



Payments, E-Money and Crypto-Assets Quarterly Legal and Regulatory Update

Period covered: 1 April 2024 – 30 June 2024

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1. PAYMENTS

1.1 EBA updates to the Single Rulebook Q&A on PSD2

During the quarter, the European Banking Authority (EBA) updated its Single Rulebook Questions and Answers (Q&A) publication on Directive 2015/2366/EU (the **Revised Payment Services Directive** or **PSD2**) (the **Single Rulebook Q&A**).

The Q&As in respect of the following articles have been updated:

- Article 66 – Rules on access to payment account in the case of payment initiation services; and
- Article 97 – Authentication.

The updated Single Rulebook Q&A document can be accessed [here](#).

1.2 European Parliament adopts first reading position on proposed PSD3 and PSR

On 23 April 2024, the European Parliament published a press release announcing that it had adopted its position at first reading on the proposed Directive on payment services and electronic money services in the internal market (**PSD3**) and the proposed Payment Services Regulation (**PSR**).

The Parliament voted to adopt the proposed texts of PSD3 and PSR that were set out in reports adopted by its Economic and Monetary Affairs Committee (**ECON**) in February 2024. ECON's press release summarises the focus of PSR and PSD3 as follows:

- Protection for payment service users from fraud and misuse of data;
- Transparency of fees and charges for payment services;
- Creating a level playing field between banks and non-bank payment service providers; and
- Provisions to improve access to cash, especially in remote or rural areas.

The texts of the reports were published in March 2024.

The Parliament has closed the first reading without agreement with the Council of the EU. It expects that negotiations between Parliament and Council will begin after the Parliamentary elections to be held in June 2024.

A copy of the press release can be viewed [here](#).

1.3 National Payments Strategy: Summary Report on public consultation

On 24 April 2024, then Minister for Finance Michael McGrath published a summary report of the responses to the recent public consultation which had sought the public's view on a new National Payment Strategy ("**NPS**") for Ireland.

Some 85 formal responses to the consultation paper were received compared to the 28 submissions received in the preparation of the National Payments Plan in 2013. Topics covered include instant payments and the interplay of payment fraud, cash access and the acceptance of cash, and crypto-assets transactions within the payment ecosystem. Many stakeholders made it clear that payment fraud is an issue requiring action from many actors across the economy including big tech, financial services, postal services etc.

A copy of the summary of submissions from the public consultation on the National Payment Strategy can be viewed [here](#).

The press release from the Minister for Finance can be viewed [here](#).

2. DIGITAL FINANCE & CRYPTO-ASSETS

2.1 ESMA publishes TRV Risk Analysis - Crypto assets: Market structures and EU relevance

On 10 April 2024, The European Securities and Markets Authority (**ESMA**) published an article “Crypto assets: Market structures and EU relevance” which offers a detailed overview of patterns in crypto-asset secondary markets.

ESMA’s article aims to improve specifically their understanding of crypto-asset trading and the extent to which it resembles or differs from traditional financial markets. ESMA also identifies current and potential areas of risk, not only to consumers but also to market order and financial stability. Finally, ESMA’s analysis informs and supports the implementation of Regulation on markets in crypto assets ((EU) 2023/1114) (**MiCA**).

ESMA observes that the market concentration among exchanges has increased over time and around 55% of transactions are executed on crypto exchanges that hold an EU VASP license. However, most of those transactions are likely to occur outside of the EU according to ESMA. It notes that euro plays only a minor role in the market’s on- and off-rap transactions. The ESMA review also notes that liquidity in the market can vary widely with the largest exchanges typically having higher liquidity, and that, unsurprisingly, liquidity is significantly better for the most-traded crypto-assets.

ESMA says it will continue to monitor crypto-assets, the risks they pose to consumers and their implications for traditional financial markets.

The article can be accessed [here](#).

2.2 EBA issues final reports containing three sets of final draft RTS and one set of final draft ITS under MiCA

On 7 May 2024, the EBA published reports containing three sets of final draft regulatory technical standards (**RTS**) and the final draft implementing technical standards (**ITS**) under MiCA:

- The final report on draft RTS on information for application for authorisation to offer to the public and to seek admission to trading of asset-referenced tokens (**ARTs**) and draft ITS on standard forms, templates and procedures for the information to be included in the application under Article 18(6) and (7) of MiCA (EBA/RTS/2024/03 / EBA/ITS/2024/03).

