

IRELAND

NRA and FATF MER Preparations



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Key points

- Ireland has been a member of FATF since 1991; FATF's revised standards have global reach (FSRBs) and heavily influences EU Law (next slide);
- Membership of FATF is important to a financial services centre and maintaining our membership is government policy – we have signed up to the [FATF mandate 2012-2020](#);
- Mutual Evaluation Reviews or “MERs” are the FATF's core ‘product’;
- The 4th round assessments focus on risk at both country and sectoral levels; key change to EU law is extension of RBA/RBS to public-side;
- Two 4th round MERs (Spain / Norway) clearly show focus-shift from *technical compliance* to *effectiveness* based on inter-agency collaboration and proven by data;
- Multi-agency focus for next two years, with private sector input, on:

1

Conducting an NRA to identify ML/TF risks;

2

Mitigating ML/TF risks identified in the NRA

3

Achieving a positive outcome in the MER in 2016

4th Directive and WTR - possibly complete by year-end



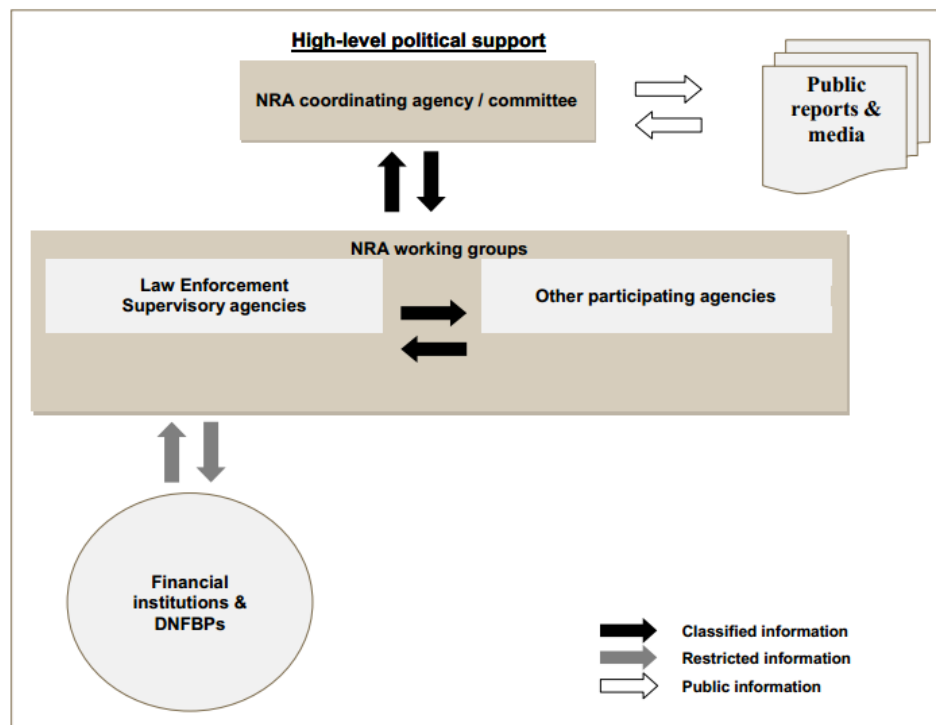
- Again – Risk is at the top of the agenda; main debating point in the current trilogues is on how much national risk assessments should be steered, reviewed, or approved by the Commission:
 - At EU level – Article 6
 - At National Level – Article 7
 - At sectoral level – Article 8
 - At this late stage in ordinary legislative process, (2nd Political Trilogue) work proceeds through 4 column tables (Sample will be removed after presentation):

		<i>COM</i>	<i>COUNCIL</i>	<i>EP</i>	<i>COMPROMISE TEXT</i>
	Art 6 – para 1 – subpara 1	1. The European Banking Authority (hereinafter "EBA"), European Insurance and Occupational Pensions Authority (hereinafter "EIOPA") and European Securities and Markets Authority (hereinafter "ESMA") shall provide a joint opinion on the money laundering and terrorist financing risks affecting the internal market.	1. The European Banking Authority (hereinafter "EBA"), European Insurance and Occupational Pensions Authority (hereinafter "EIOPA") and European Securities and Markets Authority (hereinafter "ESMA") shall provide a joint opinion on the money laundering and terrorist financing risks affecting [XXXX - Redacted]	1. [XXXX – Redacted] The Parliament would like to allocate responsibility for the joint opinion elsewhere.	When reached, consensus between EP and Council will temporarily be set out in this column..



Conducting an NRA – a multi-agency effort

Figure 1. Interrelationships between various contributors to the risk assessment process



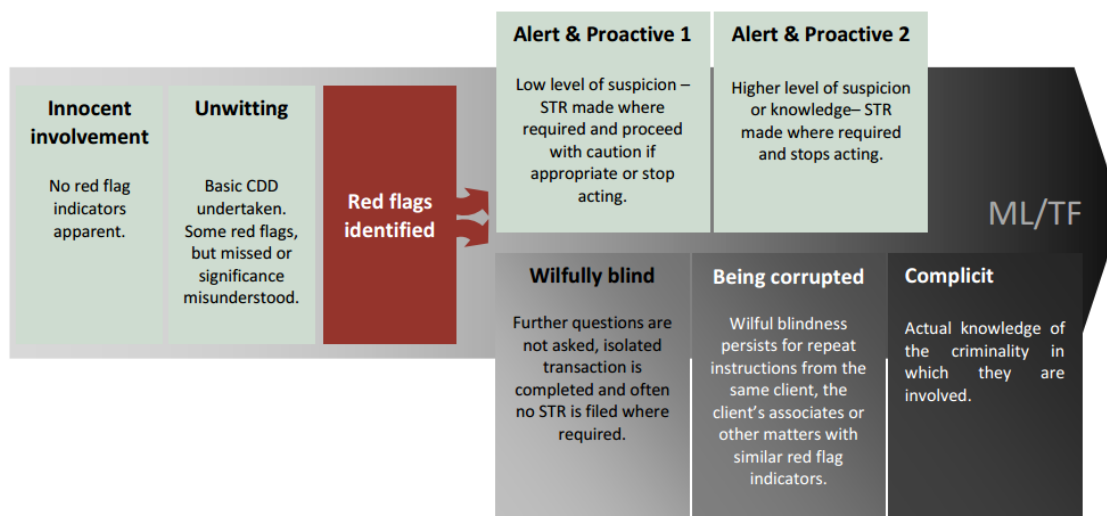
Guidance for countries:

- http://www.fatf-gafi.org/media/fatf/content/images/National_ML_TF_Risk_Assessment.pdf



RBA Guidance – e.g. for legal sector

Involvement of Legal Professionals in money laundering and terrorist financing (ML/TF)




Guidance for sector:

- <http://www.fatf-gafi.org/media/fatf/documents/reports/ML%20and%20TF%20vulnerabilities%20legal%20professionals.pdf>



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