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European Union

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Navigating the Anti-Money Laundering Landscape – The Role Companies Play in Protecting the Financial System

Money laundering and the financing of terrorism are serious issues. The stability of the financial system is crucial to a stable society. In this article, the author will focus on three threats to society: corporate compliance, cash and cross-border transactions. The author provides an overview of the level of risk for the different types of politically exposed persons (PEPs). An overview of PEP functions per EU Member State is also included.

1. Introduction

Money laundering and the financing of terrorism are serious issues that have severe consequences for the current financial system. Some organizations have to comply with local anti-money laundering (AML) laws; these are called AML-regulated institutions. There are financial AML-regulated institutions, such as banks, and also non-financial AML-regulated institutions, which include tax advisers and brokers.

Money laundering is the transformation of illegal money into legal money. The financing of terrorism is the opposite of money laundering: it is the use of legal money for illegal, terrorist purposes.

Every individual is affected by or is unknowingly vulnerable to money laundering and the financing of terrorism (together referred to as money laundering).

The scale of money laundering is difficult to assess, but is believed to be significant. The United Nations Office on Drugs and Crime (UNODC) estimates that between 2% and 5% of global gross domestic product (GDP) is laundered each year. That is between EUR 715 billion and 1.87 trillion each year.^[1]

There is a need to tackle these main threats to society as reflected in what the author calls the three Cs:^[2]

- (1) corporate compliance;
- (2) cash; and
- (3) cross-border transactions,

In this article attention is paid to corporate compliance (section 2.), cash (section 3.) and cross-border transactions (section 4.).

2. Corporate Compliance

Corporate compliance starts with good governance. The Council of Europe has developed 12 Principles of Good Governance in relation to public affairs and the management of public resources.^[3] The following topics are covered in these principles: ethical conduct, the rule of law, efficiency and effectiveness, transparency, sound financial management, and accountability.

There are five principles which may be relevant for companies in the context of preventing money laundering. These principles are:

- Principle 5 – Rule of law;
- Principle 6 – Ethical conduct;
- Principle 7 – Competence and capacity;
- Principle 8 – Innovation and openness to change; and
- Principle 9 – Sustainability and long-term orientation.

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1. Europol, *Money Laundering*, available at <https://www.europol.europa.eu/crime-areas-and-statistics/crime-areas/economic-crime/money-laundering> (accessed 6 Nov. 2023).

2. This was also included from a different perspective in the inaugural lecture of B. Snijder-Kuipers, *Anti-money laundering is business. Protection and harmonization of the financial system*, Radboud University Nijmegen, Faculty of Law, 10 Feb. 2023.

3. Council of Europe, *12 Principles of Good Governance*, available at <https://www.coe.int/en/web/good-governance/12-principles> (accessed 6 Nov. 2023).

2.1. The rule of law

The first principle is Principle 5, the Rule of law:^[4]

The local authorities abide by the law and judicial decisions.

Rules and regulations are adopted in accordance with procedures provided for by law and are enforced impartially.

Compliance with the law is the starting point. National anti-money laundering legislation in Member States is based on European AML directives. Several Member States implement certain provisions the same way. But sometimes Member States implement provisions into national legislation in a way that is different from other Member States.

In addition to these differences, some provisions in national legislation have open standards. This means that companies must interpret these provisions themselves. One example of this is enhanced customer due diligence. The 5th Anti-Money Laundering Directive (2018/843)^[5] (AMLD5) states that enhanced customer due diligence must be performed for complex transactions.^[6] Each company must define what constitutes a complex transaction. In practice, this could be based, for example, on the number of layers a structure has or the existence of certain legal entities in the structure (such as being located in a high-risk country).

Companies have to define complex transactions in relation to all relevant factors, such as their client base and their activities. And they must define it in their policies to ensure a uniform approach across their organizations. This means that a client might be considered a high risk for one company, but a medium risk for another.

2.2. Ethical conduct

Principle 6, Ethical conduct states:^[7]

The public good is placed before individual interests.

There are effective measures to prevent and combat all forms of corruption.

Conflicts of interest are declared in a timely manner and persons involved must abstain from taking part in relevant decisions.

When it comes to anti-money laundering, the second sentence is especially important. Companies must have effective policies and procedures in place to combat money laundering.