The final report on EBA/RTS/2024/03 / EBA/ITS/2024/03 can be accessed [here](#).

- The final report on draft RTS on the detailed content of information necessary to carry out the assessment of a proposed acquisition of qualifying holdings in issuers of asset-referenced tokens under Article 42(4) of MiCA (EBA/RTS/2024/04).

The final report on EBA/RTS/2024/04 can be accessed [here](#).

- The final report on draft RTS on the approval process for white papers for ARTs issued by credit institutions under Article 17(8) of MiCA (EBA/RTS/2024/05).

The final report EBA/RTS/2024/05 can be accessed [here](#).

In a related press release, the EBA explains that these technical standards are key to regulate access to the European Union (**EU**) market by issuers of ARTs and persons intending to exercise significant influence on these undertakings through the acquisition of qualifying holdings.

The EBA published consultations on initial draft versions of these RTS and ITS in July and October 2023. The press release notes that following the consultation process, some recitals referencing the obligation to comply with the privacy regime have been added to both the final draft RTS on information for authorisation and the final draft RTS on information for notification of proposed acquisition of qualifying holdings.

The EBA will next submit the final draft RTS to the European Commission for endorsement, they will then be subject to scrutiny by the European Parliament and the Council of the EU before being published in the Official Journal of the EU (OJ). The EBA will also submit the final draft ITS to the Commission for endorsement and publication in the OJ.

The EBA press release can be accessed [here](#).

2.3 ESMA and European Commission provide updates on the implementation of the DLT Pilot Regime

On 7 May 2024, the European Commission published a letter (dated 3 May 2024) sent by the European Commissioner for Financial Services, Financial Stability and Capital Markets Union (CMU), Mairead McGuinness, to Verena Ross, ESMA Chair, on implementation of the Regulation on a pilot regime for market infrastructures based on distributed ledger technology (DLT) ((EU) 2022/858) (DLTR or DLT Pilot Regime Regulation).

This letter is a response to a letter received from Ms. Ross in April 2024 explaining that ESMA does not intend to publish an annual interim report in accordance with Article 15 of the DLTR as no DLT market infrastructures have been authorised, and setting out some challenges related to the implementation of the DLT Pilot Regime.

In the European Commission letter Ms McGuinness clarifies that there is no expiration date for the DLT Pilot Regime and that the Commission remains fully committed to the DLT Pilot Regime.

A copy of the European Commission letter of 3 May 2024 may be accessed [here](#).

A copy of the ESMA letter of 3 April 2024 may be accessed [here](#).

2.4 Delegated Regulations on classification of ARTs and EMTs, product intervention powers, supervisory fines and fees under MiCA published in the OJ

On 30 May 2024, a number of Delegated Regulations supplementing MiCA were published in the OJ.

The Delegated Regulations are:

- Commission Delegated Regulation (EU) 2024/1503 supplementing MiCA by specifying the fees charged by the EBA to issuers of significant asset-referenced tokens (ARTs) and issuers of significant e-money tokens (EMTs).

The Commission Delegated regulation (EU) 2024/1503 can be accessed [here](#).

- Commission Delegated Regulation (EU) 2024/1504 supplementing MiCA by specifying the procedural rules for the exercise of the power to impose fines or periodic penalty payments by the EBA on issuers of significant ARTs and issuers of significant EMTs.

The Commission Delegated regulation (EU) 2024/1504 can be accessed [here](#).

- Commission Delegated Regulation (EU) 2024/1506 supplementing MiCA by specifying certain criteria for classifying ARTs and EMTs as significant.

The Commission Delegated regulation (EU) 2024/1506 can be accessed [here](#).

- Commission Delegated Regulation (EU) 2024/1507 supplementing MiCA by specifying the criteria and factors to be taken into account by ESMA, the EBA and competent authorities in relation to their intervention powers.

The Commission Delegated regulation (EU) 2024/1507 can be accessed [here](#).

