

Results for the CFE Professional Affairs Committee Survey on the implementation status of the 4th Anti-money laundering directive EU/2015/849

April 2018

BACKGROUND

EU Member states had until 26 June 2017 to implement the 4th EU Anti-Money Directive (“AMLD”) into domestic legislation. The 4th AMLD reinforces the existing rules by introducing the following changes: reinforcing risk assessment obligation for certain obliged entities; setting transparency requirements about beneficial ownership for companies, facilitating cooperation and exchange of information between Financial intelligence units, establishing a coherent policy towards non-EU countries that have deficient anti-money laundering (“AML”) and terrorism-financing rules, and, reinforcing the sanctioning powers of competent authorities.

AIMS

Tax advisers are considered obliged entities for AML purposes pursuant to Article 2 of the 4th AMLD. The AML supervisory regime is complex and the 4th AMLD poses many practical questions for tax advisers and supervisors of the AML compliance.

The questionnaire aims to gather data of the countries on the implementation status of the 4th AML Directive, in particular regarding national risk assessments, beneficial ownership registers, your supervisory obligations, if any, the national oversight regime, as well as issues that you encounter related to identification of risks and compliance in general.

The countries which responded to the questionnaire are: Austria, Belgium, Croatia, Czech Republic, Ireland, Italy, Lithuania, Luxembourg, Russia, Spain, the Netherlands and the United Kingdom.

SURVEY RESULTS

Question 1 - What is the implementation status of the 4th AML Directive in your country? Please specify the national implementing legislation, when was it implemented and the date of entering into force.

Austria	WTBG 2017 (BGBl I Nr. 137/2017, 15.9.2017) WiEReG (BGBl I Nr. 136/2017, 15.9.2017) KSW-GWPRL (ABI-KWT Sondernummer II/ 2017, 22.12.2017)
Belgium	The directive has been implemented by the law of 18 SEPTEMBER 2017 on the prevention of money laundering and terrorist financing and on the restriction of the use of cash.
Croatia	Implemented with Zakon o sprečavanju pranja novca I financiranje terorizma (NN 108/2017) effective as from 1.1.2018.
Czech Republic	In the Czech Republic, the 4 th AML Directive was implemented by the Act no. 368/2016 Coll. which came into force partly in 1 st January 2017 and the beneficial ownership register part is going to come into force in 1 st January 2018. This act amended Act no. 253/2008 Coll. – The Anti-money Laundering Act.
Ireland	Ireland has since November 2016 required companies to set up and maintain a register of their beneficial owners in accordance with the 4th AML Directive (S.I. No. 560 of 2016). Ireland has not yet set up a central register of beneficial ownership of companies. It is understood that a central register will be set up in the first quarter of 2018 and will be maintained by the Companies Registration Office (CRO). Ireland has not yet taken steps to set up a central register of beneficial owners of trusts. It is understood that Ireland has been waiting for the finalisation of the 5th AML Directive before doing so as the scope of requirements on trusts was under debate at EU level. It is thought likely that the Irish Revenue will maintain the central register for trusts when set up. In terms of the implementation of other elements of the 4th AML Directive, it is understood that a Bill is currently being drafted which will be entitled the “Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill”.
Italy	The 4 th AML Directive was implemented in Italy by the Legislative Decree 90/2017 that reformed the existent Legislative Decree 231/2007. The reformed text of the Legislative Decree 231/2007 came into force on July 4 th , 2017.
Lithuania	4 th AML Directive is already implemented in the legislation of the Republic of Lithuania. On 29 th June 2017 amended Law on the Prevention of Money Laundering and Terrorist Financing was adopted. It came in to force on 13 th July 2017 (from here on – AML Law).

Luxembourg	The implementation status of the 4 th AML Directive in Luxembourg is still in progress: a draft bill has been introduced.
Russia	Federal Law No. 115-FZ dated 07.08.2001 on Anti-Money Laundering, Combating the Financing of Terrorism – national legislation.
Spain	The status of the 4th AML Directive implementation in Spain is still in process. There's no legislation changed yet about this 4th Directive. There has been a public consultation trying to get all the proposals and opinions from all the subjects that could have an obligation change due to the Directive or due to the changes in the main representative associations from collectives. This consultation ended up on June 10th of 2017. Since this consultation, there hasn't been any notice about the 4th AML Directive implementation yet, being still applicative the 10/2010 of April 28th of 2017 law on AML and all the regulation that develop all its content (RD 304/2014 from June 5th).
The Netherlands	There is a bill sent to parliament containing part of the changes to be implemented. Notably the UBO register is left out. This bill is expected early 2018. It is expected parliament will discuss both bills at the same time therefore at present it is expected that the new legislation will enter into force at the earliest on 1 July 2018.
United Kingdom	The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 came in to force on 26 June 2017 http://www.legislation.gov.uk/uksi/2017/692/made

Question 2 - To what extent the national implementing act follows the provisions of the 4th AML?

Austria	Scope of obligations is risk based as required by the 4 th AML.
Belgium	<p>RISK IDENTIFICATION AND AWARENESS AS STARTING POINT. In order to be able to build their own RBA, firms need to have a clear, consistent, documented and data driven view on their ML/FT risks. En matière d'“évaluation des risques”, une nouveauté importante est introduite par l'instauration d'une procédure dite en “cascade” pour l'identification et l'évaluation des risques de blanchiment et de financement du terrorisme et, en matière d'“obligations de vigilance”, l'approche basée sur les risques est d'application.</p> <hr/> <p>RISK BASED APPROACH (“RBA”) BASED ON AN ENTERPRISE WIDE RISK ASSESSMENT (“EWRA”) : A RBA as requested by the new Law implies that, in a more clear way than before, all measures (organisation, business and transaction wise) should aim at avoiding /mitigating the risk of being misused for ML/FT purposes. The RBA should therefore enable financial institutions to take less profound measures in situations where risks are limited. The resources that are redeemed should be used for more profound measures in situations</p>

where risks are higher. The set-up of the institution's RBA should be based on an actual and profound knowledge and understanding of its ML/FT risks. Therefore, institutions are required to set-up and perform a general AML/CFT risk assessment ("Enterprise Wide Risk Assessment" – "EWRA") at the level of their entity. This EWRA should be documented, be based on actual data and take into account the entities' customers products and services offered, transactions, countries/geographical zones and distribution channels. More detailed guidance on appropriate business linked risk factors can be found in the European Supervisory Authorities (ESA's) Risk Factors Guidelines (see our regulatory newsflash of 6 July 2017).