Companies use electronic systems to monitor clients and transactions. Artificial intelligence helps in this regard. In the near future, these systems will be improved to enable companies to better monitor clients and transactions. But it is worth realizing that these systems will only assist individuals working in the anti-money laundering sector. In other words, machine learning will not replace individuals.

2.3. Competence and capacity

Competence and capacity is required to enable companies to comply with anti-money laundering legislation. This is included in Principle 7, which states:^[8]

The professional skills of those who deliver governance are continuously maintained and strengthened in order to improve their output and impact.

Public officials are motivated to continuously improve their performance.

Practical methods and procedures are created and used in order to transform skills into capacity and to produce better results.

Anti-money laundering legislation, including sanctions, is becoming more complex. In 1990, the Financial Action Task Force (FATF) kicked off by publishing 40 Recommendations. In 1996, these Recommendations were updated for the first time. After that, the Recommendations were updated more frequently. Since 2015, the Recommendations have been updated annually, three times alone in 2021.^[9]

Improvement is the key word. Society changes and methods of money laundering change, too. Professionals working in an AML business must continuously develop their skills, especially as requirements about competence become increasingly relevant. For example, the European Banking Authority (EBA) Guidelines on the role and responsibilities of the AML/CFT compliance officer^[10] address the individual

4. Id.

5. Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32018L0843> (accessed 6 Nov. 2023) [hereinafter AMLD5].

6. Art. 18(2)(i) AMLD5.

7. Council of Europe, *supra* n. 3.

8. Id.

9. Reference is made to the version of Feb. 2023, available at <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatf-recommendations.html> (accessed 6 Nov. 2023) [hereinafter FATF Recommendations].

10. CFT means countering the financing of terrorism. See European Banking Authority, *EBA publishes Guidelines on role and responsibilities of the AML/CFT compliance officer* (14 June 2022), available at <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatf-recommendations.html> (accessed 6 Nov. 2023).

as well as the collective importance of board competence. The AML compliance officer function is described in more detail. A concrete framework has also been set out, and it outlines the responsibilities of each function.

In addition, the Regulation of the European Parliament and of the Council on Markets in Crypto-assets^[11] is part of the Digital Finance package. This is a package of measures that further enables and supports potential digital finance in terms of innovation and competition while mitigating the risks.

Another example of improving and/or expanding the AML legislative framework, is the revision of the Regulation on Transfer of funds.^[12] This Regulation requires more information accompanying transfers of funds and crypto assets. Payment services providers and crypto asset providers should ensure that payer and payee information is not missing or is not incomplete.^[13]

2.4. Innovation and openness to change

Innovation and openness to change is included in Principle 8, which states the following:^[14]

New and efficient solutions to problems are sought and advantage is taken of modern methods of service provision.

There is readiness to pilot and experiment new programmes and to learn from the experience of others.

A climate favourable to change is created in the interest of achieving better results.

While existing and expected threats have to be addressed, it should also be recognized that challenges will always appear and will have to be faced. This is reflected in Principle 8.

2.5. Sustainability and long-term orientation

One of the principles that is relevant for companies in the context of preventing money laundering is Principle 9, Sustainability and long-term orientation, which states:^[15]

The needs of future generations are taken into account in current policies.

The sustainability of the community is constantly taken into account.

Decisions strive to internalise all costs and not to transfer problems and tensions, be they environmental, structural, financial, economic or social, to future generations.

There is a broad and long-term perspective on the future of the local community along with a sense of what is needed for such development.

There is an understanding of the historical, cultural and social complexities in which this perspective is grounded.

The importance of creating a better society and community, and the long-term perspective is reflected in this principle.

3. Cash

The basic principles of good governance for public affairs are reflected in the 12 Principles of Good Governance, which are useful for companies as well.^[16] The basic principles of good governance, in current and future legislation, is the first C: corporate compliance.

In the supranational risk assessment (SNRA), the European Commission identified 47 products and services that are potentially vulnerable to money laundering/terrorist financing risks.^[17] Article 2.1.1. of the SNRA states that one of the most important threats is cash. Money laundering is about cash, and the transformation of illegal money into legal money. The financing of terrorism is spending legal money for terrorist purposes.