The European Commission adopted the Delegated Regulations in February 2024. The Delegated Regulations enter into force on 19 June 2024, 20 days following publication in the OJ.

2.5 ESMA issues final report on draft RTS on conflicts of interest for CASPs under MiCA

On 31 May 2024, ESMA published a final report (ESMA18-72330276-1634) containing Draft technical Standards specifying certain requirements in relation to conflicts of interest for crypto-asset service providers under the Markets in Crypto Assets Regulation (MiCA) under Article 72 of MiCA. The draft RTS was subject to public consultation on 12 July 2023.

The RTS contain updates on the requirements for the policies and procedures for the identification, prevention, management, and disclosure of conflicts of interest, considering the scale, the nature and the range of crypto-asset services provided, as well as details and methodology for the content of the disclosures of conflicts of interest.

In the report ESMA sets out draft RTS on certain requirements in relation to conflicts of interest for CASP's under MiCA, with a view to clarifying elements in relation to vertical integration of CASPs and to further align with the draft European Banking Authority (EBA) rules applicable to issuers of asset-referenced tokens (“ARTs”)

In drafting the RTS, ESMA relied on the MiFID II regime as appropriate and included some specific changes taking into account the supervisory experience of national competent authorities (NCAs). The RTS was amended to align further with the draft EBA RTS on the requirements for policies and procedures on conflicts of interest for to issuers of ARTs.

The RTS was also amended to include a recital referencing the disclosures for CASPs operating in a vertically integrated manner or in close cooperation with affiliated entities or entities of the same group.

ESMA has submitted the draft RTS to the European Commission, which has three months to decide whether to adopt them. ESMA consulted on the draft RTS, together with other technical standards, in July 2023. It published a final report on the other technical standards in March 2024.

The draft RTS are set out in Annex III to the final report. A copy of the final report can be accessed [here](#).

2.6 EBA publishes final reports on RTS and guidelines on governance arrangements, conflicts of interest and remuneration under MiCA

On 6 June 2024, the EBA published a number of final reports covering governance, remuneration and conflicts of interest and guidelines on the minimum content of the governance arrangements for issuers of asset-referenced tokens under MiCA.

Draft RTS on governance arrangements on the remuneration policy of certain issuers of ARTs

The Draft RTS set out the main governance processes regarding the adoption and maintenance of the remuneration policy and the main policy's elements that should be adopted by the issuer as part of the remuneration policy.

A copy of the final report (EBA/RTS/2024/06) containing the draft RTS on the minimum content of the governance arrangements on the remuneration policy can be accessed [here](#). The draft RTS are set out in section 3 of the final report.

Draft RTS on conflicts of interest for ARTs

The draft RTS encompass specific provisions, including documentation requirements, related to personal transactions that have to be conducted objectively and in the interest of each party. The draft RTS also specify that the remuneration procedures, policies and arrangements of the issuer should not create conflicts of interests.

A copy of the final report (EBA/RTS/2024/07) containing the draft RTS specifying the requirements for policies and procedures on conflicts of interest for issuers of ARTs can be accessed [here](#). The draft RTS are set out in section 3 of the final report.

The two sets of draft RTS will now be submitted to the European Commission for endorsement after which they will be scrutinised by the European Parliament and the Council of the EU before being published in the OJ.

Draft guidelines on the minimum content of the governance arrangements for issuers of ARTs

The draft guidelines specify the governance provisions that issuers of ARTs should comply with under MiCA, taking account of the proportionality principle by specifying the requirements regarding the tasks, responsibilities and functioning of the management body, and the organisation of issuers of ARTs.

A copy of the final report (EBA/GL/2024/06) containing the EBA guidelines on the minimum content of the governance arrangements for issuers of asset-referenced token can be accessed [here](#). The draft guidelines are set out in section 3 of the final report.

A copy of the related EBA press release can be accessed [here](#).

2.7 EBA final reports on draft RTS and guidelines on prudential matters under MiCA

On 13 June 2024, the EBA published final reports containing five sets of final draft RTS and one set of guidelines under MiCA on prudential matters, namely own funds, liquidity requirements and recovery plans. This package is intended to help foster a well-regulated market for asset-referenced tokens and e-money tokens in the EU.