All policies, procedures, processes controls,... should be risk based taking into account the necessary granularity at the level of the firm.

CUSTOMER DUE DILIGENCE ("CDD"). Introduction of (non-exhaustive) lists of risk variables and risk factors that need to be taken into account when determining the ML/FT risk profile of the customer (and consequently the extent of the customer due diligence measures to be applied).

Existing exemptions for simplified identification (financial institutions, listed entities, public authorities,...) are no longer included: Simplified CDD can only be applied after an individual assessment of the concerned risks.

Strengthened definitions and CDD requirements will impact risk categories and the review of existing customers (adapted definition of UBOs, inclusion of domestic PEPs,...). More detailed CDD information and documentation requirements will lead to longer and more thorough onboarding process, more review and analysis, etc.

ULTIMATE BENEFICIAL OWNERS ("UBOS") Strengthened definition for UBOs of companies (>25% control/ownership only considered as an indication of UBO, management only considered as UBO if no other UBO can be found,...)

Detailed definition for UBOs of trusts, foundations, associations,...

UBO identification will require a clear view on the ownership/control structure of the legal entity

Introduction of a requirement to set up a central public register for UBO's by the Treasury department of the FPS Finance.

DEFINITION OF POLITICALLY EXPOSED PERSONS ("PEPS") Extended definition including, amongst other, domestic PEPs.

APPROPRIATE LEVEL OF CDD. The appropriate level of CDD measures (simplified, normal or enhanced) will need to be determined taking into account the institution's RBA. More detailed guidance on appropriate simplified and enhanced CDD measures can be found in the ESA's recently published final Guidelines on simplified and enhanced CDD

Next to measures identified by the institutions in setting up their RBA, specific enhanced CDD measures are set by the new Law for the following possible risks:

	<ul style="list-style-type: none"> ▪ PEPs ▪ Correspondent relationships ▪ Customers where the identity is verified during the business relationship (and not before) ▪ Customers settled or residing in third countries considered as high risk by EU and FAT ▪ Specific cases related to Serious fiscal fraud whether organised or not (link to specific countries) <hr/> <p>ORGANISATION Driven by the RBA, the new Law extends and strengthens the requirements for the institution’s AML/CFT organisational framework. Documentation is the key. The policy, process and control framework (including analysis, risk assessment process,...) should be documented in detail, including evaluation, updates, validation and decision-making. Also the practical application of this framework (client acceptance, internal investigations, alert handling,...) will need to be fully and consistently documented.</p> <hr/> <p>RESPONSIBILITY FOR THE PREVENTION OF ML/FT Next to the existing AML Reporting Officer (AMLRO or “AML Compliance Officer” as it is now called in the Explanatory Memorandum to the new Law), a responsible person has also to be designated at the level of the Executive Committee. This person will be appointed as final responsible person for AML/CFT and will make sure that the effective management takes the necessary AML/CFT responsibilities.</p> <p>POLICY FRAMEWORK. The new law lists a minimal set of required internal measures and control procedures including such as risk management models, client acceptance policy, policies and procedures, internal controls,...</p> <p>WHISTLE BLOWING MECHANISMS. Internal (to the AML responsible persons – see above) and external (to the concerned authorities) whistle blowing mechanisms should be installed related to violations of the applicable requirements.</p> <p>RECORD KEEPING. The period for keeping the required data will be gradually extended from the existing 5 year period to 10 years as from 2020 (7/8/9 years in respectively 2017/2018/2019). Furthermore, after this time period, the concerned data need to be erased.</p>
Croatia	No
Czech Republic	The Czech legislators decided to restrict the range of obliged entities in case of gambling services providers, e.g. raffles, bingos or scratch cards due to a low risk. Other provisions of the Directive are followed.
Ireland	Ireland’s implementation to date has been in accordance with the 4 th AML Directive.

Italy	<p>The Italian implementing act (as above) fully follows the provisions of the 4th AML Directive; with these remarkable exceptions, that can be viewed as “gold plating” provisions: (i) the anonymity of the person/entity who reports a SAR is not fully guaranteed, since the judicial authority can ask for its revelation; (ii) the retention period of the data and documents regarding the CDD is extended from 5 to 10 years (iii) new retention obligations are wider as they are set in an undetermined way regarding either the contents or its application; (iv) customer due diligence measures require, during the risk assessment, to obtain information about the client financial and economic position.</p>
Lithuania	<p>The purpose of AML Law is to establish measures for the prevention of money laundering and / or terrorist financing and the authorities responsible for the implementation of measures to prevent money laundering and / or terrorist financing. AML Law is intended to ensure the application of the European Union legislation. There has not been any extension of the scope of obligations.</p>
Luxembourg	<p>National implementing act is not finalised yet.</p>
Russia	<p>Federal Law No. 340-FZ dated 27.11.2017 on additional measures to bring the national legislation in accordance with the 4th AML Directive.</p>
Spain	<p>There’s no chance to analyse this answer because Spain doesn’t have any 4th AML Directive implementation yet.</p>
The Netherlands	<p>On the whole the proposed legislation stays very close to the 4th directive, however regarding the UBO register there was a consultation which proposed that the register is open to the public although at a fee. The set of data would be slightly less broad. Also extra data would be requested for the benefit of the authorities only e.g. social number.</p>
United Kingdom	<p>Article 47(3) of the Directive required tax advisers and accountants to ‘take the necessary measures to prevent criminals convicted in relevant areas or their associates from holding a management function in or being the beneficial owners of those obliged entities’</p> <p>The UK has interpreted this as requiring supervisors to undertake criminal checks on beneficial owners, officers and managers of supervised firms (see Regulation 26(1)) Independent checks must be carried out; self-certification is not sufficient.</p>

Question 3 - What is the implementation status of the beneficial ownership register?

