

EU AML/CFT Legislative Package

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Why was reform necessary?

Lack of direct applicability, resulting in a fragmented approach



Lack of clear and consistent rules



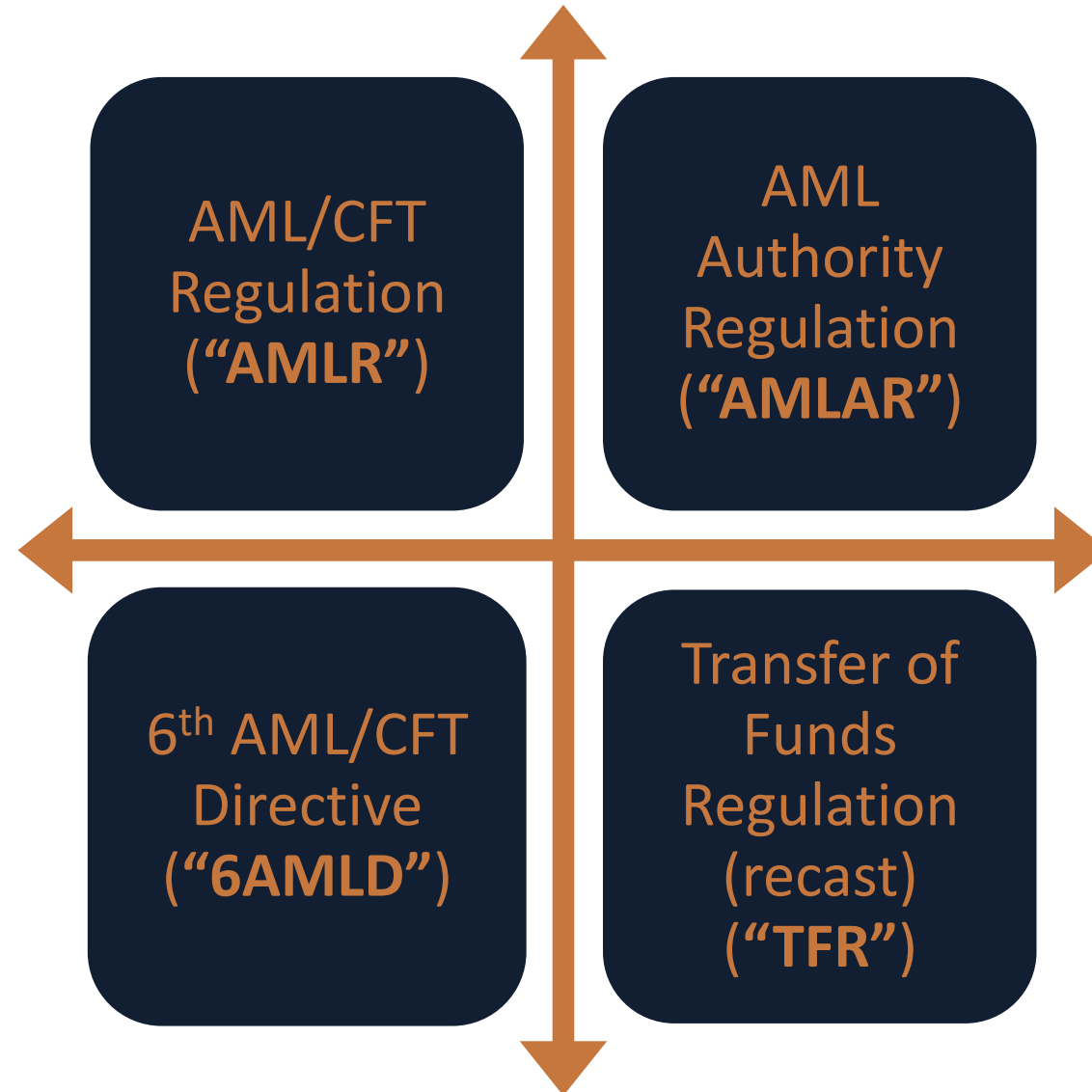
Inconsistent supervision and insufficient coordination among FIUs



Does not effectively deal with cross-border situations



What does the EU AML/CFT Package contain?