The package of EBA Regulatory products comprises:

- ***Draft RTS specifying adjustment of own funds requirement and stress testing of issuers of ARTs and of EMTs***

The draft RTS specify the procedure and timeframe for an issuer of ARTs to adjust to higher own funds requirements when this is deemed to have a higher degree of risk. The draft RTS also provide general rules to be followed by issuers of ARTs for the design, implementation and use of stress testing programmes and methodology. The RTS requirements apply as well to electronic money institutions issuing EMTs that are significant by virtue of Article 58(1), point b, of MiCA.

The final report (EBA/RTS/2024/08) containing the draft RTS can be accessed [here](#).

- ***Draft RTS specifying the procedure and timeframe to adjust the own funds requirements for issuers of significant ARTs or of EMTs subject to such requirements***

Following feedback during the consultation period, the timeframe for the issuer to provide an implementation plan to increase the own funds requirements has been changed to 25 working days. Additionally, the maximum amount of time that the competent authority may grant to the issuer to comply with the plan has been adjusted upwards to 6 months maximum. The

RTS requirements apply as well to electronic money institutions issuing EMTs that are significant by virtue of Article 58(1), point b, of MiCA.

The final report (EBA/RTS/2024/09) containing the draft RTS can be accessed [here](#).

- **Draft RTS further specifying the liquidity requirements of the reserve of assets**

The draft RTS set specific minimum percentages of the reserve of assets according to daily and weekly maturities. They also establish the minimum amount of deposits in each official currency referenced. Furthermore, they envisage overall techniques of liquidity management to seek minimum creditworthiness, liquidity soundness and minimum diversification of bank deposits counterparties in the reserve of assets as well as to ensure minimum overcollateralisation to seek correlation between the reserve of assets and the assets referenced.

The final report (EBA/RTS/2024/10) containing the draft RTS can be accessed [here](#).

- **Draft RTS to specify the highly liquid financial instruments**

These draft RTS establish overall techniques for liquidity management of issuers of ARTs to further specify the liquidity requirements of the reserve of assets in accordance with the requirements under Article 36(4) of MiCA.

The final draft RTS can be accessed [here](#).

- **Draft RTS to specify the minimum content of the liquidity management policy and procedures**

These draft RTS specify the minimum content of the liquidity management policy and procedures and related liquidity requirements including procedures for identifying, measuring and managing liquidity risk, mitigation tools, and liquidity stress testing.

The final report (EBA/RTS/2024/12) containing the draft RTS can be accessed [here](#).

- **Guidelines on recovery plans**

The guidelines on recovery plans specifying the format and the content of the recovery plan and set out the four elements of the recovery plan, the information on governance, the description of the applicable recovery options, and a communication and disclosure plan.

The final report (EBA/GL/2024/07) containing the guidelines can be accessed [here](#).

A copy of the related EBA press release can be accessed [here](#).

2.8 EBA publishes regulatory products under the MiCA

On 19 June 2024, the EBA publishes a package of technical standards and guidelines under MiCA on the topics of reporting, liquidity stress testing and supervisory colleges. This package completes the delivery of EBA technical standards under MiCA.

The package of EBA regulatory products comprises:

- **Draft RTS on the use of ARTs and EMTs denominated in a non-EU currency as a means of exchange**

The draft RTS specify the methodology to be applied by issuers of ARTs and of EMTs denominated in a non-EU currency for estimating the number and value of transactions associated to uses of these tokens “as a means of exchange”, for the purpose of the reporting under MiCA. The draft RTS aim at contributing to the objective of MiCA of monitoring and preventing risks that the wide use of ARTs and of EMTs denominated in a non-EU currency as a means of exchange may have on monetary policy transmission and monetary sovereignty within the EU. In accordance with Article 58(3) of MiCA, these RTS shall also apply mutatis mutandis to EMTs denominated in a non-EU currency.

The EBA's final report (EBA/RTS/2024/13) containing the draft RTS can be accessed [here](#).

