



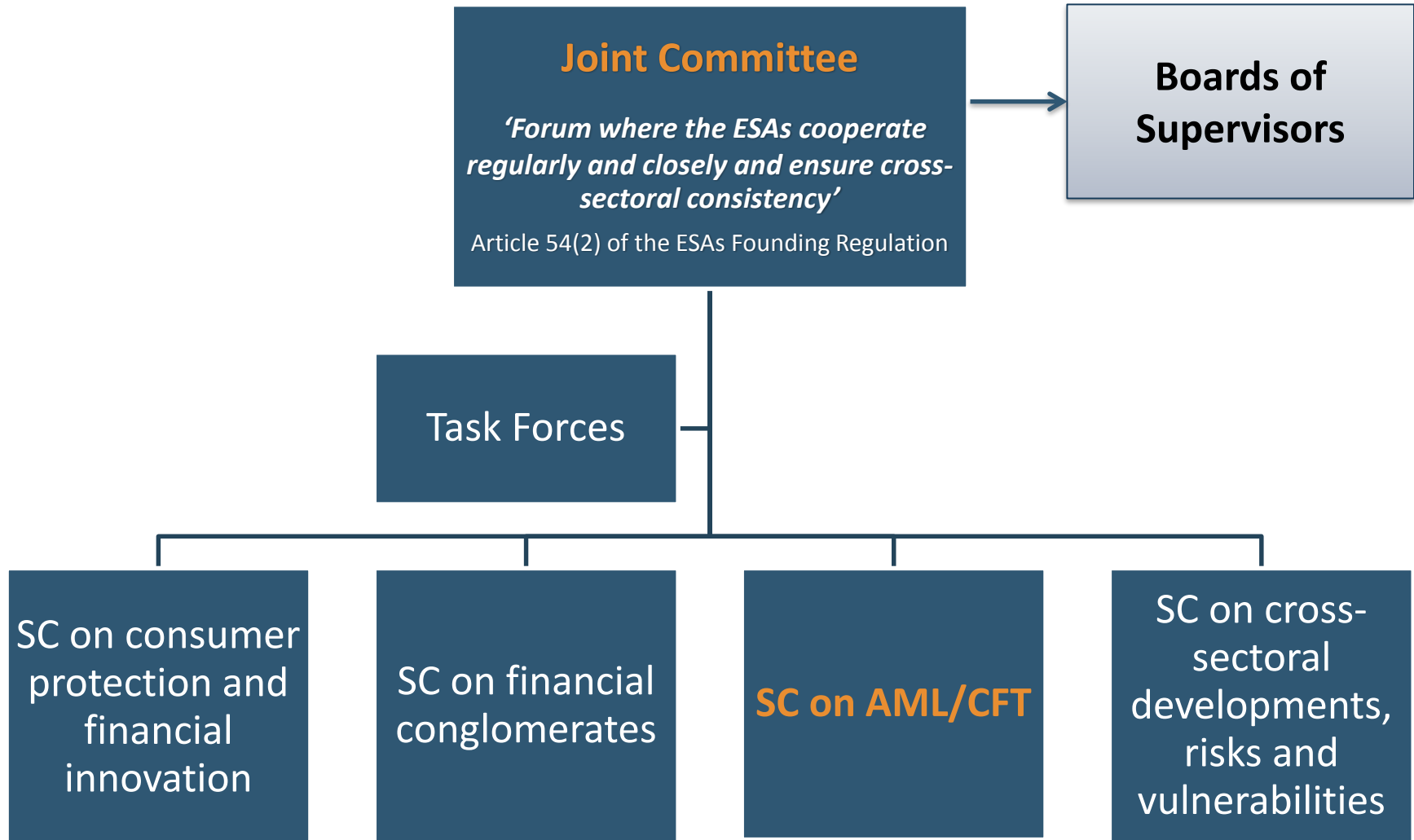
Draft joint guidelines on cooperation and information exchange for AML/CFT supervision purposes

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Policy Expert (AML/ CFT), European Banking Authority

