



COMMISSION ASSESSMENT¹

of the applications submitted by Belgium, Germany, Ireland, Spain, France, Italy, Latvia, Lithuania and Austria under the process for the selection of the Anti-Money Laundering/Countering the Financing of Terrorism Authority (AMLA)

BACKGROUND

The European Commission presented in July 2021 a package of [legislative proposals](#) with the aim to combat money laundering and financing of terrorism. At the heart of the proposals is the creation of a new EU decentralised agency, the Anti-Money Laundering and Countering the Financing of Terrorism Authority (AMLA).

The European Parliament and the Council are in legislative negotiations on this package, including the proposal for a Regulation establishing AMLA. On the selection of the seat of AMLA, co-legislators have agreed on the criteria as well as on the text of a call for applications to Member States. The criteria for the seat selection of AMLA as defined in the call are set out in attachment A. On 28 September 2023, at the request of the co-legislators, the Commission launched the call for applications to Member States with a deadline of 10 November 2023.

The call provided that:

- a) *Each Member State can make one single application to host AMLA in one location in that Member State. The application may indicate a maximum of three different proposals for premises in that location.*
- b) *All applications must be made using a digital application form (prepared in EU Survey), setting out the criteria and following the technical annex.*
- c) *Applications should not contain confidential information.*
- d) *Member States may submit additional documentation together with the application form. These documents will not be taken into account by the Commission in its assessment of the Member States' applications.*
- e) *All applications to host AMLA should be formally submitted in writing to the Secretary-General of the Commission and copied to the Secretary-General of the Parliament and the Council. This application should be identical to the application made in the digital application form.*
- f) *The deadline for submitting applications is Friday 10 November 2023 at 18:00. An acknowledgement of receipt will be sent. Any application received after this deadline will be considered non-eligible.*
- g) *All applications from Member States received within the deadline will be published online on a website managed by the Commission.*

As part of this call process, it was agreed that:

'The Commission will prepare a general assessment of all the applications received within the deadline on the basis of the criteria and the technical annex. The Commission will submit this general assessment of the applications to the Parliament and the Council.'

¹ Prepared by the Secretary-General of the Commission on the basis of the applications submitted by the Member States.

THE APPLICATIONS RECEIVED

By the expiry of the 10 November 18:00 deadline, nine Member States, namely Belgium (Brussels), Germany (Frankfurt), Ireland (Dublin), Spain (Madrid), France (Paris), Italy (Rome), Latvia (Riga), Lithuania (Vilnius) and Austria (Vienna), had submitted their respective applications in writing to the Commission using the digital application form and formally submitted them in writing to the Secretary-General of the Commission. The Secretaries-General of the Parliament and of the Council received copies of the applications. As no application were received after the deadline, all applications received are eligible.

All the applications received were published on the Commission website² on 13 November 2023.

THE ASSESSMENT DOCUMENTS

The Commission's assessment consists of the present note, an overview document and nine assessment grids, one for each individual application, based on the criteria set out in the call as agreed by the co-legislators. Explanations for the reading of the grids are provided in Attachment B to this note.

Methodology

The Commission has examined all nine applications received on the basis of the information provided by the Member States in their applications to host AMLA as submitted by the deadline. In line with the call for applications, the Commission has presumed that the applications did not contain any confidential information. Member States have provided additional documents in support of their applications. These documents have been made available on the Commission website but have not been taken into account by the Commission in its assessment of the Member States' applications also in line with the call.

For its assessment, the Commission has relied solely on the information provided in the applications, as presented by the nine Member States, and has not undertaken any steps to verify such information. This reflects the approach taken in earlier Commission assessments in relation to seat selections. The Commission services have therefore not made any inspections on the spot or taken other action, for instance to verify the existence of buildings or building projects, the availability of transport connections or education and healthcare facilities.