- ***Draft ITS on the reporting obligations of issuers of ARTs and EMTs denominated in a non-EU currency, and of CASPs***

The final draft ITS provide specific templates and related instructions for the issuers of ARTs and of EMTs denominated in a non-EU currency to comply with their reporting obligations. These reporting templates will assist the significance assessment of the tokens; provide information on whether the threshold defined in Article 23 of MiCA has been met, therefore restricting the issuance of a token; and being the only reporting obligation set out in MiCA for the issuer, serves general supervisory reporting purposes as well. The draft ITS also provide templates and related instructions that CASPs must provide to issuers of ARTs and of EMTs denominated in a non-EU currency. The draft ITS specify the reporting frequency and related reference and remittance dates as well. The EBA will also develop the related technical package, including the Data Point Model (DPM) and validation rules, and will publish it with its 4.0 Reporting framework release. In accordance with Article 58(3) of MiCA, these ITS shall also apply mutatis mutandis to EMTs denominated in a non-EU currency.

The EBA's final report (EBA/ITS/2024/04) containing the draft ITS can be accessed [here](#).

- ***Guidelines on liquidity stress testing***

The Guidelines lay out the risks to be covered in the liquidity stress testing and identify the common reference parameters of the stress test scenarios to be included in the liquidity stress testing to be applied. Following application of the Guidelines, the supervisor may strengthen the liquidity requirements of the relevant issuer to cover those risks based on the outcome of the liquidity stress testing.

The EBA's final report (EBA/GL/2024/08) containing the guidelines can be accessed [here](#).

- ***Draft RTS on supervisory colleges***

The draft RTS specify the conditions under which certain entities, such as custodians of the reserve of assets, trading platforms and crypto-asset service providers (CASPs) providing custody and administration of crypto-assets on behalf of clients, are to be deemed “the most relevant” in their category, and the conditions under which a significant ART or EMT is to be deemed to be “used at large scale”, for the purpose of determining the composition of a supervisory college under MiCA. The EBA is required to establish such a college in accordance with MiCA for each significant ART and significant EMT. In addition, the RTS specify the general conditions for the functioning of supervisory colleges, including aspects related to participation in college meetings, voting procedures, exchange of information and the entrustment of tasks among college members.

The EBA's final report (EBA/RTS/2024/14) containing the draft RTS can be accessed [here](#).

The related EBA press release can be accessed [here](#).

2.9 EBA and ESMA publish final report and guidelines on suitability assessments under MiCA

On 27 June 2024, the EBA and ESMA published a joint final report on two sets of guidelines on suitability assessments of the management body and holders of qualifying holdings under MiCA.

The first set of guidelines covers the presence of suitable management bodies within issuers of ARTs and CASPs contributing to increase the trust in the financial system.

The second set of guidelines concerns the assessment of the suitability of shareholders or members with direct or indirect qualifying holdings in an issuer of ARTs or a CASP.

The two sets of guidelines outline the different elements that should be considered in conducting the suitability assessment of (i) the members of the management body of issuers of ARTs or of CASPs and (ii) shareholders and members (or potential members) with qualifying holdings in issuers of ARTs or of CASPs. The guidelines should be used by CASPs, issuers of ARTs and competent authorities when carrying out those suitability assessments.

The EBA and ESMA originally consulted on the guidelines in October 2023, receiving six responses to the consultation. A summary of the key issues and the EBA's response is set out at the end of the report.

The guidelines will apply two months after they have been published in all EU official languages on the EBA and ESMA websites.

A copy of the joint final report on the two sets of guidelines on suitability assessments of the management body and holders of qualifying holdings under MiCA can be viewed [here](#).

3. CENTRAL BANK OF IRELAND

3.1 Central Bank published guidance on expectations for authorisation of Payment and Electronic Money Institutions and registration of Account Information Service Providers (AISPs)

On 9 April 2024, the Central Bank of Ireland (**Central Bank**) updated its authorisation expectations for applicant firms seeking authorisation as a payment Institution (**PI**) or EMI, or registration as an Account Information Service Provider (**AISP**).

The expectations set out in the document build on the Central Bank's experience of authorising and supervising firms in the sector, and previous communications and guidance to industry. The Central Bank also aims to provide the clarity requested by applicant firms and industry bodies in the course of previous engagement.

The Central Bank recognises that the authorisation and supervision of firms operating in the PI and EMI sector (representing one of the largest sub-sectors within the broader fintech universe in Ireland), is an important and growing part of its mandate.

