**GLOBAL REGULATION: EC unveils six-point plan to tackle money laundering.**

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*As published on complianceweek.com , Wednesday 13 May, 2020.*

The European Commission has unveiled a new six-point plan to tackle money laundering and terrorist financing.

The “ambitious and multifaceted” action plan published last week sets out concrete measures the Commission will take over the next 12 months to better enforce, supervise, and coordinate the EU’s rules on combating money laundering and terrorist financing while shutting down any remaining loopholes and removing any weak links in the EU’s rules.

The plan rests on six pillars:

1. Ensuring EU rules are applied effectively throughout all member states through better monitoring;
2. Proposing a single EU rulebook by the first quarter of 2021 member states can implement and apply evenly, rather than having 27 versions of money laundering rules criminals can exploit;
3. Setting up an EU-level supervisor. Currently, it is up to each member state to individually supervise EU rules in this area. As a result, gaps can develop in how the rules are understood and enforced;
4. Setting up a mechanism whereby EU countries’ financial intelligence units coordinate more effectively and share information more easily;
5. Improving judicial and police coordination and cooperation among member states, as well as working with private-sector organizations to improve tackling money laundering and terrorist financing; and
6. Encouraging greater global cooperation to counter money laundering, as well as stepping up the EU’s approach to third countries to see whether their AML controls/efforts are appropriate.

The proposals are open to consultation until July 29.

The initiative is a response to the Commission’s anti-money laundering report from July 2019 which highlighted a number of weaknesses in its framework to tackle the flow of dirty money and how that cash was being channeled through Europe’s banking system into the hands of terrorist organizations.

The Commission has also published a new methodology to identify high-risk third countries that have strategic deficiencies in their national anti-money laundering and countering terrorist financing regimes, which pose significant threats to the EU’s financial system.

Countries added to the list are the Bahamas, Barbados, Botswana, Cambodia, Ghana, Jamaica, Mauritius, Mongolia, Myanmar, Nicaragua, Panama, and Zimbabwe, while Bosnia-Herzegovina, Ethiopia, Guyana, Lao People’s Democratic Republic, Sri Lanka, and Tunisia have been delisted.