For the majority of the matters concerned, the extent to which each application meets the criteria cannot be answered with a simple 'yes' or 'no', nor can it be expressed in any other comparable qualitative and/or quantitative format. Therefore, the Commission has found it appropriate to express its assessment in a short descriptive text for each criterion. This short descriptive text aims to reproduce as much as possible the language used in the applications, in order to best reflect the original message and the varying levels of information provided about the different criteria.

Terminology

In order to ensure an equal and coherent treatment of the applications, the Commission has applied a specific terminology in the assessment. Further explanations are included in attachment B. As regards general terminology, the Commission has summarised what the application '*indicates*' or '*provides information on*'. The words '*availability*', '*presence*' and '*existence*' are generally used where the application indicates that certain facilities or services are or will be available and in relation to schools and public transportation, respectively.

² https://commission.europa.eu/law/selection-seat-anti-money-launderingcountering-financing-terrorism-authority-aml_en

AMLA seat selection criteria (as published in the call on 28 September 2023)

When selecting the location, the co-legislators have agreed that they will ensure that, given the nature of AMLA, the location enables the Authority to fully execute its tasks and powers, to recruit highly qualified and specialised staff, to offer adequate training opportunities for AML/CFT activities, where relevant, to allow for close cooperation with Union institutions, bodies and agencies, and in order to avoid reputational risks, to consider how ML/TF risks are adequately addressed in the Member State based on publicly available, relevant and comparable information such as FATF reports.

In addition, the co-legislators have agreed on the following criteria for the selection of AMLA's seat:

- a) The date on which AMLA can become operational on site after the entry into force of the Regulation;

[This criterion concerns in particular the availability of appropriate office premises as well as the ability to host the relevant staff in time for AMLA to become operational as soon as possible after the entry into force of the Regulation. This includes information about the timeline for the availability of the premises and the estimated time needed for fit-out and adaptations works. The premises should include the necessary logistics and sufficient space for offices, meeting rooms and on- and off-site archiving. The premises should ensure sustainability and meet security standards for physical and IT infrastructure. They should offer digital security and connectivity, including high-performing telecommunications and data storage networks. There should be the possibility to extend the premises, if relevant.]

- b) Accessibility of the location;

[This criterion concerns the availability, frequency and duration of public transport connections from the closest international airport or international/national train station to the location. Furthermore, it covers the quality and quantity of accommodation facilities as well as the capacity to allow for the expected meeting activities of AMLA.]

- c) Existence of adequate education facilities for the children of AMLA's staff;

[This criterion concerns the availability of multi-lingual, European-oriented schooling, including European, European accredited and international schools, that can meet the needs for education facilities for the children of staff of AMLA.]

- d) Appropriate access to the labour market, social security and medical care for both children and spouses;

[This criterion concerns the capacity to meet the needs of the children and spouses of staff for social security and medical care as well as the availability to offer job opportunities for them.]

- e) Geographical balance.

THE ASSESSMENT GRIDS

General comments

The assessment grids used by the Commission to assess the Member States' applications are divided into three columns and a significant number of rows.

The first column corresponds to the fields in the digital application form, and sets out the introductory text and the criteria laid down in the call. For each criterion, there is a row 'Other' with additional information on the topic provided by the Member State in the application. After each criterion, a general summary for the criterion is provided. Finally, the first column also takes into account the general rule established in the call as regards the Member States' commitment to confirm the conditions of their applications in a headquarters agreement with AMLA.

The second column '**Member State application**' includes for each element or sub-element an exact copy of the text provided by the Member State in question in the digital application form.

The third column '**Commission assessment**' includes the Commission's short description of what it considers to be most relevant information in the application under each point.

Specific comments

Introductory text:

The introductory text (see Attachment A) covers several elements. The Commission assessment follows the order of these elements.

Where applications provide information that is covered under one of the criteria below, such as accessibility, the assessment of the application in relation to the introductory text briefly refers to this information and refers to the more detailed assessment under the respective criteria.