The FATF has issued Recommendations to serve as the worldwide basis for preventing money laundering.^[18] Non-profit organizations (NPO), are identified as an important risk in article 2.1.5. of the SNRA. The FATF also refers to NPOs as vulnerable to terrorist financing abuse by terrorists. The FATF states the following in its Interpretive Note on NPOs:^[19]

11. Regulation of the European Parliament and of the Council on Markets in Crypto-assets and amending Directive (EU) 2019/1937, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52020PC0593> (accessed 4 Dec. 2023).

12. Proposal for a Regulation of the European Parliament and of the Council on information accompanying transfers of funds and certain crypto-assets (recast), available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021PC0422> [hereinafter Regulation]. The Regulation was adopted on 20 Apr. 2023; see also <https://eur-lex.europa.eu/legal-content/EN/HIS/?uri=CELEX:52021PC0422> (both accessed 6 Nov. 2023).

13. Recital 21 Regulation

14. Council of Europe, *supra* n. 3.

15. Id.

16. Id.

17. The Commission published its first supranational risk assessment (SNRA) in 2017 and the second in 2019 COM(2019) 370 final, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019DC0370> (accessed 4 Dec. 2023).

18. FATF Recommendations, *supra* n. 9.

19. Id., at p. 58.

Some NPOs may be vulnerable to terrorist financing abuse by terrorists for a variety of reasons. NPOs enjoy the public trust, have access to considerable sources of funds, and are often cash-intensive. Furthermore, some NPOs have a global presence that provides a framework for national and international operations and financial transactions, often within or near those areas that are most exposed to terrorist activity. In some cases, terrorist organisations have taken advantage of these and other characteristics to infiltrate some NPOs and misuse funds and operations to cover for, or support, terrorist activity.

Recommendation 10 of the FATF Recommendations (and paragraph 15 of the Interpretive Note thereto) also define higher risk factors and have created several categories, including customer risk factors, country risk factors and product risk factors. Further, the Interpretive Note to Recommendation 10 of the FATF Recommendations lists cash as a customer risk and a product risk.

At the European level, Annex III (under 1(e) and 2(b)) of the European [4th Anti-Money Laundering Directive \(2015/849\)](#) ^[20] (AMLD4) includes cash as having a potentially higher risk as a client risk factor, as well as a product, service, transaction or delivery channel risk factor.

Furthermore, the European Cash Control Regulation provides a basis for controlling cash movements within the European Union to prevent money laundering and terrorist financing.^[21] Member States may add additional controls in their national legislation. Cash as defined by the Cash Control Regulation means currency (banknotes and cash), bearer-negotiable instruments (cheques), commodities used as highly liquid stores of value, and prepaid cards.^[22]

For example, based on the European Cash Control Regulation, an individual carrying EUR 10,000 or more in cash must declare the cash to the competent authorities (as determined by the Member State) when entering or leaving the European Union and make it available to control for those authorities.^[23]

The European Commission presented a package of legislative proposals in 2021.^[24] This European AML package^[25] also includes a single rule book^[26] to create uniformity within the European Union, and flexibility for EU Member States. Uniformity will be created by introducing a provision limiting large sums of cash in transactions. Traders in goods or services are prohibited from accepting cash payments of over EUR 10,000 for a single purchase. Member States may adopt a lower threshold.

Nineteen Member States have implemented or are in the process of implementing cash payment limits. Table 1 shows an overview of the threshold in some countries:

Table 1. Cash payment limits per Member State

Member State	Threshold (EUR)
Belgium	3,000
France	1,000
Germany	–
Italy	5,000 (non-residents 15,000)
Netherlands	3,000 (proposed legislation) ^[1]
Portugal	3,000 (non-residents 10,000)
Spain	1,000 (non-residents 10,000)

1. NL: Wetsvoorstel, Wet plan van aanpak witwassen [Proposed law on any money laundering] (36228), available at <https://www.tweedekamer.nl/kamerstukken/wetsvoorstellen/detail?cfg=wetsvoorsteldetails&qry=wetsvoorstel%3A36228> (accessed 6 Nov. 2023).

20. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC, Annex III, [hereinafter AMLD4], available at <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32015L0849&from=EN> (accessed 6 Nov. 2023).