Austria	WiEReG (BGBl I Nr. 136/2017, 15.9.2017) Register of beneficial ownership is online since 01/2018. Deadline for registrations 1.6.2018
Belgium	Introduction of a requirement to set up a central public register for UBO's by the Treasury department of the FPS Finance. Practical details for the set-up of this register will be elaborated by royal decree. It is expected that the UBO Register will be operational by the summer of 2018. . However the new Law states that entities cannot rely only on the information in the register for the identification and verification. Additional measures remain necessary.
Croatia	The most notable change in relation to the current AML Act in force is the establishment of the Beneficial Owner Register as the central electronic database on the beneficial owners of legal entities. The AML Act prescribes that legal entities established in Croatia, ie companies, subsidiaries of foreign companies, associations, foundations and institutions ("Entities") are obliged to have and keep corresponding, accurate and updated information about their: i. beneficial owner(s), comprising of: first name and surname, country of residence, date of birth, ID card information, citizenship and nature and scope of beneficial ownership; and ii. ownership structure – which for companies also includes information on shares, stakes and other participation in ownership.
Czech Republic	The beneficial ownership register is up to be launched in 1 st January 2018.
Ireland	See response to Q1 – only the requirement for companies to collect and maintain up to date beneficial ownership information has been legislated for to date. No central register of beneficial owners has been established or legislated for. No legislation placing obligations on trusts or providing for a central register of trusts has been introduced. Provisions relating to the collection and sharing of that information has not yet been enacted – it is envisaged that the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill will make provision for this.
Italy	Since now there was not any implementation of the BO register.
Lithuania	Obligation to register in the beneficial ownership register will come in to force on 1 January 2019.
Luxembourg	A draft bill has been introduced few days ago.

Russia	Legal entities are responsible for operating registers.
Spain	The Beneficial ownership register (BWR) is not created in Spain yet, as any of the 4th AML Directive obligations because of its non-implementation. Nevertheless, in Spain we've a notary BWR since 2004 and it allows much collaboration between the Spanish public administrations that requires it. It's called INDICE ÚNICO INFORMATIZADO in charge of the general counsel of the notary. In addition, the Spanish notary set up the Beneficial Ownership Data Base. It allowed an even more intense collaboration between the notary association and the Spanish public administration, especially on the fight against the Anti-Money Laundering.
The Netherlands	See above. The register will be maintained by the Chamber of Commerce. The register is being developed.
United Kingdom	<p>A register of Persons with Significant Control (PSC) was set up in June 2016. This is held by Companies House and is publicly accessible.</p> <p>A PSC is someone that holds more than 25% of shares or voting rights in a company, has the right to appoint or remove the majority of the board of directors or otherwise exercises significant influence or control.</p> <p>HMRC have also been tasked with setting up a trust register where the AML Supervisors will be required to supply details of supervised firms which provide Trust and Company Services.</p> <p>This is in addition to a trust register to record details of settlors and beneficiaries.</p>

Question 4 – Is the beneficial ownership register implemented with separate legislation?

Austria	Yes
Belgium	The UBO register is aimed at providing adequate, accurate and current information on the beneficial owners, referred to in Article 4, 27°, a), of companies created in Belgium, the beneficial owners referred to in Article 4, 27°, b), of trusts, the beneficial owners referred to in 4, 27°, c), of foundations and (international) non-profit organisations and on the beneficial owners referred to in Article 4, 27°, d), of legal arrangements similar to fiducial or trusts. Practical details for the set-up of this register will be elaborated by royal decree

Croatia	The special regulation which will be rendered by the Minister of Finance within six months from the effective date of the AML Act.
Czech Republic	The UBO register is implemented in The Public Registers Act which is separated from The AML Act.
Ireland	<p>As noted above, Ireland’s central register of beneficial ownership has not yet been legislated for. Since November 2016, Irish incorporated companies have been required to set up and maintain a register of their beneficial owners – this has been legislated for through secondary legislation (statutory instrument). The primary legislation that enables this is the European Communities Act 1972.</p> <p>It is understood that the legislative footing to the central register of beneficial ownership of companies will also be legislated for through a separate statutory instrument. It is also understood that the legislation relating to a central register of beneficial ownership of trusts will be in the form of a separate statutory instrument.</p> <p>As noted above, it is foreseen that the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill will legislate for the other requirements of the 4th AML Directive.</p>
Italy	When implemented the BO register will be set by a delegated secondary legislation
Lithuania	Beneficial ownership register at the moment is regulated in the 29 th June 2017 amended Law on the Prevention of Money Laundering and Terrorist Financing. No separate legislation for beneficial ownership register.
Luxembourg	It is going to be implemented with separate legislation
Russia	No
Spain	There’s no news about this so we can’t know how it’s going to be in the near future.
The Netherlands	It is
United Kingdom	The requirements to keep a PSC register are set out in Part 21A of and Schedules 1A and 1B to the Companies Act 2006 (as inserted by the Small Business Enterprise and Employment Act 2015) and in The Register of People with Significant Control Regulations 2016

Question 5 – Could you please specify which entities are responsible for setting up and operating the register(s)? Which entities are responsible for entering the UBO information (eg legal entities, advisers, accountants etc)?