The application process consists of the following three stages:

- Exploratory Stage - This consists of two phases: Initial meeting with the applicant firm; and Submission of required information (a Key Information Document) and initial assessment. The importance of early engagement is emphasised.;
- Assessment Stage - This is a detailed assessment where the Central Bank will issue comments on the application, resulting in a 'minded to authorise or register' or 'minded to refuse'.; and
- Authorisation/Registration Decision Stage.

The Central Bank have stated that in their experience the process can take over twelve months. However, this is dependent on the applicant firms' ability to provide all of the information necessary to enable a decision to be made.

Additionally, the Central Bank spelled out the top five challenges experienced in authorisation assessment and these are centred on:

- Inadequate preparation and application completeness;
- Lack of clarity/changing business models;
- Delays in responding;
- Ineffective localised risk frameworks; and
- Pre-Approval Controlled Function Suitability.

The updated Central Bank expectations can be viewed [here](#).

3.2 Central Bank issues guidance on the impact of MiCA on Virtual Asset Services Providers (VASPs).

The Central Bank recently issued guidance on 02 May 2024 relating to the implementation of MiCA.

MiCA will become applicable for Crypto Asset Service Providers (**CASPs**) from 30 December 2024. After this date, firms seeking to establish themselves in Ireland to offer any CASP services will firstly need to be authorised by the Central Bank. At present, CASPs must register with the Central Bank as a VASP before commencing operation under the AML/CFT VASP regime.

Under MiCA, firms operating through the VASP regime prior to 30 December 2024 will be permitted, post 30 December, to avail of a transitional period enabling them to continue to operate for up to 12 months or until their CASP authorisation is granted or refused. Any firm applying which is not both registered and operating as a VASP by 30 December 2024 will not be able to avail of the MiCA transition period.

All registered VASPs that intend to continue to operate following the 12-month transitional period will require a CASP authorisation from the Central Bank ahead of 30 December 2025. A VASP availing of the transitional arrangements that does not apply for a CASP authorisation, or whose application is refused, will be obliged to cease operations by 30 December 2025.

In contrast to a VASP registration, a CASP authorisation assessment is more substantial. As a result of the lengthy process, the Central Bank advised that applicants should be aware that a VASP registration provides no indication of the outcome of a CASP assessment. The VASP registration will also not lead to a simplified CASP assessment.

The Central Bank also clarified that ‘any applicant firm that is not registered and operating as a VASP by 30 December 2024 cannot avail of the transitional arrangements under MiCA and will not be permitted to operate as a CASP until authorisation has been granted via the CASP authorisation process.’

The Central Bank further advised that firms considering providing CASP services should focus on preparing CASP applications rather than seeking VASP registration due to the ten-month assessment period required to review an application.

The Central Bank also confirmed that it would continue to issue communications relating to the authorisation and notification processes under MiCA.

The Central Bank guidance page can be accessed [here](#).

3.3 Central Bank of Ireland announces plans to establish Innovation Sandbox Programme in 2024

On 4 June 2024, the Central Bank confirmed that it will establish an Innovation Sandbox Programme later this year. The programme will aim to provide regulatory advice and support for innovative projects that promote better outcomes for society and financial systems.

The decision to proceed with the Innovation Sandbox Programme comes after a public consultation which ran from November 2023 to February 2024. The Central Bank provided a feedback statement in response to the public consultation which additionally outlined the

Central Bank of Ireland's hopes to enhance their Innovation Hub to deliver deeper, clearer and more informed engagement with the innovation ecosystem.

The press release from the Central Bank on the Innovation Sandbox Programme can be accessed [here](#).

The feedback statement to the public consultation can be viewed [here](#).

4. ANTI-MONEY LAUNDERING (AML) AND COUNTERING THE FINANCING OF TERRORISM (CFT)

4.1 AML Regulation, AMLA Regulation and MLD6

AML Regulation:

On 19 June 2024, the Regulation on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing¹ (**AML Regulation**) was published in the OJ. The AML Regulation will apply from 10 July 2027.