Public Hearing | London | 18 December 2018

ESA'S JOINT COMMITTEE



ESAs OBJECTIVES AND AML/CFT

**MAINTAINING THE
STABILITY AND
EFFECTIVENESS OF THE
EU'S FINANCIAL SYSTEM**

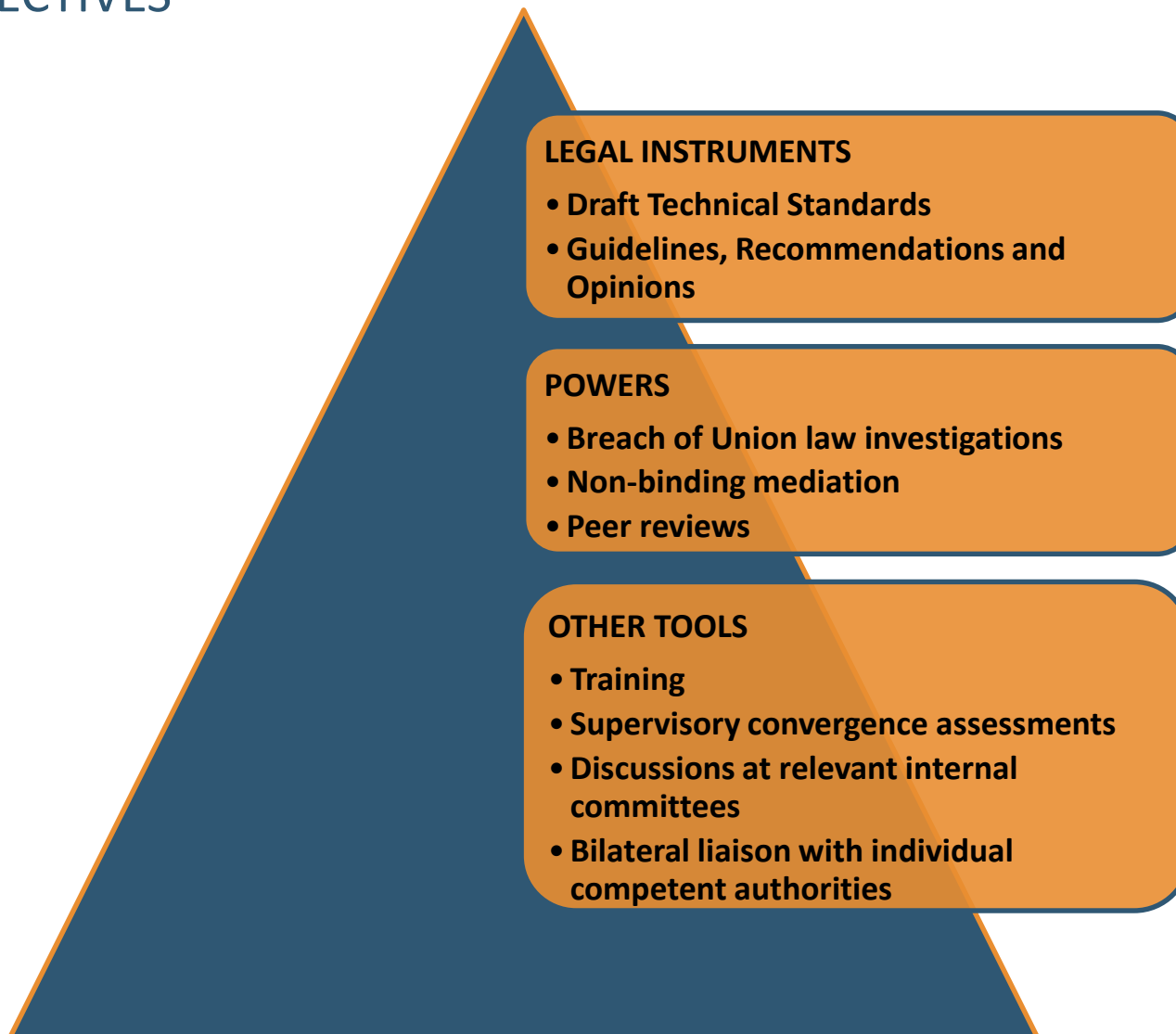
**SAFEGUARDING THE INTEGRITY,
TRANSPARENCY AND ORDERLY FUNCTIONING
OF FINANCIAL MARKETS**

PREVENTING REGULATORY ARBITRAGE

**PROMOTING SOUND, EFFECTIVE AND
CONSISTENT REGULATION AND SUPERVISION**

The ESAs has a legal mandate to
foster the consistent, efficient and effective application of EU AML/CFT law.

