

Anti-Money Laundering Authority (AMLA)

2021/0240(COD) - 19/06/2024 - Final act

PURPOSE: to establish a new European Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA).

LEGISLATIVE ACT: Regulation (EU) 2024/1620 of the European Parliament and of the Council establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010.

CONTENT: this Regulation is part of a set of new rules that will protect EU citizens and the EU financial system against money laundering and terrorist financing. It establishes a **new European Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA)** that will have direct and indirect supervisory powers over high-risk obliged entities in the financial sector. The Authority will have its headquarters in Frankfurt am Main, Germany.

Tasks

The Authority will perform the following tasks with respect to ML/TF risks facing the internal market:

- monitor developments across the internal market and assess threats, vulnerabilities and risks in relation to money laundering/terrorist financing (ML/TF);
- monitor developments in third countries and assess threats, vulnerabilities and risks in relation to their AML/CFT systems that have an actual or potential impact on the internal market;
- collect and analyse information, from its own supervisory activities and those of the supervisors and supervisory authorities, on weaknesses identified in the application of AML/CFT rules by obliged entities, the risk exposure of obliged entities, the sanctions imposed and the remedial actions taken;
- establish a central AML/CFT database of information collected from supervisory authorities or stemming from the Authority's activities, and keep it up to date;
- analyse the information collected in the central database and share those analyses with supervisors, supervisory authorities and non-AML/CFT authorities on a need-to-know and confidential basis;
- support the analysis of risks of ML/TF and of non-implementation and evasion of targeted financial sanctions affecting the internal market;
- support, facilitate and strengthen cooperation and exchange of information between obliged entities and supervisors, supervisory authorities and non-AML/CFT authorities.

The new authority will boost the efficiency of the AML/CFT framework by creating an integrated mechanism with national supervisors to ensure obliged entities comply with AML/CFT-related obligations in the financial sector.

Powers

To bring AML/CFT supervision to an efficient and uniform level across the Union, the Authority is provided with the following powers: direct supervision of a certain number of selected obliged entities in

the financial sector, including crypto-asset service providers; monitoring, analysis and exchange of information concerning ML/TF risks affecting the internal market; coordination and oversight of AML/CFT supervisors of the financial sector; coordination and oversight of AML/CFT supervisors of the non-financial sector, including self-regulatory bodies; and the coordination and support of FIUs.

The Authority will have a **full range of supervisory powers** in relation to directly supervised entities in order to ensure compliance with applicable requirements. Those powers will apply in cases where the selected obliged entity does not meet its requirements, in cases where certain requirements are not likely to be met, as well as in cases where internal procedures and controls are not appropriate to ensure sound management of selected obliged entity's ML/TF risks. The exercise of those powers could be done by means of binding decisions addressed to individual selected obliged entities.

Penalties

In addition to supervisory powers and in order to ensure compliance, in cases of serious, systematic or repeated breaches of directly applicable requirements, the Authority will impose pecuniary sanctions on the selected obliged entities.

ENTRY INTO FORCE: 26.6.2024.

APPLICATION: from 1.7.2025.