as a strong global actor in this area. A new methodology issued alongside this Action Plan provides the EU with the adequate new tools to deal with third countries that have strategic deficiencies in their AML/CTF regimes. Pending the application of this revised methodology, an updated EU list ensures better alignment with the latest FATF (Financial Action Task Force) list.

**Timeline:** *Methodology [and Delegated Act] in Q2 of 2020*