POWERS AND LEGAL INSTRUMENTS TO ACHIEVE THE ESAs OBJECTIVES



SETTING AML/CFT EXPECTATIONS AND STANDARDS

POLICY OBJECTIVE:

A PROPORTIONATE, RISK-BASED APPROACH THAT IS BASED ON COOPERATION AND INFORMATION-SHARING, AND THAT IS ENFORCED APPROPRIATELY AND CONSISTENTLY BY SUPERVISORS ACROSS THE EU.

<p>Draft RTS on AML/CFT group policy in 3rd countries (Art 45(5) AMLD)</p>	<p>Draft RTS on Central Contact Points (Art 45(10) AMLD)</p>	<p>Guidelines on Risk Factors (Art 17 and 18(a) AMLD)</p>	<p>Guidelines on Risk-based Supervision (Art 48(10) AMLD)</p>	<p>Guidelines on Funds Transfers (Art 25 AMLR)</p>	<p>Opinion on ML/TF Risk (Art 6(5) AMLD)</p>	<p>Opinion on The use of RegTech solutions</p>	<p>Opinion on CDD for Asylum Seekers</p>	<p>Draft guidelines on Supervisory Cooperation (under consultation)</p>
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SUPERVISORY COOPERATION GUIDELINES: OVERVIEW

These draft Guidelines:

- propose that cooperation and information exchange can be improved through AML/CFT colleges;
- set out the rules that govern the establishment and operation of AML/CFT colleges;
- provide a framework for bilateral relationships;
- are applicable to competent authorities supervising firms in all sectors

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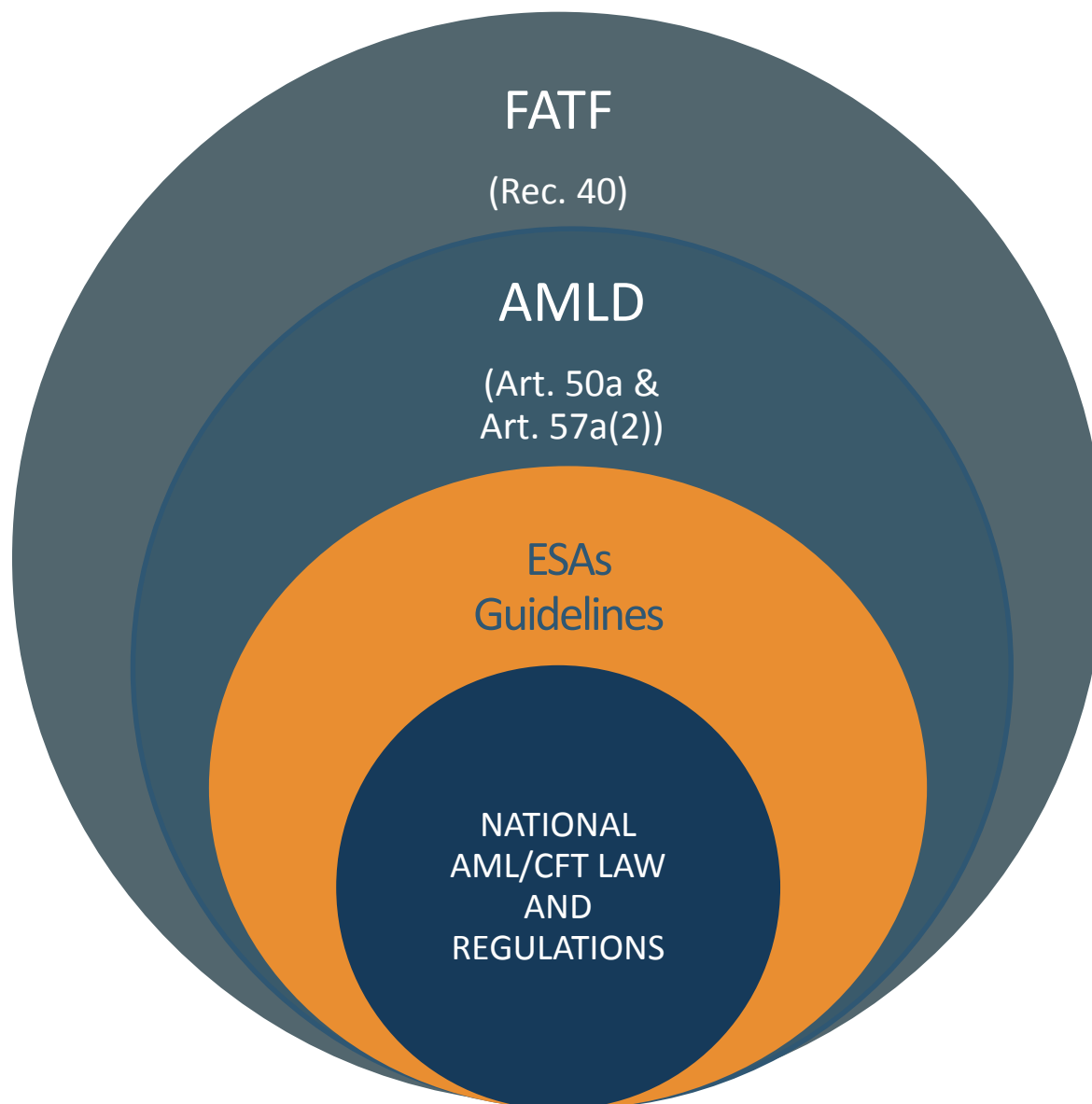
JOINT COMMITTEE OF THE EUROPEAN
SUPERVISORY AUTHORITIES