Austria	Legal entities are responsible for registering and providing required information. Tax advisers, accountants, lawyers etc. may be authorized to enter data on behalf of legal entities.
Belgium	Practical details for the set-up of this register will be elaborated by royal decree
Croatia	The Register will be operationally led by the Financial Agency (FINA). Entities (except companies whose financial instruments are traded on a stock exchange or regulated market) shall be obliged to provide this information. Legal entities are credit institutions, payment service providers, investment funds, pension funds, factoring companies, electronic money institutions, legal and physical persons providing forfeiting services, audit companies, tax advisors etc)
Czech Republic	The UBO register is administrated by regional courts. The legal entities themselves and trustees are responsible for entering the UBO information.
Ireland	<p>All Irish incorporated companies are required to set up and maintain a register of beneficial ownership. The primary responsibility for collecting the beneficial ownership information for each company lies with its directors / the chief executive officer of the company. Where this information is not readily available to the company, it may require the shareholders to provide the required information where they are a beneficial owner.</p> <p>The precise collection and reporting mechanism to the central register is not yet known but it is anticipated that the statutory instrument that gives legislative footing to the central register of beneficial ownership will place an obligation on companies to provide the information about their beneficial owners to the central register.</p> <p>It is unknown at this stage what the details of the requirements on trusts will be.</p>
Italy	The entities responsible for setting up, operating and entering the BO register are: (i) all the entities with legal personality obliged to register at the Business Register of the Italian Chamber of Commerce (including trusts with relevant legal effect for tax purposes); (ii) the other private legal entities with legal personality not obliged to register at the Business Register of the Italian Chamber of Commerce (associations, foundations, partnerships)
Lithuania	State Enterprise Centre of Register is responsible for setting up and operating beneficial ownership register. According to the Article 25 part 1 of AML Law all legal entities which are registered in the Republic of Lithuania shall receive, renew and save adequate, accurate and current information on beneficial ownership. Exception for legal entities which are controlled by the State or Municipality is applicable.

Luxembourg	GIE RCSL will be responsible for setting up and operating the BO register. Each Luxembourg entity (except listed companies) will be responsible for entering its own UBO information.
Russia	Legal entities
Spain	Because we have no law about it, we can't answer this question. Nevertheless, we suppose that the entire obligated subjects are going to be obligated to register all its Beneficial Ownerships, organism that will be probably charged from the "Registro Mercantil".
The Netherlands	Chamber of Commerce. The entities seated in the Netherlands will be obliged to enter the UBO information.
United Kingdom	Companies are required to submit the information to Companies House which holds the register.

Question 6 – Who has access to the beneficial ownership registers?

Austria	Access to the register is possible for authorities, legal representatives (e.g. tax advisers, lawyers, notaries) and persons with legitimate legal interest.
Belgium	The Administration of the Treasury referred to in Article 73 is in charge of collecting, retaining, managing and checking the quality of the data and providing the information referred to in the first paragraph, in accordance with the provisions of this Law and the legal and statutory provisions allowing the initial collecting of these data. Practical details for the set-up of this register will be elaborated by royal decree
Croatia	Information from the Register will be accessible to (i) authorised officials in the Anti-Money Laundering Office (the "AML Office"), (ii) authorised persons in state bodies (eg Ministry of Finance, Croatian National Bank, Croatian Financial Services Supervisory Agency, Ministry of the Interior, State Attorney's Office, courts, etc), and (iii) authorised persons in the entities which are obliged to undertake measures relating to the prevention and detection of money laundering and terrorism financing when conducting customer due diligence. Limited information from the Register may also be provided to interested parties which submit a reasoned application to the AML Office and prove justified legal interest.
Czech Republic	The UBO register itself is not public, only limited number of subjects with specific lawful reasons has access to the information contained in it.

Ireland	<p>As noted above there is no central register of beneficial ownership of companies or trusts yet.</p> <p>It is expected that the central registers will not be publicly available but access to the central register will be given to a defined cohort of persons, e.g. financial institutions conducting customer due diligence, police forces, tax and legal advisors, etc. as well as other persons with a “legitimate interest”. As the central registers are not yet set up the details of who might be considered to have a “legitimate interest” and hence access to the central registers is not yet known.</p>
Italy	<p>The entities who can access the BO registers are:</p> <ol style="list-style-type: none"> a) the Ministry of Economics and Finance; b) the sectorial supervisory authorities; c) the Italian financial intelligence unit; d) the anti-mafia investigative Directorate; e) the Guardia di Finanza (the Italian Financial Police) operating in cases as provided by the law by means of the Nucleo Speciale di Polizia Valutaria (a Guardia di Finanza special branch), without any restriction; f) the national anti-mafia Directorate; g) the national counterterrorism Directorate; h) the judicial authority, in accordance with its institutional responsibilities; i) the competent authorities who combat tax evasion, according to the access mode to guarantee the pursuit of this objective, set out in a special Decree of the Minister of economy and finance, in consultation with the Minister of Development; j) the 4th AML Directive obliged entities responsible for supporting the obligations prescribed during the customer due diligence, following accreditation and upon payment of fees; k) upon payment of fees, entities who hold a relevant legal and differentiated interest, in those cases where the knowledge of beneficial ownership is necessary to cure or defend, during a court proceeding, a legally protected interest corresponding to a situation, when they have concrete reasons and documented, to doubt that the ownership actual is different from the legal; the interest must be direct, concrete and actual and, in the case of representative bodies of widespread interests, should not coincide with the individual interests of category represented. <p>Access to beneficial ownership information may be excluded where the information relates to people unable or minor of age or where access exposes the beneficial owner at risk to their own safety.</p>
Lithuania	<p>JADIS data is provided to:</p> <ol style="list-style-type: none"> 1) Participants of legal entities – if their data are entered in the JADIS database; 2) legal entities that have submitted their participants' data - have the right to receive all the data of their participants and their lists; 3) state institutions and bodies entitled to receive all data of legal entities' participants and their lists for the fulfillment of the functions prescribed by laws and other legal acts; 4) natural and legal persons who are entitled to receive data in cases established by law.