21. Regulation (EU) 2018/1672 of the European Parliament and of the Council of 23 October 2018 on controls on cash entering or leaving the Union and repealing Regulation (EC) No 1889/2005, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32018R1672> (accessed 6 Nov. 2023).

22. Id. art. 2(1)(a).

23. Id., art 3(1).

24. See B. Snijder-Kuipers et al., *New European Legislation on Anti-Money Laundering*, 24 *Fin. & Cap. Mkts.* 4 (2023), *Journal Articles & Opinion Pieces IBFD*.

25. European Commission, *Beating financial crime: Commission overhauls anti-money laundering and countering the financing of terrorism rules* (20 July 2021), available at https://ec.europa.eu/commission/presscorner/detail/en/IP_21_3690 (accessed 6 Nov. 2023).

26. Proposal for a regulation of the European Parliament and of the council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52021PC0420&from=EN> (accessed 6 Nov. 2023).

1. NL: Wetsvoorstel, Wet plan van aanpak witwassen [Proposed law on any money laundering] (36228), available at <https://www.tweedekamer.nl/kamerstukken/wetsvoorstellen/detail?cfg=wetsvoorsteldetails&qry=wetsvoorstel%3A36228> (accessed 6 Nov. 2023).

3.1. SNRA

The European Commission published the SNRA,^[27] which defines the main risks associated with money laundering and terrorist financing. This is the third edition of the SNRA.^[28] The analysis identified 43 products and activities, and these are grouped as follows:

- (1) cash-related products and services;
- (2) financial sector;
- (3) non-financial products and services, such as high value goods, couriers in precious metals and stones, and real estate;
- (4) gambling sector;
- (5) non-profit organizations;
- (6) professional sports;
- (7) free zones; and
- (8) investor citizenship schemes and investor residence schemes.

In general, the amount of cash in circulation has decreased. However, criminals still use cash and cash-like products, which they move to countries with weak financial system supervision. There is also a risk of cash being converted into cryptos or other anonymous cash-like assets. Hence, limiting cash payments is important.

Member States are recommended to update their national risk assessments (NRAs). In the Netherlands, a new NRA on anti-money laundering and a new NRA on terrorist financing are expected to be published in the course of 2024.

There are three areas in relation to cash that Member States should pay particular attention to and take appropriate measures to mitigate:

- (1) cash-intensive businesses and cash payments;
- (2) high-risk professions (such as estate agents, art and antique dealers, and certain traders of high-value goods above a certain threshold), virtual currency exchange platforms and wallet providers; and
- (3) high-value cash payments and cash-intensive businesses.

4. Cross-Border Transactions

The SNRA defines the main money laundering and terrorist financing risks affecting the internal market and relating to the third and final C, cross-border transactions.

The third threat is cross-border transactions. To combat crime more effectively, legislation should be harmonized, and countries should cooperate at an international level.

Within the European Union, each Member State has its own Financial Intelligence Unit (FIU). AML-regulated institutions must report suspicious transactions^[29] to the national FIU. In the Czech Republic and in the Netherlands, a lower reporting standard applies, as unusual transactions^[30] must be reported to the FIU. A suspicious transaction requires a specific underlying criminal offence. This is not required if an unusual transaction must be reported.

At the level of AML-regulated institutions, legislation is already in place to ensure the same approach and procedures within a group. In principle, the same procedures apply to subsidiaries in a group, even if they are located in countries outside the European Union. This is the extraterritorial effect of the AML Directive.

In addition, European law has extraterritorial effect through the Register for Ultimate Beneficial Owners (UBOs)^[31] for specified trusts and similar legal arrangements.

4.1. Ultimate beneficial owners

The definition of a UBO is an important definition in AML legislation. There are various UBO definitions.

27. Report from the Commission to the European Parliament and the Council on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities (27 Oct. 2022), available at <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022DC0554> (accessed 6 Nov. 2023).

28. The first edition was published in 2017, and the second edition was published in 2019.

29. Ch. IV AMLD5.

30. For the Netherlands, see NL: Wet ter voorkoming van witwassen en financieren van terrorisme [current Dutch AML Act], art. 16.