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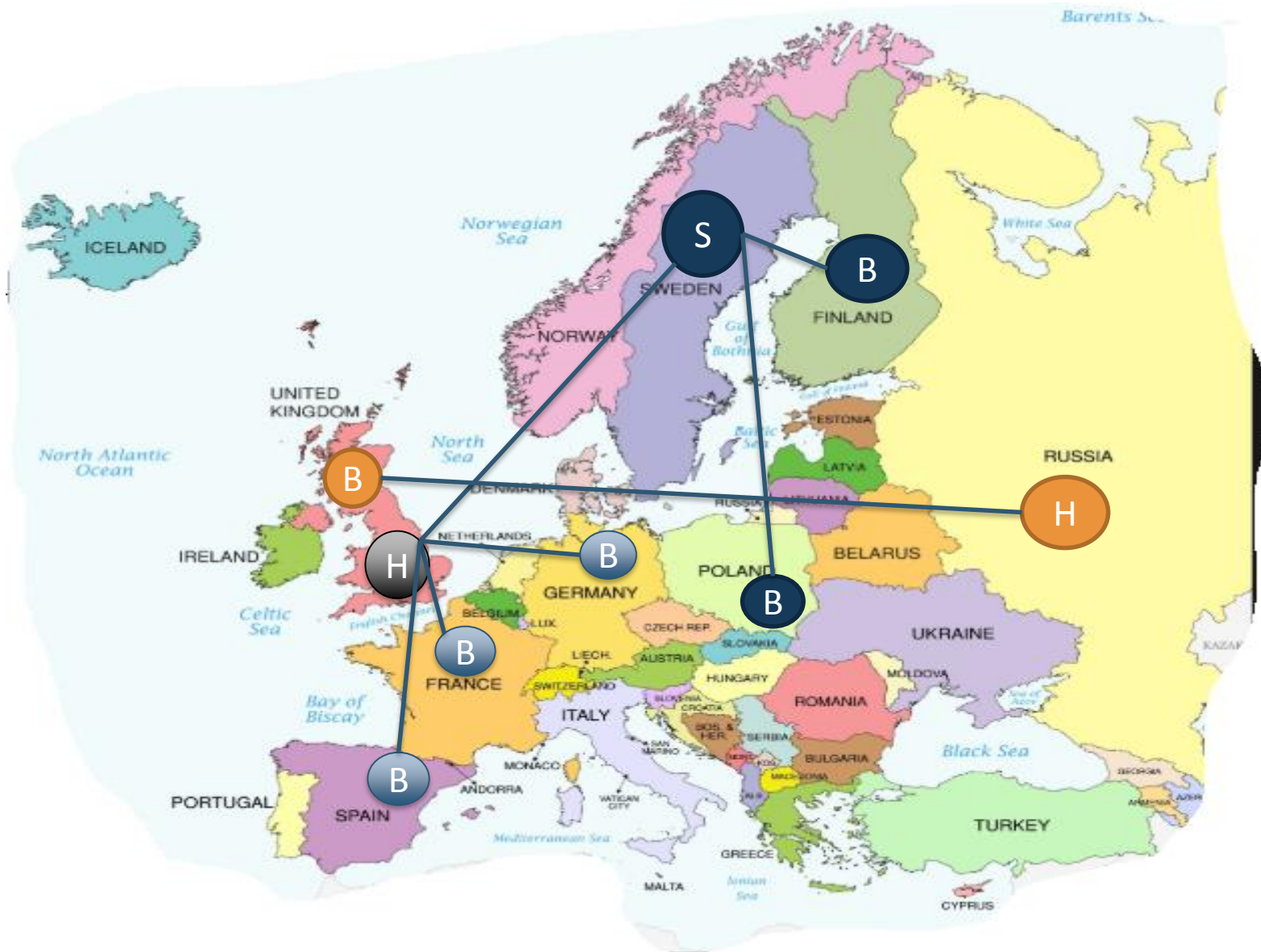
8 November 2018

