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AML/CTF
REGULATORY
WATCH REPORT



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This is the list of pertinent AML/CTF legal framework which was published over the period of November 2020:

On November 4th, the European Banking Authority (EBA) issued an opinion setting out how prudential supervisors should take money laundering and terrorist financing (ML/TF) risks into account in the Supervisory Review and Evaluation Process.¹ In this opinion the EBA examines the following components of the SREP:

- The monitoring of key indicators
- Business model analysis
- Assessment of internal governance and institution-wide controls
- Assessment of risks to capital
- Assessment of risks to liquidity and funding

In the revised version of the SREP Guidelines that is planned to be published by end December 2021 as set out in the Pillar 2 roadmap, the EBA will include detailed guidance on how ML/TF risks should be considered by prudential supervisors as part of their overall SREP assessment.

On November 4th, one point of the remarks by the Executive Vice – President Dombrovskis at the ECOFIN press conference in Brussels was about the fight against ML.² Mr. Dombrovskis highlighted how delighted he was that finance ministers adopted conclusions on the Commission's Anti-Money Laundering Action Plan of May 2020. The adopted conclusions will be a good and ambitious basis for preparing a package of legal proposals on AML in the first quarter of 2021, with the aim to cover a single rulebook, the establishment of an EU-level AML Supervisor as well as a coordination and support mechanism for Financial Intelligence Units.³

¹ <https://eba.europa.eu/eba-sets-out-how-prudential-supervisors-should-take-money-laundering-and-terrorist-financing-risks>

² https://ec.europa.eu/commission/presscorner/detail/en/speech_20_2031

³ <https://data.consilium.europa.eu/doc/document/ST-12608-2020-INIT/en/pdf>

On November 20th, the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg, published a communication concerning the highlights of the CSSF's 2020 AML/CTF for the collective investment sector conference.⁴ The communication consists of four podcast that focus on the following topics:

- What's new on the AML/CTF front in the Luxembourg collective investment sector?
- Key takeaways of annual AML surveys (2018 – 2020) in the collective investment sector
- A look behind the scenes of AML on – site inspections in the collective investment sector
- Tax crime digest for AML practitioners in the collective investment sector.

⁴ <https://www.cssf.lu/en/2020/11/highlights-of-the-cssfs-2020-aml-cft-for-the-collective-investment-sector-conference/>

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