31. Art. 31 AMLD5.

The FATF includes two definitions of beneficial owners in its FATF Recommendations.^[32] There is one UBO definition for legal persons^[33] and another for trusts and other legal arrangements.^[34] The guidance document on beneficial ownership for legal persons was updated in March 2023.^[35]

The FATF Recommendations set out the essential measures that countries should have in place to enhance the transparency and availability of the beneficial ownership information of legal persons and legal arrangements. Recommendation 24 of the FATF Recommendations^[36] defines the beneficial owners of legal persons as the natural persons who ultimately own or control a customer. The threshold for having a controlling interest is 25%.

At the European level, there is a proposal to harmonize the rules surrounding beneficial ownership.^[37] This is necessary given the open definition of UBOs, the differences among Member States and the various interpretations that AML-regulated institutions within the same jurisdiction give to an UBO.

The interest threshold at the European level is “more than 25%”. Most Member States, including the Netherlands, use this threshold. However, there are four European countries that have lowered the percentage for UBOs of companies to exactly 25%. These countries are Bulgaria, Hungary, the Slovak Republic and Slovenia.

The UBO definition of a trust (and similar legal entities or arrangements) is broader than the UBO definition of a legal entity. First, because the “more than 25%” threshold does not apply to trusts. There is no minimum threshold, and a 1% interest in a trust will also qualify an individual as a UBO. Second, because there are more addressees in a UBO definition of a trust than in the UBO definition of a legal entity, such as protector and trustee.

Each Member State has to determine which entities or arrangements qualify as “similar to a trust”.^[38] Table 2 provides an overview.^[39]

Out of 27 Member States 16 have no notification and 5 Member States have 2 or more notifications.

Table 2. Overview of entities regarded similar to a trust

Member State	Notification
Czech Republic Ireland Luxembourg Malta	Trust
Czech Republic Malta Netherlands	Fund
France Italy and 5 more Member States	Other
Germany Portugal Spain	No notification

In most countries, the criteria for a beneficial owner of a corporate entity apply equally to foundations, as foundations are corporate legal entities. In Malta, the UBO criteria of trusts apply equally to foundations.

Differences among the Member States are huge in practice because of the different UBO definitions for legal entities and trusts, and their varied implementation.

The following example illustrates the differences and the possible outcomes in the European Union.

32. FATF Recommendations, *supra* n. 9.

33. *Id.*, at Recommendation 24.

34. *Id.*, at Recommendation 25.

35. FATF, *Guidance on Beneficial Ownership of Legal Persons* (Mar. 2023), available at <https://www.fatf-gafi.org/en/publications/Fatfrecommendations/Guidance-Beneficial-Ownership-Legal-Persons.html> (accessed 6 Nov. 2023). This is a guidance relating to Recommendation 24 of the FATF Recommendations (FATF Recommendations, *supra* n. 9).

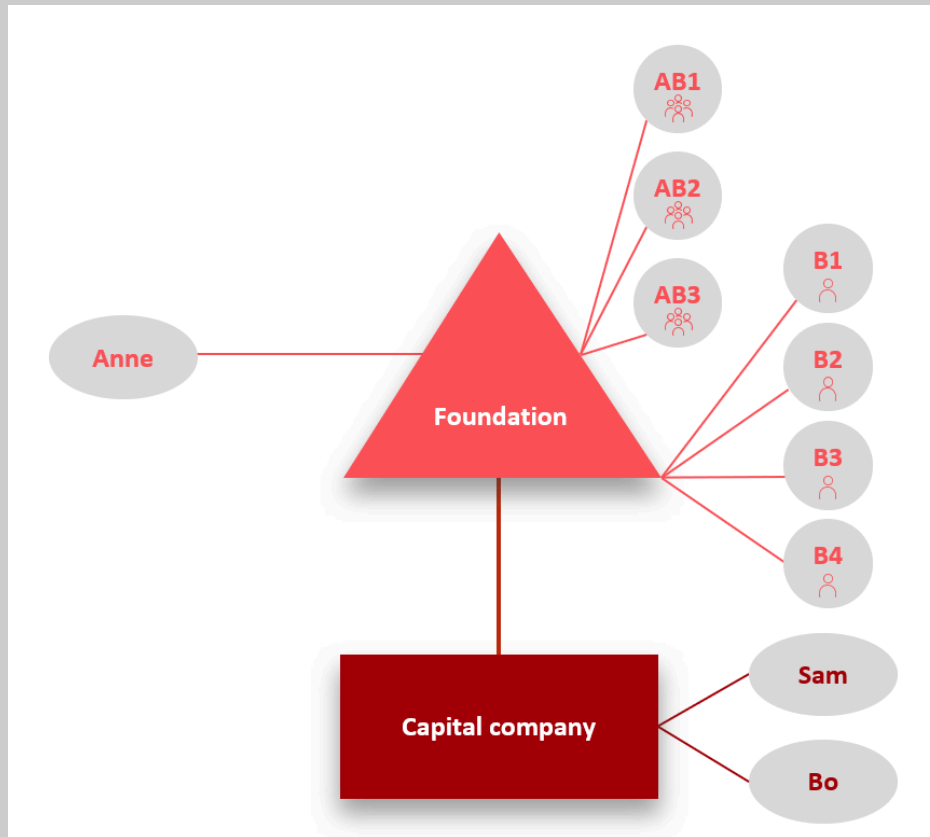
36. Interpretive Note to Recommendation 10, footnote 35.