Consultation Paper

Draft joint guidelines on the cooperation and information exchange for the purposes of Directive (EU) 2015/849 between competent authorities supervising credit and financial institutions (“The AML Colleges Guidelines”)



SUPERVISORY COOPERATION GUIDELINES: MAPPING OF FIRMS

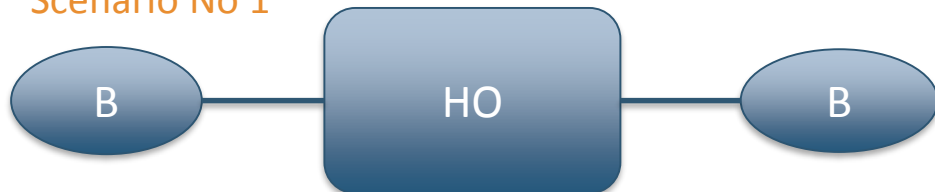


SUPERVISORY COOPERATION GUIDELINES: ESTABLISHING AML/CFT COLLEGES

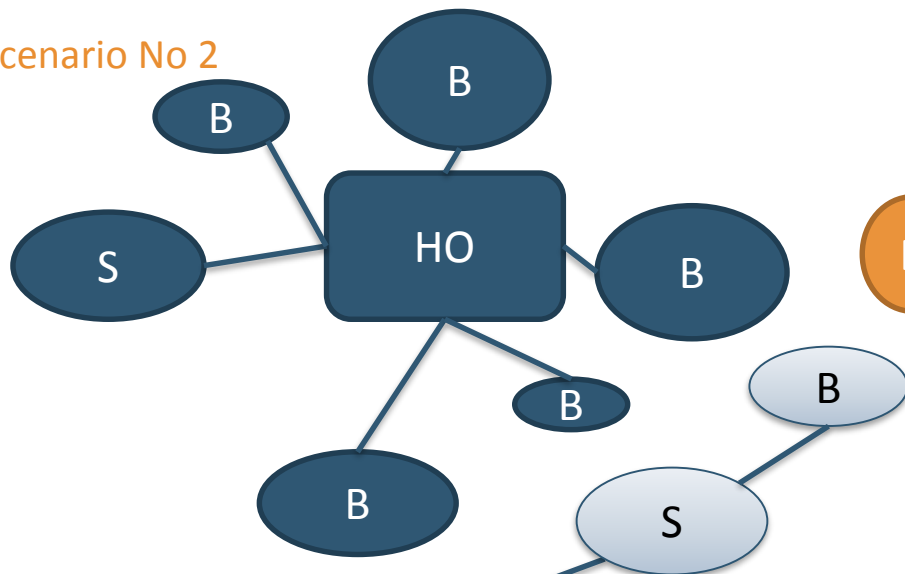
EU MEMBER STATES

3RD COUNTRIES

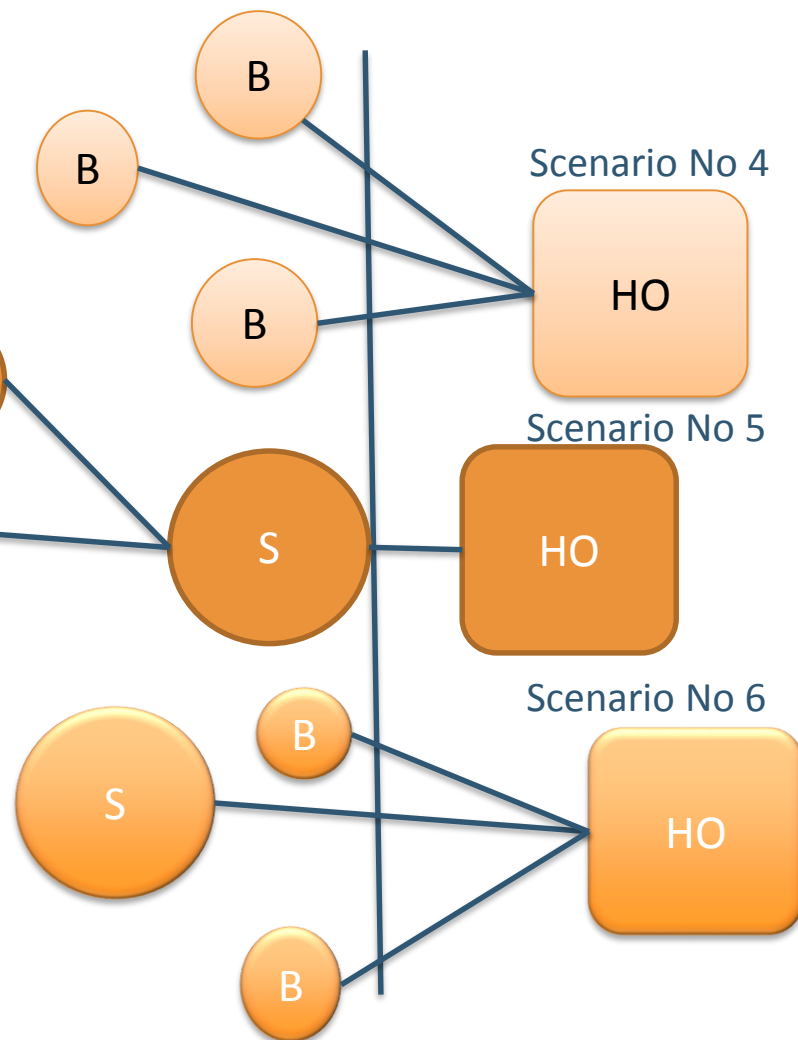
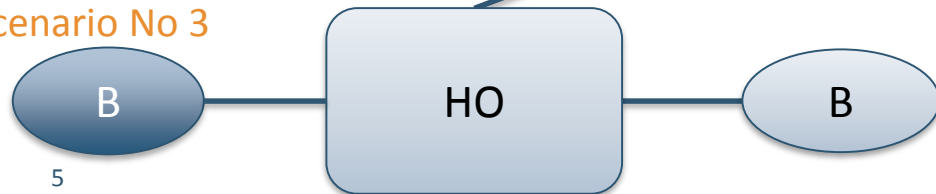
Scenario No 1



Scenario No 2



Scenario No 3



Scenario No 4

Scenario No 5

Scenario No 6

SUPERVISORY COOPERATION GUIDELINES: COMPOSITION OF AML/CFT COLLEGES

PERMANENT MEMBERS

- The host competent authorities
- The home competent authority, where a host competent authority is the lead supervisor
- Other relevant national competent authorities, where more than one is involved in the supervision of a firm
- The appropriate ESA

OBSERVERS

- Supervisory authorities of third countries
- The prudential supervisors, including the ECB

INVITED PARTICIPANTS

- Any participants whose attendance could benefit the college (e.g. the firm, auditors, FIU) or would have an impact on their work (resolution authorities, the single resolution board, etc)
- Invited for a particular session only

Scheduled meeting

Form & frequency is determined by permanent members on a basis of different factors, including the ML/TF risk

Meeting should include at least:

1. The **exchange of information**

(ML/TF risk profile, emerging risks, crystallised ML/TF risk, supervisory activities, STRs, sanctions, supervisory enforcement measures)

2. Discussions on the need for a **common approach** and **coordinated actions**

Ad hoc meetings

Form is determined by permanent members

When should the meeting be held?