Member State applications use specific terminology when describing Anti-Money Laundering/Countering the Financing of Terrorism (AML/CTF) related information. This terminology is also used in the Commission assessment. For ease of reading a glossary of this terminology as Attachment C to this note.

Criterion 1:

Where a Member State proposes several premises (the call allows for up to three), the assessment follows the order in the application form. This means, the first part of the assessment covers premises 1 and all criteria addressed in the application form. At the end of this first part, the assessment of the proposed premises 2 and 3 is added. These parts cover only the building-specific criteria 1 and 2.

Where Member States in the information on additional premises refer to information provided already under premises 1, the Commission assessment refers to its assessment under premises 1.

Where the applications offer a lump sum financial contribution to be used by AMLA as it sees fit for rent, maintenance and/or fit-out, this contribution is described up front under the description of the financial terms and where relevant, reference is made in other parts to '*within the framework of the financial contribution from [...] as described under 1*'.

In relation to the Manual of Standard Building Specifications, if the application does not provide specific information on such compliance with this Manual, this is mentioned in the assessment. At the same time, other explanations provided in relation to building standards or certifications schemes are reflected in the assessment.

Criterion 2:

Where applications do not specifically refer to public transportation linking to European capitals, but more generally to European destinations, the respective information as set out in the application is reflected in the assessment.

Criterion 3:

Where the application lists names and details of education facilities, the assessment refers to the number of such facilities without repeating the details. Languages offered are presented in protocol order in the assessment.

Criterion 4:

It should also be noted that in addition to national conditions for access, EU rules on the rights of citizens of the Union and their family members to move and reside freely within the territory of the Member States apply to spouses and children of AMLA's staff.

Criterion 5:

The criterion on 'Geographical balance' is not defined or detailed in the call, thus allowing Member States to provide the information they considered relevant. In particular, Member States were not asked to provide information on any EU entity on their territory. Where Member States have provided that information, it is reflected in the Commission assessment. The assessment also reflects the information on the elements that the Member State considered relevant in relation to geographical balance.

General information on all institutions, bodies and agencies is available under: [Types of institutions, bodies and agencies | European Union \(europa.eu\)](#)

Other issues

In the 'Other' rows in the application form, the Member States were able to provide other information in relation to the criteria. The Commission has only provided an assessment where the information provided in the form was relevant in the Commission's view for any of the criteria as defined by the co-legislators.

Following the main part, the assessment grids contain a row on the commitment to confirming the conditions included in the application in a headquarters agreement with AMLA, as well as a row on the specific issue on any benefits that would be granted to AMLA and/or its staff in addition to those following from Protocol No 7 on the Privileges and Immunities of the EU. The Commission assessment highlights additional benefits.

GLOSSARY

Key concepts in anti-money laundering and countering the financing of terrorism - AML/CFT

Basel AML Index: Annual ranking produced by the *Basel Institute's International Centre for Asset Recovery (ICAR)* at the Basel Institute on Governance, a Swiss-based non-profit organisation. The Index is based on a composite methodology, combining 18 indicators categorised into five domains which contribute to high ML/TF risks: (i) quality of the AML/CTF framework (with 65% weighting), (ii) Corruption and Bribery (10%), (iii) financial transparency and standards (10%), (iv) public transparency and accountability (5%), and (v) Political and Legal risk (10%). More information on the methodology can be found under [Methodology - Basel AML Index \(baselgovernance.org\)](https://www.baselgovernance.org).

Beneficial ownership register ('BOR' or 'UBO register'): Beneficial ownership registers identify the 'beneficial owners', meaning the individuals who ultimately own and control a company, or have similar control, management or beneficiary roles in a trust or other legal vehicle. They are organised in accordance with Articles 30 and 31 of the fourth Anti-money laundering Directive (AMLD4), as amended by the AMLD5. In addition, the European Commission is tasked with ensuring the interconnectivity of those central national registers

Egmont Group: International organisation, with secretariat based in Canada, which brings together Financial Intelligence Units (FIUs) to facilitate the exchange of information, and cooperation amongst members. The Egmont Group provides FIUs with a platform to securely exchange financial intelligence to combat money laundering, terrorist financing, and associated predicate crimes.

