



Legal Alert

27th June 2024

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New European AML package

Adoption and structure

On **19th June 2024**, the new European regulations falling under the so-called AML package were published in the Official Journal of the EU. This comes after the legislative process under which the European Parliament and the Council of the EU agreed on stricter AML/CFT regulation (the "**AML Package**") reached its conclusion on 30th May 2024 with the approval of these new European regulations.

The adopted AML package consists of a total of three provisions of European secondary law, namely:

- ▶ Regulation (EU) 2024/1624 of the European Parliament and of the Council on the prevention of the use of the financial system for the purpose of money laundering or terrorist financing ("**AMLR**");
- ▶ Directive (EU) 2024/1640 of the European Parliament and of the Council on mechanisms to be put in place by Member States to prevent the use of the financial system for the purpose of money laundering or terrorist financing ('**AMLD6**'); and
- ▶ Regulation (EU) 2024/1620 of the European Parliament and of the Council establishing an Anti-Money Laundering and Anti-Terrorist Financing Authority ("**AMLAR**").

Objective and content

The objective of the AML package as a whole is in particular to create a comprehensive legal framework regulating the AML/CFT requirements to be met by obliged persons, as well as to establish a basic institutional framework for the EU Member States in this area.

a) Regulation AMLR

The AMLR Regulation contains measures addressed to obliged persons within the meaning of the existing AML/CFT regulation. The measures introduced extend the existing regulation in certain areas, but also introduce some completely new rules, thus aiming, in sum, at streamlining the existing AML/CFT rules and increasing transparency in this area.

The most significant changes introduced by the AMLR Regulation include:

- ▶ Extending regulation to cryptoasset service providers, crowdfunding platforms, certain luxury goods traders, and professional football clubs and agents;

- ▶ Introducing a uniform maximum limit for cash payments by persons trading in goods or providing services equal to €10,000;
- ▶ Obliging the Commission to identify third countries with significant strategic deficiencies in their national AML/CFT regimes, and subsequently designating these countries as "high risk third countries";
- ▶ Introducing a new obligation for credit and financial institutions to collect sufficient information on third country respondent institutions; or
- ▶ Expanding the set of Politically Exposed Persons.

The AMLR Regulation is set to enter into force on the 20th day following its publication in the Official Journal of the European Union, while the applicability (i.e. **direct effect**) of the AMLR Regulation is set for 10th July 2027.

b) Directive AMLD6

Unlike the AMLR Regulation, the AMLD6 contains rules of an institutional nature which are addressed to the Member States themselves.

These rules cover a wide range of areas in which public authorities carry out AML/CFT-related public administration and are intended to create an environment in which compliance with AML/CFT regulation by obliged persons can be more effectively monitored and, where appropriate, enforced by supervisory or oversight authorities.

Specific measures contained in the AMLD6 Directive include:

- ▶ Strengthening the responsibilities and competences of financial intelligence units through the disclosure of information in a number of areas (notably financial, administrative, law enforcement, tax or sanctions);
- ▶ Strengthening the role of supervisory authorities and enhancing their cooperation in assessing risks at EU and national level;
- ▶ Introduction of the supervisory duty of public administration bodies over state self-government bodies in the exercise of their regulatory authority;
- ▶ Establishing and unifying a register of bank accounts, including access to this register and extending access to information on real estate;
- ▶ Clarification of the rules concerning the content of and access to the data recorded in the register of beneficial owners.

AMLD6 is set to enter into force on the twentieth day following its publication in the Official Journal of the European Union and, subject to certain exceptions, Member States are required to transpose the rules contained therein by 10th July 2027 at the latest.

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c) Regulation AMLA

In particular, the AMLA Regulation establishes an EU-wide Anti-Money Laundering and Countering the Financing of Terrorism Authority (the "**Authority**"), institutionalizes the Authority, and defines its core competencies, including the rules for their exercise.

The Authority will be responsible for AML/CFR supervision and will have an important advisory role in this area, which will be carried out in particular by issuing interpretative opinions.

The scope of the Office's direct supervision is to be limited to a narrow number of high-risk obliged entities, but the Office will also indirectly influence other obliged entities. The Office's indirect supervisory role will consist in the coordination and supervision of national AML/CFT supervisors.

The Office will also be empowered to issue binding standards and templates for the reporting of suspicious transactions and suspicious activities of obliged persons to financial intelligence units and will be responsible for the creation and management of a central database of information relevant to AML/CFT supervision.

The AMLA Regulation will enter into force on the seventh day following its publication in the Official Journal of the European Union, and the Authority is expected to commence its activities on 1st July 2025.

The information contained in this bulletin is presented to the best of our knowledge and beliefs at the time of going to press. However, specific information relating to the topics covered in this bulletin should be consulted before any decision is made on the basis of it. At the same time, the information provided in this bulletin should not be regarded as an exhaustive description of the relevant issues and all possible consequences, and should not be relied upon entirely in any decision-making process, nor should it be considered a substitute for specific legal advice relevant to particular circumstances. Neither Weinhold Legal, s.r.o. advokátní kancelář nor any lawyer credited as author of this information shall be liable for any harm that may result from reliance on the information published herein. We further note that there may be differing legal opinions on some of the matters referred to in this bulletin due to ambiguity in the relevant provisions, and an interpretation other than ours may prevail in the future.

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