- where a ML/TF risk has crystallised
- when a serious ML/TF risk has emerged

Each college should have a written cooperation and information sharing agreement in place, which should at least address:

The scope of mutual assistance, cooperation and information exchange

The process for requesting and providing mutual assistance

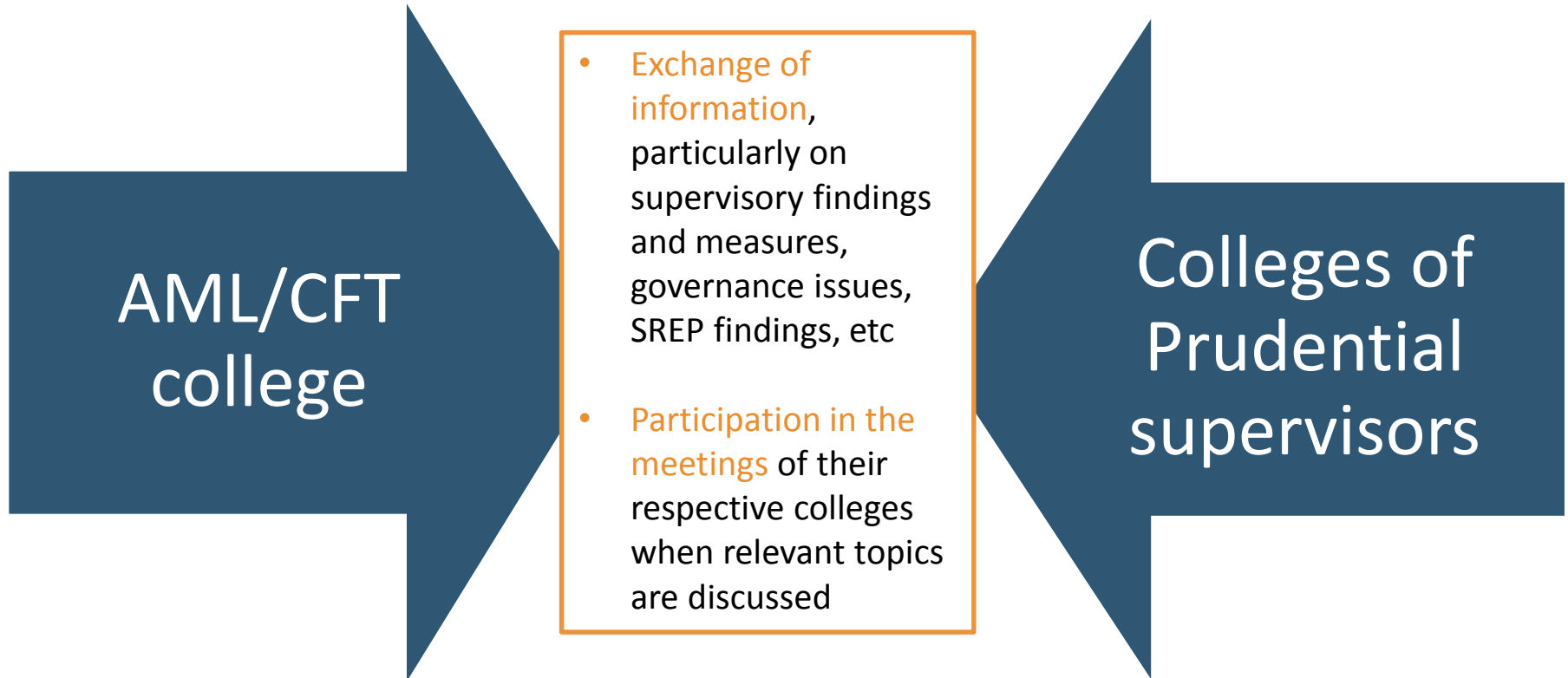
The process for agreeing a common approach

Coordinated supervisory actions (including joint inspections)

Confidentiality restrictions and permissible uses of information

The rules governing the settlement of disputes (GL16 - ESAs non binding mediation)

SUPERVISORY COOPERATION GUIDELINES: COOPERATION BETWEEN AML/CFT AND PRUDENTIAL COLLEGES



Applicability
of these
Guidelines in
bilateral
relationships

- Guideline 9 in relation to the scope of mutual assistance;
- Guideline 10 in relation to the process of mutual assistance;
- Guideline 11 in relation to the permissible uses of information; and
- Guideline 12 and 13 in relation to a common approach and coordinated supervisory actions.
- Point 7.6 of Guideline 7 in relation to the exchange of information.

SUPERVISORY COOPERATION GUIDELINES: CONSULTATION



The public consultation is open until **08 February 2019** at

<https://eba.europa.eu/regulation-and-policy/anti-money-laundering-and-e-money/jc-guidelines-on-cooperation-and-information-exchange-for-aml/cft-supervision-purposes>

SUPERVISORY COOPERATION GUIDELINES: QUESTIONS





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