



**COUNCIL OF
THE EUROPEAN UNION**



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12500/05 (Presse 240)

Directive on money laundering and terrorist financing

The Council adopted today a directive on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing (*3631/05 + COR1, 11443/05 ADD1*). The directive was adopted at first reading under the co-decision procedure.

The directive aims at avoiding money launderers and terrorist financiers to take advantage of the freedom of capital movements and the freedom to supply financial services in the internal market.

The directive will apply to natural or legal persons selling goods for payments in cash of EUR 15 000 or more, whether the transaction is carried out in a single operation or involves several operations. It will also concern credit and financial institutions; auditors, external accountants and tax advisors; independent legal professionals; trust and company service providers; real estate agents and casinos.

Under the new directive the member states undertake to prohibit their credit and financial institutions from keeping anonymous accounts. The directive allows the member states to adopt stricter provisions in the field covered by the directive to prevent money laundering and terrorist financing.

P R E S S

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Every EU country will establish a financial intelligence unit responsible for receiving and analysing information concerning potential money laundering or terrorist financing activities, with a view to inform to the competent authorities.

The directive will be implemented by the member states by 2007.

It is intended to replace the directive 91/308/EEC by extending its scope to the financing of terrorism and to persons and institutions not covered at present. The new directive seeks to implement the recommendations of a task force on money laundering set up by the G7.

It should be noted that in July 2005 the Council also adopted a regulation providing a system for controls of cash entering and leaving the Community. This regulation sets at EUR 10 000 a threshold above which natural persons will be required to declare cash when crossing the EU's external borders.
