



Commissioner
Ms Věra Jourová
DG JUST
Building MON59
1049 Bruxelles / Brussels
BELGIUM

22 December 2016
ESAS 2016 82

Subject: Delay on the delivery of draft regulatory technical standards under Directive (EU) 2015/849

Dear Commissioner Jourová,

Article 45(6) of Directive (EU) 2015/849 mandates the European Supervisory Authorities (ESAs) to draft regulatory technical standards (RTS) on the measures credit and financial institutions will be required to take to manage the risk of money laundering and terrorist financing where they have branches or majority-owned subsidiaries in third countries that prohibit the implementation of anti-money laundering and counter-terrorist financing measures consistent with those required by Directive (EU) 2015/849, among others. The ESAs are required to submit these RTS to the Commission by 26 December 2016.

The ESAs are committed to respecting the deadlines set in Directive (EU) 2015/849. However, on this occasion, we inform you that the ESAs will not be in a position to deliver this mandate on time. The ESAs had to prioritise the mandates they had been given under Directive (EU) 2015/849 for the Joint Committee (JC) Work Programme 2016. As a result, it was decided at the level of the JC Sub-Committee on Anti-Money Laundering to deprioritise these RTS because enquiries with national competent authorities and the ESAs' stakeholder groups suggested that there were no third countries that met the description in Article 45 (1) of Directive (EU) 2015/849. This means that contrary to other mandates in the same Directive, which are central to the Union's anti-money laundering and counter-terrorist financing regime, these RTS would have had limited application in practice.



The ESAs note that proposed amendments to Article 45 of Directive (EU) 2015/849, if adopted, will extend the scope of this Article to third countries that have not been captured so far. The ESAs stand ready to start working on the mandate in 2017 and expect to be able to submit the final draft RTS by 31 December 2017.

The ESAs stand ready to discuss this matter further should you have any concerns.

Yours sincerely,

Gabriel Bernardino
Chair, EIOPA

Andrea Enria
Chairperson, EBA

Steven Maijoor
Chair, ESMA

cc:

Roberto Gualtieri MEP, Chair of the Committee on Economic and Monetary Affairs, European Parliament;

Jeppe Tranholm-Mikkelsen, Secretary-General of the Council of the European Union;

Tiina Astola, DG JUST, Director General;

Alexandra Jour-Schroeder, DG JUST, Acting Director, Directorate B and Head of Unit B.3. Financial Crime;

Kallina Simeonoff, DG JUST, Team Leader, AML/CTF.