AML Regulation

What's new

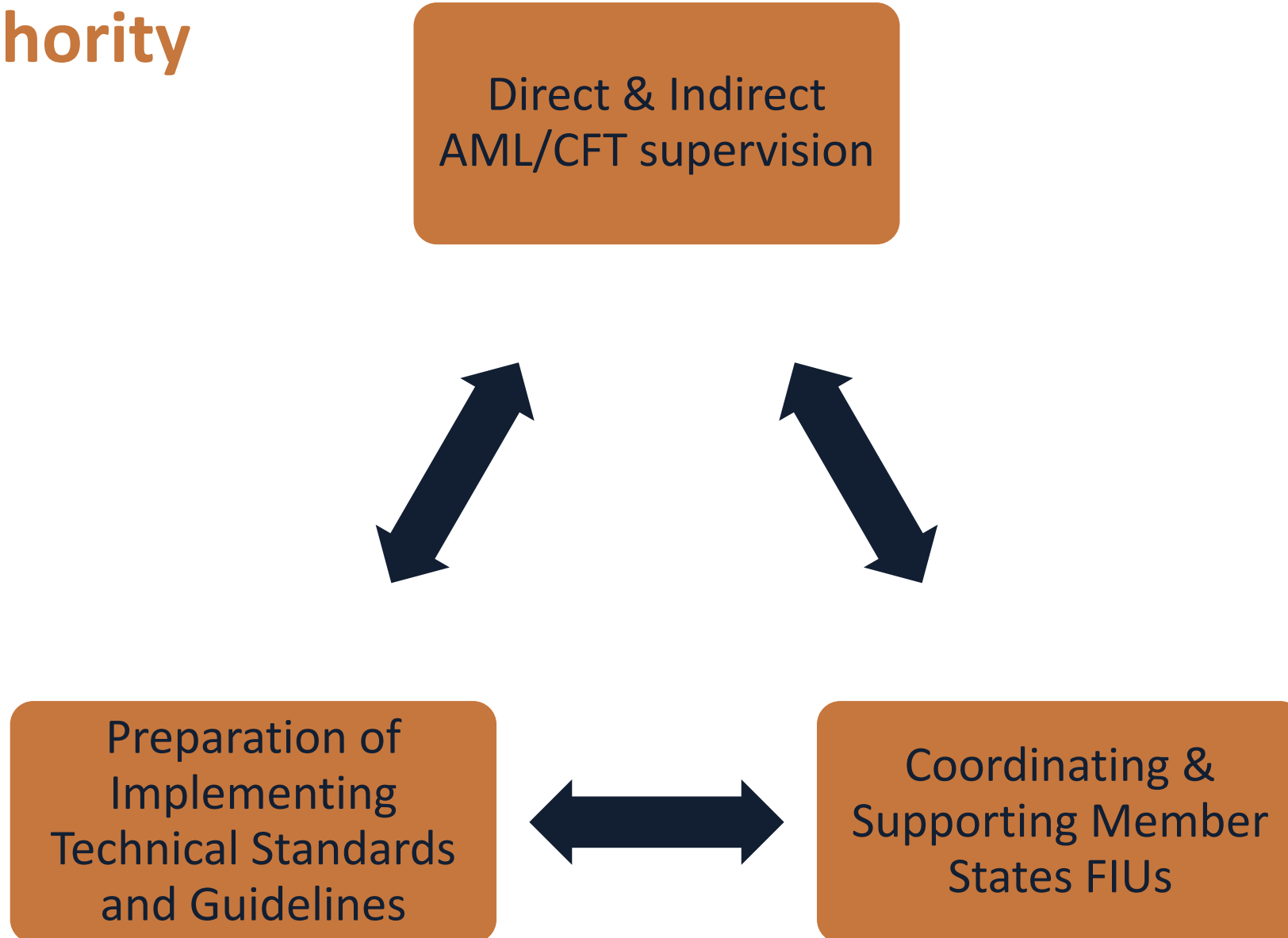
- Expanded list of obliged entities
- Capping of all cash payments to €10,000
- Definition of family members extends to siblings of PEPs
- Threshold for OTs lowered: €15k to €10k
- ID&V of customer when carrying out OT in cash over €3k
- EDD measures for HNWIs
- Reporting of discrepancies with information held in the BO register
- Obligation to disclose beneficial ownership of legal entities incorporated outside the EEA
- Outsourcing will entail notification to supervisory authority

What changes

- Definition of beneficial ownership
- Threshold of BO lowered to 25% from 25%+1 rule and may be decreased further in high-risk situations
- Determination of beneficial ownership when a customer is owned by a trust

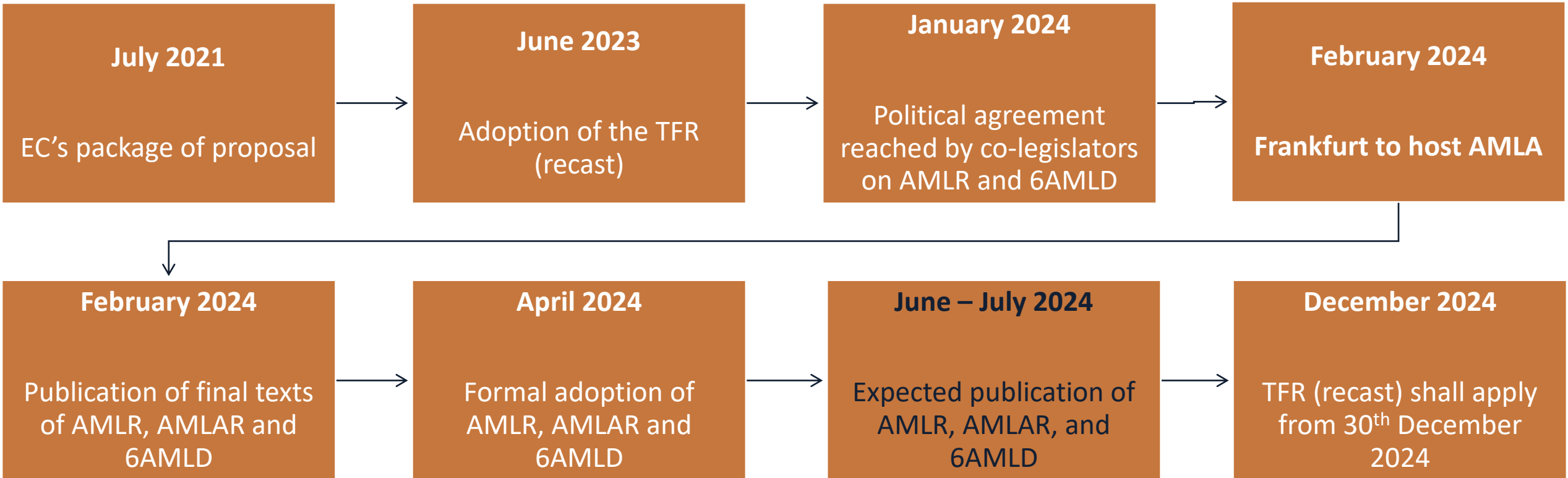


AML Authority





Timelines – Legislative Process





Timelines – Legislative Application



AMLAR

- AMLA to commence operations in July 2025 and assume direct supervision in 2026



AMLR

- Rules will apply 3 years following entry into force (mid 2027)

THANK YOU



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INTERLAW