MEASURES TO COMBAT MONEY LAUNDERING

Money laundering is the process by which criminals conceal the illegal origin of the resulting property or income.

The EU is working to prevent the misuse of the financial system and to improve cooperation between EU countries so as to fight against money laundering. Its measures are governed by the Treaty on the Functioning of the European Union (TFEU):

- under Title VII (approximation of laws for the internal market): with the creation of the internal market, rules were implemented throughout the EU in order to effectively prevent money laundering as well as terrorism financing. Financial flows are regulated to ensure that transactions can be fully traced and monitored. Financial and certain non-financial operators must also identify their clients (including beneficial owners of companies and trusts), monitor transactions and reports any suspicions of money laundering to Financial Intelligence Units.

- under Title V (police and judicial cooperation in criminal matters): here, the focus is on defining offences and on strengthening mutual assistance.

EU financial crime rules are mostly based on international standards adopted by the Financial Action Task Force. Proposals made in 2013 seek to update and improve the existing rules on anti-money laundering and information accompanying funds transfers.

SEE ALSO

- Eurojust
- European Anti-Fraud Office (OLAF)
- Fight against organised crime
- Fight against terrorism
- Justice
- Police and judicial cooperation in criminal matters
- Summary on customs cooperation to prevent money laundering
- Summary on preventing money laundering by means of the financial system
- Financial crime on the European Commission’s website