37. European Commission, *supra* n. 25.

38. Art. 31(10) AMLD5 and art. 43(2) *See also* European Parliament, *Report on the proposal for a regulation 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) 1094/2010, (EU) 1095/2010*, available at https://www.europarl.europa.eu/doceo/document/A-9-2023-0128_EN.html (accessed 6 Nov. 2023).

39. List of trusts and similar legal arrangements governed under the law of the Member States as notified to the Commission (2019/C 360/05), OJ C 360/28, available at [https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019XC1024\(01\)&from=FR](https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019XC1024(01)&from=FR) (accessed 6 Nov. 2023).

Figure 1. Example UBO



Anne is the founder of a foundation established in Member State A. The foundation has four board members. Each board member has 25% of the voting rights. There are three members in the advisory board. The foundation is the creator of the company with limited liability (capital company) in Member State B. Sam and Bo are managing directors of this capital company.

The UBO qualification must be carried out for each legal entity. Who are the UBOs of the foundation? The answer may vary as a result of the differences in national legislation.

In some Member States, the board members will qualify on the basis of voting rights. Each board member has the right to cast 25% of the votes. In Member States, where the criterion is *more than 25%*, these board members may also qualify as UBOs by virtue of their position as Senior Managing Official (SMO – in the Netherlands referred to as pseudo-UBO). In addition, in some Member States, members of the advisory board are also considered to be UBOs.

In the author's opinion, foundations in the European Union should be considered as legal entities (in line with the FATF Recommendations) and not as legal arrangements (such as trusts).

A uniform approach should enable AML-regulated institutions to have a consistent overview of beneficial owners in different countries. To achieve consistency across Member States and with third countries, the author recommends introducing a 25% UBO threshold for legal entities in European legislation, in line with the FATF Recommendations.

4.2. Politically exposed persons

If a client or a UBO of a client is a politically exposed person (PEP), it automatically falls into the high risk category. Each Member State has the obligation to publish a list of national PEPs. This is not a list of individuals, but a list of "prominent public functions" at the national level. A PEP means that enhanced client due diligence must be performed by AML-regulated institutions (such as banks and tax advisers).

This means that AML-regulated entities are obliged to establish the source of wealth of the PEP and obtain senior management board approval for establishing business relationships with PEPs.^[40]

