



PRESS RELEASE

Banks generally welcome Council Agreement on 3rd Anti-Money Laundering Directive – although with some reservations

The European Banking Federation (FBE) welcomes the agreement reached today by the Economic and Finance Ministers of the EU on the 3rd Anti-Money Laundering Directive.

"The Federation sees this agreement as a very positive step in the European Union's long standing commitment to combat money laundering and terrorist financing, says Guido Ravoet, Secretary General of FBE. Banks are committed to follow the Directive's provisions as part of their involvement in this common fight. As another example of this commitment, the FBE has just published an extensive report on existing anti-money laundering measures in over 35 countries *. We cannot but look forward to the progress this Directive brings."

As part of the agreement on the Directive, the FBE welcomes in particular the introduction of the "risk-based" approach, which it considers as the only valid means to guarantee a focused and efficient fight against money laundering and terrorist financing. This approach requires banks to implement customer due diligence requirements proportionally to the concrete risks involved; these risks may differ depending on inter alia the types of customers, countries, transactions etc.

European banks also gladly note that their long-standing plea to receive feedback on reports of suspicious transactions they have made has been taken into account.

European banks however regret that the "risk-based" approach does not go far enough in their view: the Directive still imposes requirements on banks which they find not substantiated by empirical evidence. The FBE expresses concern in particular over the approach taken regarding beneficial owners; banks feel it is not reasonable to oblige them to identify beneficial owners of transactions, as they often do not have access to reliable information enabling them to carry out such identification.

*** This report can be consulted/downloaded from the FBE website, www.fbe.be under Reports and Speeches.**

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Note to the Editor:

Set up in 1960, the European Banking Federation (FBE) is the voice of the European banking sector. It represents the interests of over 4,500 banks, large and small, from EU Member States as well as Iceland, Norway and Switzerland, with over 2.3 million employees and total assets of over 20,000 billion euros.