Luxembourg	Access will be granted to 3 groups: - AML competent national authorities, - Self-regulated bodies (OEC included), - People demonstrating a legitimate interest.
Russia	Federal Tax Service of Russia and Federal Financial Monitoring Service (Rosfinmonitoring)
Spain	As the 5th answer there's no new about it, nevertheless, after reading the 4th AML Directive, we can deduce that every organism interested in the Anti-Money Laundering as "SEPBLAC" or "MINECO", all the obligated subjects and everyone that has an legitimate interest (this last one is very controverted because there's no correct definition of the concept yet).
The Netherlands	See above. Also tax administration will probably have access.
United Kingdom	It is publicly available

Question7 – Are there any compliance regulations that need to be implemented further to the 4th AMLD implementing acts?

Austria	4 th AMLD is fully implemented
Belgium	The 5 th AMLD
Croatia	The special regulation which will be rendered by the Minister of Finance
Czech Republic	No, currently the 4 th AML Directive has been fully implemented.
Ireland	As most of the implementing legislation has not been published, it is not possible to comment on whether additional compliance regulations will be required to be implemented.
Italy	Yes. In Italy, regulatory procedures need to be set for auditors, accountants, professional consultants and tax advisors ("the practitioners"). Regulatory procedures must be agreed between CNDCEC (Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili _ National Professional Body of Certified public accountants, auditors and advisors) and CSF - Comitato di Sicurezza Finanziaria (Financial Security Committee).

Lithuania	No additional regulation is needed for the 4 th AML implementation in the Republic of Lithuania.
Luxembourg	We are not aware of such compliance regulations
Russia	-
Spain	We are not noticed about all the outstanding Directives to implement in Spain. Nevertheless, we know that as many Countries in the EU, quite a lot of Directives to implement yet. For example, there've been a notice about the hypothecary Directive that Spain haven't implement yet being accomplished the maximum to do it.
The Netherlands	Definitions of UBO will be laid down in a royal decree (legislation of lower rank than a law). This does not have to pass parliament.
United Kingdom	None

Question 8 – Who is responsible for oversight of the 4th AML compliance at the national level?

Austria	Several authorities, professional bodies (e.g. KSW is oversight body for tax advisers).
Belgium	The Minister of Finance, the Administration of Treasury, the National Bank of Belgium, the Financial Services and Markets Authority, the Federal Public Service Economy, SMEs, SelfEmployed and Energy, the Supervisory Board of Auditors, the Institute of Tax Accountants and Tax Consultants, the Institute of Accounting professionals and Tax Experts, the National Chamber of Notaries, the National Association of Bailiffs, the President of the Bar Association, the Federal Public Service Home Affairs, the Gaming Commission
Croatia	Supervision over the obliged entities is the responsibility of the Croatian National Bank, the Financial Inspectorate, the Croatian Financial Services Supervisory Agency and the Tax Administration.
Czech Republic	The general AML obligations supervisor is the Financial Analytical Office which was created by the 4 th AML Directive implementation act on 1 st January 2017 by transformation of a financial analytical department of the Ministry of Finance to a separate body.

Ireland	Ultimately the Department of Justice and Equality is responsible for ensuring compliance with the requirements of the 4th AML Directive (Anti-Money Laundering Compliance Unit). However, compliance responsibilities are devolved to various other bodies e.g. the Irish central bank, the Irish police, regulatory bodies (e.g. legal or accountancy), etc.
Italy	The CNDCEC at central level and the local professional bodies are responsible for oversight of the 4th AML compliance. At local level, even the Disciplinary Councils had an important role, since they have the power to carry out disciplinary sanctions against colleagues who have disregarded the rules of professional ethics and law.
Lithuania	Supervisory bodies for the measures of AML law are: 1) Financial Crime Investigation Service; 2) The Bank of Lithuania; 3) Department of Cultural Heritage, Gambling Supervisory Service, Lithuanian Bar Association, Lithuanian Chamber of Auditors, Lithuanian Notaries 'Chamber, Lithuanian Bailiffs' Court, Lithuanian Chamber of Commerce - according to their competence.
Luxembourg	Government is responsible for oversight of the 4 th AML compliance at the national level.
Russia	The Federal Financial Monitoring Service (Rosfinmonitoring) is a federal executive body responsible for combating money laundering and terrorist financing
Spain	We're not noticed about any responsible to check the amount of accomplishment of this 4th AML Directive in Spain.
The Netherlands	Several regulators are appointed, for accountants and tax advisers there is an independent regulator the BFT Bureau for Financial Oversight. Lawyers are self regulated
United Kingdom	HM Treasury and the Home Office. A new body – the Office for Professional Body AML Supervisors will take effect from January 2018. Its role is to oversee the work of and ensure consistency of supervision approach by the professional body AML supervisors. The tax authority (HMRC) and the Financial Conduct Authority which are government body Supervisors will not be overseen by OPBAS but they have undertaken to apply the same standards required by OPBAS.

Question 9 – What is the status of the national risk assessment in your country?

