



## RESOLUTION

### **A centralised agency for tackling money laundering**

*Adopted at the YEPP Council Meeting in Prague, 23.02.2019*

#### **Acknowledging that:**

- The increasing number of money laundering investigations into lenders across the EU in 2018; Danske Bank Denmark, ABLV Latvia, Deutsche Bank Germany, Pilatus Malta, ING in the Netherlands.
- That money laundering is currently dealt with at a national level in the EU, based on a minimum harmonisation Directive and host state supervision, with separate institutions often supervising banks and investigating financial crimes;
- That combatting money laundering and terrorist financing is a shared responsibility between Member States, national authorities and European institutions and bodies (within their respective mandates).
- That existing anti-money laundering (AML) rules do not clarify how cooperation between AML authorities and prudential supervisors should take place in cross-border scenarios.
- That failing to adequately enforce anti-money laundering regulations creates risks for the integrity and reputation of the European financial sector, as well as for the financial stability of banks.

#### **Recognizing that:**

- The divergences in national laws are not conducive to coherent and prudential AML supervisory practice. This is illustrated by the difficult division of responsibility between home and host supervisors over money laundering checks when banks have foreign branches.
- The lack of a central co-ordinating institution or database to support the Financial Intelligence Units of EU Member States in monitoring potentially suspicious transactions;
- The warning from the outgoing head of Europol in 2018 that the information-sharing that now exists in the cases of terrorism risks is not matched by that in the fight against financial crime;
- Much of the recent European wrongdoing has been uncovered by US regulators;
- That the transfer of money laundering investigative responsibilities away from national authorities would aid the thorough application of the EU's existing anti-money laundering directives. This responsibility is currently under-resourced;

- That the ECB favours a new body being dedicated to policing enforcement of money-laundering rules.

**YEPP calls for:**

- Member States to establish a centralised European agency that would take on an arbitration role, supporting Member States efforts to enforce existing anti-money laundering regulations in line with the calls of the Chair of the Supervisory Board at the ECB Danièle Nouy, the EU's top financial regulator;
- Greater co-ordination and information sharing amongst national banking watchdogs.