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PRESS RELEASE

ESAs consult on draft Guidelines to prevent terrorist financing and money laundering in electronic fund transfers

The Joint Committee of the three European Supervisory Authorities (EBA, EIOPA and ESMA - ESAs) launched today a public consultation on draft Guidelines that set out what payment service providers should do to detect and prevent the abuse of funds transfers for terrorist financing and money laundering purposes. These Guidelines are part of the ESAs' wider work on fostering a common approach to Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) and promote a common understanding of payment service providers' obligations in this area. This is essential to ensure the consistent application of AML/CFT law, which not only strengthens the European Union's AML/CFT regime but is also a prerequisite for the smooth and efficient functioning of payment systems. The consultation runs until 5 June 2017.

Transfers of funds can be abused for terrorist financing and money laundering purposes. To prevent such abuse, and to detect it should it occur, payment service providers must be able to establish who sends and receives these funds. European legislation, therefore, requires that specific information on payers and payees is passed on along the payment chain and makes payment service providers responsible for ensuring that this is done.

The ESAs' draft joint guidelines set out what intermediary payment service providers and the payment service providers of the payee should do to detect whether information on the payer or the payee is missing or is incomplete. They also set out what payment service providers should do to manage a transfer of funds that lacks the required information.

The ESAs promote the development of a common understanding, by payment service providers and competent authorities across the European Union, of what effective procedures to detect and manage transfers of funds that lack required information on the payer and the payee are, and how they should be applied.

Consultation process

Comments to the draft Guidelines can be sent by clicking on the "[send your comments](#)" button on the EBA's consultation page. The deadline for the submission of comments is **5 June 2017**.

All contributions received will be published following the close of the consultation, unless requested otherwise.

The ESAs will hold a [public hearing on the draft Guidelines](#), which will take place at the EBA premises in London on **19 May 2017 from 10:30 to 12:30 UK time**.

Legal Basis

The Guidelines have been drafted in accordance with Article 25 of Regulation (EU) 2015/847, which requires the ESAs to issue guidelines to Competent Authorities and Payment Service Providers on the measures the latter should take to comply with Regulation (EU) 2015/847 and in particular Articles 7, 8, 11 and 12 of that Regulation.

Further information:

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