Austria	Preparations have started for updating the national risk assessment. https://www.bmf.gv.at/finanzmarkt/geldwaesche-terrorismusfinanzierung/Nationale_Risikoanalyse_Oesterreich_PUBLIC.pdf (2015)
Belgium	<p>The coordinating bodies take the necessary measures to identify, assess and mitigate the ML/TF risks that Belgium faces, as well as any related data protection issue.</p> <p>>At the end of January 2016, the first part of the analysis (the analysis of money laundering threats) was finalised and forwarded to the Ministerial Coordination Committee for Combating Money Laundering of Illicit Origin. This analysis of money laundering threats has identified the most threatening profiles among 32 profiles (business sectors, individuals or groups of individuals) and has already made recommendations with regard to the most threatening profiles. The second part of the bleaching vulnerability analysis was completed in March 2017. The Anti-Money Laundering Coordination Board has also made a series of proposals to the Ministerial Committee of the same name for the establishment of a real AML policy.</p> <p>>The Terrorist Finance Platform completed the analysis of threats, vulnerabilities and risks to terrorist financing in Belgium, which consisted of verifying whether the threats and France Télécom vulnerabilities identified at international level also applied to Belgium. No document has been published until now. they have to prepare a risk assessment report, each insofar as it concerns them and six months after publication of this Law at the latest. They then update this report every two years or more frequently if circumstances warrant this.</p>
Croatia	No information
Czech Republic	The first round of NRA, coordinated by the Financial Analytical Office, took place between 2015 and 2016. The report was approved by the Government on 9 th January 2017.
Ireland	Published in October 2016 – click here
Italy	In Italy, last NRA was made in July December 2014.
Lithuania	National risk assessment of the Republic of Lithuania was performed in 2015 and published in 2016. According to the AML Law National risk assessment for money laundering and terrorist financing is carried out at least every 4 years.
Luxembourg	As far as we know, it has been performed but not published yet.

Russia	-
Spain	Knowing the fact that there's an over national risk report from de European Commission, we have not been noticed about any Spanish risk report in Anti-Money Laundering and terrorism financials. Nevertheless, we have one of those risk reports in Spain created in 2014 jointly the GAFI (FATF) in Spain. So the new risk report is yet to be created and published.
The Netherlands	Should be published this week.
United Kingdom	The NRA was issued on 26 October 2017 https://www.gov.uk/government/publications/national-risk-assessment-of-money-laundering-and-terrorist-financing-2017

Question 10 – What is the scope of the national risk assessment (NRA)? Is your NRA based on the EU Commission SNRA of June 2017?

Austria	The NRA is based on the „National Money Laundering and Terrorist Financing Risk Assessment (February 2013)“
Belgium	Not Yet. The sectoral risk analysis carried out in 2014 is based on public documents (annual CTIF reports, economic statistics or equivalent) and on private sources and information received from members, such as the biannual LAB questionnaire, or other information from the national risk analysis (see answer to question 9). No document has been published until now This analysis will benefit from regular updates based on new typologies and NARS results, including
Croatia	Yes
Czech Republic	The National Risk Assessment assesses risk of legal professions in general. Among others the main risks are purchase/sale of an immovable property, establishment and administration of legal entities and trusts and services connected to these. This NRA does not contain separate analysis for tax advisors, parts of the assessment are subject to confidentiality and is not intended for public publication and moreover is available only in Czech language.

Ireland	<p>The scope of the NRA may be viewed from page 5 onwards in the report linked above at Q9. As the NRA was published prior to the SNRA published by the EU Commission, it is not based on the SNRA. We understand that the Irish NRA will be “kept up to date.”</p> <p>Comments on risk areas identified concerning tax advisers may be viewed from page 62 onwards.</p>
Italy	<p>The NRA scope consists in identifying and analysing the risks of money-laundering and terrorist financing, aimed at the development of intervention guidelines for mitigation of the same and adoption of a risk-based approach to the activity of AML/CFT (antimoney laundering and countering the financing of terrorism). This approach requires that AML/CFT policies and measures be carried out in proportion to the risks they face. Italy NRA is not already based on EU Commission SNRA of June 2017.</p>
Lithuania	<p>The National Risk Assessment of Money Laundering and Terrorist Financing is carried out in order to determine the existing risk of money laundering and terrorist financing in the Republic of Lithuania and its level and to ensure that these risk mitigation measures are selected.</p> <p>Lithuanian National Risk Assessment please find here:</p> <p>http://www.fntt.lt/data/public/uploads/2016/10/d3_Inra2015.pdf</p>
Luxembourg	<p>There is no sectorial NRA. The risk assessment criteria are: Structure (size, fragmentation / complexity), ownership / legal structure, products/activities, geography (international business/ flows with risky geographies), clients (volume, risk), channels, typical ML/FT methods.</p>
Russia	-
Spain	<p>We can't answer about this aspect because of no having Spanish risk report yet.</p>
The Netherlands	<p>We are awaiting the NRA</p>
United Kingdom	<p>There does not appear to be any reference to the SNRA in the UK NRA. SNRA was probably issued too late to be taken in to account.</p>

Question 11 – Do you have AML supervisory obligations as professional body? If you do not, please specify which body is responsible for AML supervision of tax advisers.

Austria	KSW is the supervisory authority and responsible for AML supervision of tax advisers.
Belgium	<p>Yves. Supervisory authorities or, where appropriate, authorities designated by other laws may issue regulations that apply to the obliged entities under their competence and that complete the provisions of Books II and III and their implementing decrees on a technical level, taking into account the national risk assessment</p> <p>§ send circulars, recommendations or other forms of communication to the obliged entities in order to clarify the scope of the obligations arising from the aforementioned provisions for these entities;</p> <p>§ take measures to raise the obliged entities' awareness of ML/FT risks; and</p> <p>§ take measures to inform the obliged entities of the developments in the legal AML/CFTP framework</p> <p>The supervisory authorities shall exercise their supervision based on a risk assessment. To that end, we shall ensure that we have a clear understanding of the ML/FT risks present in Belgium, based on relevant information concerning national and international risks, including the report drawn up by the European Commission pursuant to Article 6(1) of Directive 2015/849 and on the national risk assessment referred to in Article 68,, based on the frequency and intensity of on-site and offsite supervision on the obliged entities' risk profile.</p>
Croatia	Supervision over the tax advisers is the responsibility of the Financial Inspectorate, the Croatian Financial Services Supervisory Agency and the Tax Administration.
Czech Republic	Yes, according to the AML Act, the Chamber has the capacity to carry out an inspection of AML obligations compliance on the initiative of the Financial Analytical Office. The Disciplinary Commission has the capacity to impose disciplinary measures to a tax advisor for breaching the AML obligations.
Ireland	<p>See comments on page 62 / 63 of the NRA linked above – list of prescribed accountancy bodies in Ireland. The Irish Tax Institute is not an AML supervisory body. However, many of our members are dual members i.e. also a member of an accountancy body or also a member of the legal profession.</p> <p>Members of the Irish Tax Institute who are lawyers are regulated by the legal profession, while Irish Tax Institute members who are also accountants are regulated by that accountancy body. Where individuals are members of the Irish Tax Institute only, these are regulated by the Department of Justice (see page 63 of the NRA document).</p>