Financial Action Task Force (FATF) : FATF, the secretariat of which is hosted at the OECD in Paris, is the global anti-money laundering and terrorist financing (AML/CFT) standards setter, with its [40 Recommendations](#) recognized as the global AML/CFT standards. In addition, FATF lead other actions to tackle ML/TF/PF by in particular identifying methods and trends, assessing of the implementation of its standard with the help of nine FATF associate members organisations, such as Moneyval and others global partners, and identifying of high-risk jurisdictions. All the information on FAFT can be found on its website: [Home \(fatf-gafi.org\)](https://www.fatf-gafi.org).

The Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism – (MONEYVAL) : Moneyval is a permanent monitoring body of the Council of Europe and part of the FATF Global Network, entrusted with the task of assessing compliance with the principal international standards to counter money laundering and the financing of terrorism and the effectiveness of their implementation, as well as with the task of making recommendations to national authorities in respect of necessary improvements to their systems. More information can be found on FATF's website ([Committee of Experts on the Evaluation of Anti-Money Laundering Measures \(MONEYVAL\) \(fatf-gafi.org\)](https://www.fatf-gafi.org)) and on the Moneyval's website ([Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism \(MONEYVAL\) - Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism \(coe.int\)](https://www.coe.int)).

Mutual evaluation reports (MER): In-depth country reports prepared by the FATF and the nine FATF associate member organisations such as Moneyval, on the implementation and effectiveness of measures to combat money laundering, terrorist and proliferation financing. The reports are peer reviews, where members from different countries assess another country. MERs have two main components:

- The most important part of a mutual evaluation is a country's effectiveness ratings, based on the compliance with 11 'Immediate Outcomes' (IOs). The assessment of effectiveness results in ratings 'high-level of effectiveness', 'substantial level of effectiveness', 'moderate level of effectiveness' and 'low level of effectiveness'.

- The assessment of technical compliance with the 40 FATF recommendations, where the assessed country must provide information on the laws, regulations and any other legal instruments it has in place to combat money laundering and the financing of terrorism and proliferation. The assessment of technical compliance results in ratings ‘compliant’, ‘largely compliant’, ‘partially compliant’ or ‘non-compliant’.

The current evaluation cycle is the fourth and began in 2014 for FATF and 2015 for Moneyval. All the ratings from the 4th round can be found under [4th-Round-Ratings.pdf.coredownload.inline.pdf \(fatf-gafi.org\)](https://www.fatf-gafi.org/publications/fatfpublications/documents/4th-round-ratings.pdf).

FIU (Financial Intelligence Unit): national centre which countries should establish for the receipt and analysis of: (a) suspicious transaction reports; and (b) other information relevant to money laundering, associated predicate offences and terrorist financing, and for the dissemination of the results of that analysis. The FIU should be able to obtain additional information from reporting entities and should have access on a timely basis to the financial, administrative and law enforcement information that it requires to undertake its functions properly (see FATF Recommendation 29).

FIU.net: an information system connecting decentralised databases allowing FIUs to exchange information, FIU.net became operational in 2002; it was hosted by Europol, then by the European Commission and should later be taken over by AMLA.

Public-private partnerships: arrangements developed by Financial Intelligence Units (FIUs), law enforcement authorities, and the private sector to improve the exchange of information in the framework of preventing and fighting ML/TF.

Suspicious Transactions Reports (STR) or suspicious activity report (SAR): report filed by a financial institution or, by a concerned citizen, to the local Financial Intelligence Unit if they have reasonable grounds to believe that a transaction is related to criminal activity (see FATF Recommendation 20).