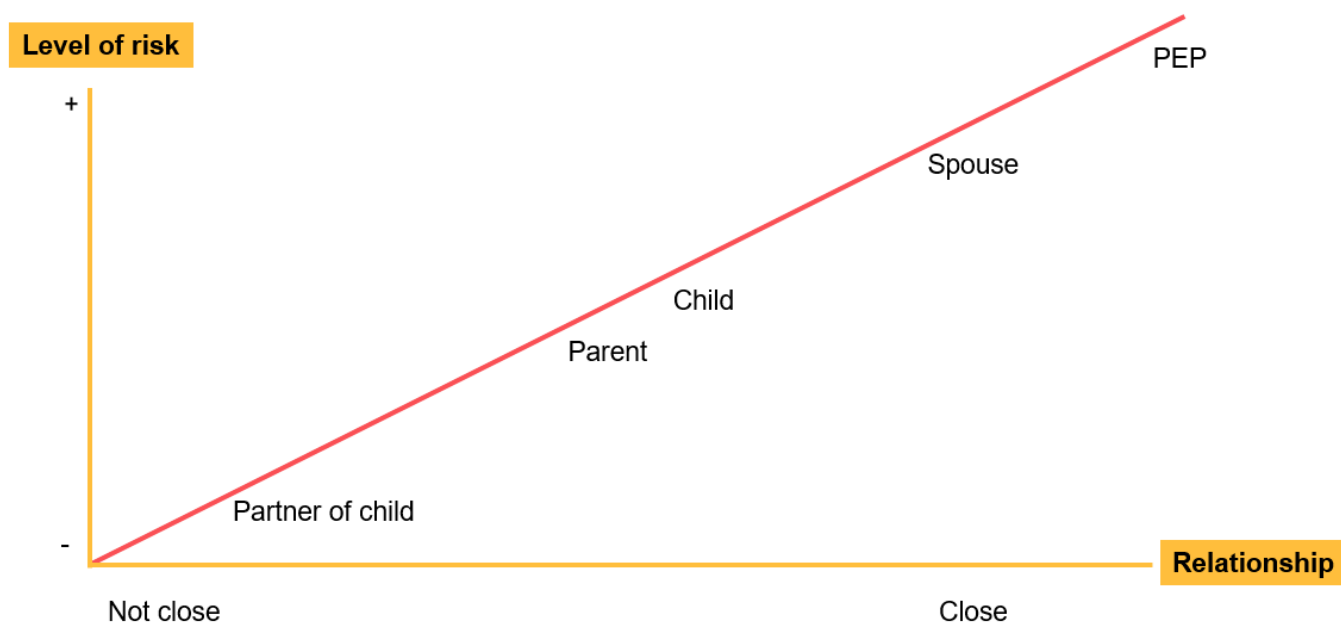
Member States published a list of functions distinguishing between functions that qualify as politically prominent (see Annex).

There are several differences between the Member States to determine specific national functions. For example, Denmark lists the names of the individuals, while other Member States only list the functions.

The AMLD4 uses the same PEP definition as the EU Regulation,^[41] i.e. including a family member of a PEP, and close associates of a PEP. In 2026, when the new European legislation enters into force (expected to enter into force per 2026), the new European supervisor, the Anti-Money Laundering Authority (AMLA),^[42] will give more guidance on the level of risk associated with each category of a PEP, including guidance after a PEP ceases to be a PEP.

In relation to the level of risk, the author suggests that the closer a relationship with a PEP, the greater the risk. Figure 2 shows what that relationship would look like:

Figure 2. PEP risk level



Close associate

While it is not always clear what a close associate is, article 2(27) of the new European legislation defines it as follows:

- (a) natural persons who are known to have joint beneficial ownership of legal entities or legal arrangements, or *any other close business relations*, with a politically exposed person;
- (b) natural persons who have sole beneficial ownership of a legal entity or legal arrangement *which is known to have been set up* for the de facto benefit of a politically exposed person;

[Emphasis added.]

The AMLA will issue guidelines or criteria for open definitions such as “any other close business relation”, “which is known to be set up” or “close associate”, and the level or risk per category.

40. Art. 20 AMLD4.

41. Proposal for a regulation of the European Parliament and of the council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52021PC0420&from=EN> (accessed 6 Nov. 2023).

42. See also European Parliament, *supra* n. 38

5. Conclusion

Anti-money laundering legislation is becoming increasingly complex. Enacting more and detailed legislation is the answer to addressing the global problem of money laundering. However, for policymakers it is necessary to take into account this anti-money laundering landscape from a cross-border perspective.