Italy	The professional body obligations are the following: (i) set the regulatory and practical procedures for practitioners (ii) control that members are compliant with the legislation (iii) set the professional training for practitioners (iv) set criteria and methodologies for the analysis and evaluation of professional
Lithuania	Association of Lithuanian Tax Advisers do not have supervisory obligations as professional body. However, there is no such body as supervisory professional body for the tax advisers in the Republic of Lithuania yet.
Luxembourg	The “Ordre des Experts-Comptable” has AML supervisory obligations as professional body.
Russia	Our Chamber as professional body does not have AML supervisory obligations.
Spain	We’re not a supervision organism of obligations. There’s no specific supervision organism to tax advisors. Nevertheless, the “SEPBLAC”, charged to oversight the AML accomplishment.
The Netherlands	NOB does not have AML supervisory obligations. See above.
United Kingdom	Yes. The CIOT is a Supervisory Body and we supervise approximately 850 firms. (Many of our members will be supervised by another professional body such as the ICAEW.)

Question 12 – What issues or problems have you encountered in the context of your AML supervisory obligations? If not a supervisory body, what issues have you identified in your cooperation with the national AML supervisor of tax advisers?

Austria	The supervisory system is set up at the moment, there are no specific experiences or problems right now.
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Belgium	In addition to the regulation, the circular and the procedures manual, we have proposed diagrams and identification forms and decision trees in addition to support the fact that the risk approach, which is the guiding principle of the Due Diligence (AML) requires proper organization and procedures within the firm, including the requirement to appoint a law enforcement official in the application of the "10 Professionals" rule. The risk dimension is also included in the quality review, of which AWW supervision is an important component.
Croatia	No information.
Czech Republic	The law do not provide unambiguous range of capacity to conduct these controls, however, the Financial Analytical Office requires us to conduct systematic controls. Thus we have proceeded to amend the Statute of the Chamber so it has the option to do so.
Ireland	The Irish Tax Institute is not a supervisory body. No issues identified when cooperating with the national AML supervisor, the Department of Justice.
Italy	The principal issue in Italy is there in no prevision for professionals of a transitional period for the enforcement of the new AML previsions, with the relevant consequence that they are substantially non-enforceable if the regulatory procedures are not set.
Lithuania	There is no such body as supervisory professional body for the tax advisers in the Republic of Lithuania yet.
Luxembourg	Peer review (organized and supervised by the OEC) in AML/CFT (framed by an internal regulation and dedicated guide).
Russia	-
Spain	We haven't been noticed about any problem.
The Netherlands	In the beginning we had discussions about applications of the law. Nowadays we still differ in respect to the exemption in case of prosecution and other procedures.

United Kingdom	<p>We consider that we already carried out our duties as Supervisor in accordance with the requirements of 4MLD so very little if any change will be required. We have a good working relationship with the other professional body Supervisors and HMRC in the tax and accounting field.</p> <p>Very occasionally we find members who have failed to register for supervision because they were unaware of the obligation to do so.</p>
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Question 13 – What procedures have you implemented as supervisory body in order to remain compliant? If not a supervisory body, how do you as professional body cooperate with the national AML supervisor?

Austria	Too early to tell.
Belgium	<p>78 supervisors (rapporteurs) for the quality review in 2017 (end of 2017 = 84) The 26 newly supervisors (rapporteurs) underwent special training for them, during which emphasis was placed on the principle of accompanying. The training was also aimed at explaining the quality review procedure from A to Z and thoroughly analyzing the questionnaires used.</p> <p>>An electronic exchange platform was also launched with the aim of facilitating contacts between supervisors (rapporteurs) and allowing discussions on specific topics and case studies.</p> <p>>Desirous of placing the quality review in a clear, transparent and transparent framework, the questionnaires, very concrete, were then thoroughly reviewed, taking into account the experience gained during the pilot phase, and approved by the Council in early 2016. The questions are covered in full transparency in the BeExcellent platform</p>

Croatia	<p>Supervisory bodies (Art 83 AMLTF Law): conduct supervision over the reporting entities concerning the implementation of money laundering and terrorist financing prevention measures:</p> <ul style="list-style-type: none"> • the Croatian National Bank, • the Croatian Financial Services Supervisory Agency, • the Financial Inspectorate of the Republic of Croatia, • the Tax Administration. <p>The Croatian National Bank: conducts supervision of compliance with the Law with banks and other credit institutions.</p> <p>The Croatian Financial Services Supervisory Agency (CFSSA, HANFA): conducts supervision of compliance with the Law with capital markets participants, funds and insurance companies etc.</p> <p>The Financial Inspectorate: conducts supervision of compliance with the Law, as the primary supervisor, with the sector of so called non-bank financial institutions (exchange offices, money transfer services, etc.), and professional activities sector (lawyers, notaries public, accountants, auditors, tax advisers).</p> <p>The Tax Administration: conducts supervision of compliance with the Law with the organisers of games of chance. The Tax Administration also checks domestic legal and natural persons' compliance with the prescribed limitation of cash payments in an amount exceeding HRK 105,000.00, i.e. amount exceeding EUR 15,000.00 in the arrangements with non-residents.</p> <p>The Customs Administration: conducts controll of cash transfer across the state border.</p> <p>Financial intelligence unit:</p> <p>AMLO: as the central national body in charge for receiving, analysing and disseminating to competent bodies cases with suspicion of ML/TF is a part of the preventive system, an intermediary body, between financial and non-financial sector (banks and others), which report suspicious transactions to the AMLO, on the one hand, and prosecution bodies (police and State Attorney's Offices), as well as courts, on the other.</p> <p>LEAs</p> <p>Police: conducts police inquiries and financial investigations of money laundering criminal offences by acting on cases initiated from the AMLO, from other supervision bodies, or on its own initiative.</p>
Czech Republic	<p>At the last General meeting the art. 25 of the Statute of the Chamber was amended in order to provide a capacity to conduct the AML obligations compliance inspections for the Supervisory Commission. Unfortunately the number of the Supervisory Commission members remained the same and at the moment the Chamber has personnel insufficiency to conduct such inspections but the Commission will be supported by the Chamber staff.</p>
Ireland	<p>The Irish Tax Institute is not a supervisory body (see comments in Q11 above). The Irish Tax Institute regularly provides the Department of Justice with a list of members of the Institute who are not also regulated members of an accountancy body or the legal profession. The Irish Tax Institute also regularly provides training for members on AML.</p>
Italy	<p>As said above CNDCEC is writing down the practical procedures. CNDCEC also set an anonymous channel to receive SARS from its members and send them to the FIU.</p>

