

Information accompanying transfers of funds

2013/0024(COD) - 19/06/2019 - Follow-up document

The Commission presents its report on the application of Chapter IV of Regulation (EU) 2015/847 on information accompanying transfers of funds.

As a reminder, Regulation (EU) 2015/847 on information accompanying transfers of funds together with Directive (EU) 2015/849 on preventing the use of the financial system for money laundering or terrorist financing (“AMLD”) constitute a modernised regulatory framework to fight abuses of the financial market, ensuring its safety and integrity and promoting the highest standards for anti-money laundering and counter terrorist financing (“AML/CFT”).

Article 22(2) of the Regulation requires that the Commission shall submit a report to the European Parliament and to the Council on the application of Chapter IV, with particular regard to cross-border cases.

This report is prepared for the purposes of Article 22(2).

Implementation

As regards the implementation of Chapter IV of Regulation 2015/847 on sanctions and monitoring, the Commission recalled that the Regulation is binding in its entirety and directly applicable in all Member States. However, with regard to Chapter IV, it foresees that certain implementing measures might need to be adopted by Member States. Therefore, Member States were required to notify to the Commission their national rules on administrative sanctions and measures applicable to breaches of this Regulation by 26 June 2017. Overall, the Commission finds the implementation by Member States of Chapter IV of the Regulation to be of an overall satisfactory quality. However, the identified shortcomings, e.g. the horizontal problem related to cross-border cooperation, should not be neglected. It is vital to eliminate all legal loopholes, as an effective sanctioning policy is of crucial importance for ensuring compliance with the Regulation.

Application

With regard to the application of the relevant provisions of the Regulation, no major deficiencies have been identified. The answers provided to the Commission’s questionnaire demonstrated an engagement of national competent authorities in supervisory activities regarding both the Regulation and the AMLD. Their modest sanctioning and investigatory activities under the Regulation could result from a general compliance of payment service providers with their legal obligations, but a more long-term monitoring will be necessary to exclude any potential weaknesses of the supervision framework.

The report also noted that considering an often cross-border nature of money laundering and terrorist financing, it is of utmost importance that the legal obligation of national supervisory authorities to cooperate and coordinate their actions, as provided for by the Regulation, is both correctly implemented and effectively applied in all Member States.

Lastly, the Commission will continue to support Member States in their implementation efforts and it reserves the right to take further measures to ensure that the Regulation is correctly implemented by all Member States. It is also vital that the national supervisory authorities effectively apply the Regulation and step up their enforcement activities.