

Commission Urges Maltese Watchdog to Comply with EU's AML Rules



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News

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On 8 November 2018, the Commission sent a [formal opinion to the Maltese anti-money laundering supervisor](#) (Financial Intelligence Analysis Unit – FIAU), in which it calls for compliance with the obligations under the 4th Anti-Money Laundering (AML) Directive. The opinion goes back to a [recommendation by the European Banking Authority \(EBA\)](#), which identified several shortcomings in the supervision of the EU's anti-money laundering rules in Malta on behalf of the Commission.

The Commission's action is based on the [EBA Regulation](#), which empowers the Commission to address the national authority (in charge of implementing anti-money laundering rules in the financial sector) to take the necessary measures to fully comply with Union law where it has failed to do so. This is the first time that the Commission has used this mechanism, which is without prejudice to infringement proceedings against the Member State of Malta for not having correctly transposed the 4th AML Directive (for these infringement proceedings, see euclid[WT1] 2/2018, p. 93).

An important role was conferred to the European Banking Authority with the EBA Regulation: promoting the convergence of supervisory practices to ensure a harmonised application of anti-money laundering supervision rules. Currently, the EBA also conducts enquiries on the competent authorities in Latvia, Denmark, and Estonia. Recent cases had raised concerns about the effective enforcement of the anti-money laundering rules by the national authorities in these countries.

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