Lithuania	Association of Lithuanian Tax Advisers is fully operating according to the provisions of AML Law.
Luxembourg	We plan to strengthen our efforts in AML/CFT by: <ul style="list-style-type: none"> - reinforcing our internal procedure which frames the peer review and developing an IT tool to support it (to increase and speed up the number of controls), - publishing an update of our practical guide, - hiring a dedicated employee to the supervision of the peer review.
Russia	/
Spain	We're not a supervisory body and it doesn't exist any of this kind of organism either in Spain. Nevertheless, we're concerned from the AEDAF organism about the Anti-Money Laundering stuff and we're organizing conferences and opening days to talk and get everyone informed about all this subject news introduced with the AML 4th Directive. We're doing all these conferences helped by a Group of Experts in Anti-Money Laundering, who knows everything about this law. Also, we have sent all the necessary information to all over the associates, so they are informed about the news on AML. As there's a 5th Directive project in AML, we also made what's possible to get all them informed about what its coming soon.
The Netherlands	We have a very close cooperation with our regulator with mutual respect.
United Kingdom	As noted in 2 above from June 2018 we will have to carry out criminal checks on beneficial owners As noted in 3 above we will have to notify which supervised members carry out trust and company service work

Question 14 – What type of methodology you rely on to identify issues of relevance, do you rely on self-declaration of members, what type of background checks, if any, you perform?

Austria	Supervision will be possible in any possible way the AMLD is providing.
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Belgium	The questions are largely based on the annual bi AWW questionnaire, whose responses are verified as part of an on-site approach. Each question has a specific weight. Questions to check whether the regulations in force are respected (for example: do you have liability insurance?) Carry more weight than questions that are limited to checking whether the firm is trying to achieve organizational efficiency. Each member can quickly check in BeExcellent if he is ready and if his office is ready for quality review.
Croatia	Key Measures to be taken include customer due diligence via KYC standard and notification of suspicious transactions to the AML Office.
Czech Republic	So far we controlled tax advisers on the initiative of the Financial Analytical Office or on the initiative from the inside of the Chamber. Now we are going to perform our own controls of AML obligations compliance based on our own risk analysis (assessment) and plan of controls. Moreover the controls are automatically conducted in case of a filed complain about a tax adviser due to an assumption that such a tax advisor does not comply with the AML obligations.
Ireland	N/A – Irish Tax Institute is not a supervisory body.
Italy	This prevision is not already being set for professionals and they have no duties now, since our FIU announced the schemes for AML objective communications will be set first for the financial sector.
Lithuania	Association of Lithuanian Tax Advisers rely on self-declaration which is provided by the tax advisors before the joining the Association.
Luxembourg	Issues of relevance are relied on self-declaration of members firstly and then on-site control (with sampling).
Russia	-
Spain	We did not have had to apply any process to check the amount of true that all the information that we receive have.
The Netherlands	NA
United Kingdom	Currently we ask our supervised members on an annual return to confirm whether they have any criminal convictions, been disqualified from acting as a director, been subject to disciplinary action etc. As noted in 2 above from next year we will also have to carry out criminal checks.

Question 15 - How do you identify and assess the international and domestic risks for members of your professional association?

Austria	Too early to tell.
Belgium	LAB questionnaire which allows, among other things, to identify clients and HR activities in the profession Risk Analysis Debriefing, annual meetings with CTIF: review of trends, statistics and typologies...
Croatia	We rely on questionnaires
Czech Republic	Risks are identified in cooperation with the Financial Analytical Office and they have been included in the National Risk Assessment.
Ireland	N/A – Irish Tax Institute is not a supervisory body.
Italy	This prevision is not already being set. CNDCEC will proceed at collecting data for the annual communication to CSF – Comitato di Sicurezza Finanziaria. CNDCEC will also participate to the next NRA (a NRA is expected every 3 years) and will collect information from its members; that information will be sent to the Ministry of Finance.
Lithuania	Association of Lithuanian Tax Advisers rely on information provided by the tax advisors before the joining the Association. Tax advisers guarantees that information provided is fully correct.
Luxembourg	Such an analysis has not been made.
Russia	-
Spain	We are not an organism that checks the risk that our association members have, we only ease the contact between the tax advisors and the obligated subjects to make easier their contact and the accomplishment of all the obligations they have.
The Netherlands	NA
United Kingdom	We ask our supervised members each year on the annual return what they see as the main AML risk to their practice. We attend quarterly meetings with the other AML supervisors, HM Treasury, the Home Office and the National Crime Agency where risk is discussed. The tax and accountancy AML professional body supervisors are drafting an AML risk assessment tool and will be happy to forward a copy once finalised.