Cartoon made by Jesse van Muylwijck

Annex: PEP overview

Country	Internet link to document
Austria	See RIS - Finanzmarkt-Geldwäschegesetz - Bundesrecht konsolidiert, Fassung vom 30.03.2023 (bka.gv.at) , art. 2.6
Belgium	See http://www.ejustice.just.fgov.be/eli/vev/2020/07/20/2020015256/staatsblad , annex IV
Bulgaria	See https://www.dans.bg/en/msip-091209-menu-en/guidance-fr-060712-mitem-en , List of positions related to the performance of prominent public functions, art. 36(2) LMML
Croatia	See https://mfin.gov.hr/o-ministarstvu/djelokrug-2507/ustrojstvo-84/financijski-inspektorat/financijski-inspektorat-zakoni-i-smjernice/592 , para. 5.5.4
Cyprus	See https://www.cysec.gov.cy/CMSPages/GetFile.aspx?guid=3c138c88-b3df-4de3-b53e-c7951509a5db , art. 2
Czech Republic	See https://www.financnianalytickyrad.cz/prani-penez/aml-v-praxi.html
Denmark	See https://www.finanstilsynet.dk/Tal-og-Fakta/PEP-liste/
Estonia	See https://www.pangaliit.ee/rahapesu-tokestamine/pep-ametikohad
Finland	See https://www.finlex.fi/fi/laki/ajantasa/2019/20190610
France	See Sous-section 9 : Obligations en cas de risque élevé de blanchiment de capitaux ou de financement du terrorisme (Articles R561-18 à R561-22) - Légifrance (legifrance.gouv.fr) See Guidelines on the concept of politically exposed persons AMF (amf-france.org)
Germany	See BaFin Federal Financial Supervisory Authority, definition 12 (p. 5), part 1(1), definition 12
Greece	See https://elte.org.gr/wp-content/uploads/2021/03/N_4557_2018_English_Version.pdf , art. 3(9)

Country	Internet link to document
Hungary	See https://www.mnb.hu/letoltes/aml-cft-act-hungary2020.pdf , sec. 4, subsec. 2
Ireland	See Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2021 – No. 3 of 2021 – Houses of the Oireachtas See Revised Acts (lawreform.ie)
Italy	See https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:decreto.legislativo:2019-10-04;125 , sec. 2.dd
Latvia	See Noziedz#gi ieg#tu l#dzek#u legaliz#cijas un terorisma un prolifer#cijas finans#šanas nov#ršanas likums (likumi.lv) , definition 18
Lithuania	See VIII-275 Republic of Lithuania Law on the Prevention of Money Laundering and Terrorist Financing (Irs.lt) , art. 2.18/2.19
Luxembourg	See Loi du 12 novembre 2004 (version coordonnée) – CSSF, arts. 1(9) and (10)
Malta	See https://www.gov.mt/en/Government/DOI/Government%20Gazette/Government%20Notices/Pages/2021/04/GovNotices0604.aspx
Netherlands	See Wwft: Prominente publieke functies in Nederland (belastingdienst.nl)
Poland	See Rozporz#dzenie Ministra Finansów, Funduszy i Polityki Regionalnej z dnia 27 lipca 2021 r. w sprawie wykazu krajowych stanowisk i funkcji publicznych b#d#cych eksponowanymi stanowiskami politycznymi (sejm.gov.pl) Rozporz#dzenie Ministra Finansów, Funduszy i Polityki Regionalnej z dnia 27 lipca 2021 r. w sprawie wykazu krajowych stanowisk i funkcji publicznych b#d#cych eksponowanymi stanowiskami politycznymi (sejm.gov.pl)
Portugal	See https://www.portalbcft.pt/pt-pt/content/lista-das-fun%C3%A7%C3%B5es-p%C3%BAblicas-proeminentes-de-n%C3%ADvel-superior-0
Romania	See https://www.integritate.eu/Home/LISTA-FUNC%C8%9AILOR-PUBLIC-IMPORANTE.aspx .
Slovak Republic	See https://www.minv.sk/swift_data/scripts/search/search.php?text=Act+297%2F2008&sidlo= , art. 6
Slovenia	See https://www.gov.si/assets/organi-v-sestavi/UPPD/Dokumenti/Mnenja/Politico-izpostavljene-osebe/PEP_usmeritve.pdf
Spain	See https://www.tesoro.es/sites/default/files/publicaciones/2_lista_prp.pdf
Sweden	See https://www.simpt.se/media/1317/grundlaeggande-vaegledning-kundkaennedom-4-uppl.pdf , para. 7.1.6



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