Amongst other initiatives, the AML Regulation shall:

- introduce the AML rules to the entire crypto sector, obliging CASPs to conduct CDD on their customers for any transactions over 1,000 EUR;
- ensure that large transactions are not used for ML/TF by limiting large cash payments to a maximum EU-wide limit of 10,000 EUR;
- clarify beneficial ownership rules to allow for more transparency and harmonisation across the EU. Both ownership and control needs to be assessed to identify natural persons. The beneficial ownership threshold will currently stay at 25%. However, adopting a risk-based approach, Member States can identify categories of corporate entities exposed to higher ML/TF risks, and propose a lower threshold to the Commission provided that such lower threshold shall however not be lower than 15%. The Council has clarified rules applicable to multi-layered ownership and control structures and for the identification of beneficial owners for different types of entities, including non-EU entities;
- introduce new rules on carrying out enhanced due diligence obligations (**EDD**) in certain specified circumstances and a requirement that designated entities will have to conduct EDD measures for occasional transactions and business relationships involving high-risk third countries, based on an assessment to be conducted considering the lists drawn up by FATF; and
- introduce new rules concerning customer due diligence, reporting obligations and record-retention measures.

A copy of the AML Regulation is available [here](#).

AMLA Regulation:

On 19 June 2024, the Regulation establishing the Anti-Money Laundering Authority² (**AMLA Regulation**) was published in the OJ. The AMLA Regulation will enter into force on the twentieth day following its publication and applies from 1 July 2025. The Anti-Money

¹ Regulation (EU) 2024/1624 of the European Parliament and of the Council of 31 May 2024 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing

² Regulation (EU) 2024/1620 of the European Parliament and of the Council of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010

Laundering Authority (**AMLA**) shall start direct supervision of selected obliged entities (**SOEs**) in 2028. The seat of will AMLA has been announced as Frankfurt am Main (Germany).

A copy of AMLA Regulation is available [here](#).

MLD6

On 19 June 2024, the Sixth Money Laundering Directive³ (**MLD6**) was published in the OJ. MLD6 will address beneficial ownership information including the requirement for the information submitted to the central register to be verified, the management of the framework relating to bank account registries, the requirement for a single access point to information on real estate, expansion of the powers and role of FIUs, the potential to bring additional sectors into the scope of the 'single rulebook', carrying out national risk assessments, and the on-going role of competent authorities.

Member States must transpose the directive into national law by 10 July 2027. However, there are a number of exceptions including:

certain provisions relating to access to the central registers of beneficial ownership of corporates and trusts and related provisions must be transposed earlier by 10 July 2026.

provisions relating to the requirement for a single access point to information on real estate must be transposed by 10 July 2029.

A copy of MLD6 is available [here](#).

5. MISCELLANEOUS

5.1 DORA Commission Delegated Regulations published in the OJ

On 30 May 2024, the following Commission Delegated Regulations supplementing Regulation (EU) 2022/2554 (**DORA**) were published in the OJ:

- Commission Delegated Regulation (EU) 2024/1502 supplementing DORA by specifying the criteria for the designation of ICT third-party service providers as critical for financial entities, accessible [here](#); and
- Commission Delegated Regulation (EU) 2024/1505 supplementing DORA by determining the amount of fees to be charged by the lead overseer to critical providers and the way fees are to be paid, accessible [here](#).

On 25 June 2024, the following Commission Delegated Regulations were published in the OJ;

- Commission Delegated Regulation (EU) 2024/1772 setting out RTS specifying the criteria for the classification of ICT-related incidents and cyber threats, setting out materiality thresholds and specifying the details of reports of major incidents, accessible [here](#).
- Commission Delegated Regulation (EU) 2024/1773 setting out RTS specifying the detailed content of the policy regarding contractual arrangements on the use of ICT services supporting critical or important functions provided by ICT third-party service providers, accessible [here](#).

³ Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849

- Commission Delegated Regulation (EU) 2024/1774 setting out RTS specifying ICT risk management tools, methods, processes and policies and the simplified ICT risk management framework, accessible [here](#).

Each of the above Commission Delegated Regulations entered into force 20 days after publication in the OJ. DORA has an implementation date of 17 January 2025.

If you have any questions in relation to the content of this update, to request copies of our most recent newsletters, briefings or articles, or if you wish to be included on our mailing list going forward, please contact any of the team members below.

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