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16 December 2019

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Press and Communications

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## Press release

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### ESAs transform the way competent authorities cooperate with each other on AML/CFT matters

- *Colleges of AML/CFT supervisors established for the first time in the EU;*
- *These colleges provide a platform for sharing information between AML/CFT and prudential supervisors;*
- *Recent cases have demonstrated that an absence of formal cooperation frameworks may expose the EU Single Market to financial crime.*

**The three European Supervisory Authorities (EBA, EIOPA and ESMA - ESAs) published today [Joint guidelines](#) on cooperation and information exchange, establishing colleges of anti-money laundering and countering the financing of terrorism (AML/CFT) supervisors for the first time in the EU to ensure effective cooperation and information exchange between competent authorities. These measures are needed to strengthen the EU's AML/CFT efforts.**

Financial crime has no borders. Recent high profile AML/CFT cases involving EU banks suggest that in cases where firms operate in different countries, failure by AML/CFT supervisors to communicate effectively with their EU counterparts created gaps that allowed serious compliance failures to continue for long periods of time. The ESAs drafted these Guidelines to ensure that going forward, supervisors from different Member States have a formal cooperation framework that ensures adequate and effective AML/CFT supervision of firms that operate on a cross-border basis.

These Guidelines require that in situations where a firm operates in more than three Member States, supervisors establish an AML/CFT college. To this end, the Guidelines have laid down rules that govern the establishment and operation of the AML/CFT colleges. These colleges will bring together AML/CFT supervisors of the same firm, as well as other relevant parties, for example prudential supervisors and AML/CFT supervisors from third countries. This is to ensure that all supervisors have access to comprehensive information about the firm and use it to inform their risk assessment and supervisory approach. The colleges will also allow the supervisors to agree on a common approach, including coordinated actions .

The Guidelines also include provisions to structure supervisory cooperation in situations where the conditions for setting up an AML/CFT college are not met.

## Legal basis and background

These joint Guidelines have been prepared in accordance with Articles 50a, 57a and 57b of Directive (EU) 2015/849 (The Fourth EU Anti-Money Laundering Directive), which provide legal basis for cooperation and information exchange between AML/CFT and prudential supervisors in the EU and with authorities in third countries.

The Guidelines are broadly based on, and consistent with, the framework of colleges of prudential supervisors of banks, but the scope of these Guidelines is much wider and encompasses all financial sectors in a proportionate manner.