

MEPs Concerned about Member States' Implementation of EU's AML Legislation



News

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On 19 September 2019, MEPs adopted a [resolution on the state of implementation of the Union's anti-money laundering legislation](#). MEPs expressed serious concerns about the lack of implementation of the 4th AML Directive by a large number of Member States and about the fact that the transposition deadlines for the 5th AML Directive in 2020 will also not be met by many Member States.

The resolution also addresses the shortcomings of the EU's fight against money laundering and terrorist financing due to regulatory and supervisory fragmentation, the weak enforcement of EU rules, and inefficient supervision.

MEPs believe that the current legislative approach, by means of which minimum standards are established in the Directives, is a barrier to effective supervision, the seamless exchange of information, and coordination. Therefore, the resolution backs the Commission's plans to replace the Directives by an AML/CFT regulation that would establish a harmonised, directly applicable Union law (see also the AML package tabled by the Commission in July 2019 as reported in [eucrim 2/2019](#), pp. 94-97).

Greater impetus should be given to improving cooperation between the administrative, judicial, and law enforcement authorities within the EU and, in particular, the Member States' Financial Intelligence Units (FIUs).

Ultimately, the resolution favours the establishment of a new methodology to identify high-risk third countries with strategic deficiencies in efficient AML/CTF actions. In this context, the Commission is called on to apply a transparent process with clear and concrete benchmarks for these countries and to ensure public scrutiny.

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