

Anti-money laundering: Commission takes measures against 15 Member States for non timely implementation

The European Commission has decided to pursue infringement procedures against 15 Member States for failure to implement the Third Anti-Money Laundering Directive in national law. The Commission will send formal requests to Belgium, Czech Republic, Germany, Greece, Spain, Finland, France, Ireland, Luxembourg, Malta, the Netherlands, Poland, Portugal, Sweden and Slovakia. These formal requests take the form of "reasoned opinions", the second stage of the infringement procedure laid down in Article 226 of the EC Treaty. If there is no satisfactory reply within two months, the Commission may refer the matter to the European Court of Justice. The Directive should have been implemented by 15 December 2007.

The Third Anti-Money Laundering Directive adopted in 2005 builds on existing EU legislation and incorporates into EU law the June 2003 revision of the Forty Recommendations of the Financial Action Task Force (FATF), the international standard-setter in the fight against money laundering and terrorist financing.

The Directive is applicable to the financial sector as well as lawyers, notaries, accountants, real estate agents, casinos, trusts and company service providers. Its scope also encompasses all providers of goods, when payments are made in cash in excess of €15.000. Those subject to the Directive need to:

- identify and verify the identity of their customer and of its beneficial owner, and to monitor their business relationship with the customer;
- report suspicions of money laundering or terrorist financing to the public authorities - usually, the national financial intelligence unit; and
- take supporting measures, such as ensuring proper training of personnel and the establishment of appropriate internal preventive policies and procedures.

The Directive introduces additional requirements and safeguards for situations of higher risk (e.g. trading with correspondent banks situated outside the EU).

The latest information on infringement proceedings concerning all Member States can be found at:

http://ec.europa.eu/community_law/index_en.htm