



EUROPEAN COMMISSION

Commissioner Mairead McGuinness
Financial Services, Financial Stability and Capital Markets Union

Brussels, **24 OCT. 2022**
Ares(2022)6553758

Dear Mr van Hulten,

I refer to your letter of 22 September, which was sent to the High Representative of the Union for Foreign Affairs and Security Policy Josep Borrell Fontelles and me. I am replying also on his behalf.

Pursuant to Directive (EU) 2015/849 (Anti-Money Laundering Directive)¹, the Commission has the mandate to identify high-risk third countries with strategic deficiencies in their Anti-Money Laundering / Counter Terrorist Financing (AML/CFT) regimes.

The European Commission is aware of the weaknesses identified by the Financial Action Task Force (FATF) in the AML/CFT regime of the United Arab Emirates (UAE). Since 2020, the Commission services have met with the UAE authorities on several occasions to encourage the country to remedy deficiencies in its anti-money laundering and countering the financing of terrorism framework as soon as possible.

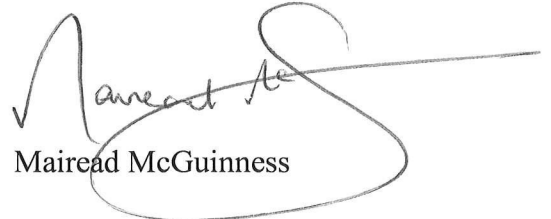
In March 2022, the FATF identified the UAE as a jurisdiction under increased monitoring. The country made a high-level political commitment to implement an action plan designed to address all identified deficiencies in its AML/CFT regime.

Mr Michiel van Hulten
Director
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¹ Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC, as amended by directive (EU) 2018/843 of 30 May 2018

In line with the Anti-Money Laundering Directive and the methodology for identifying high-risk third countries², the European Commission is finalising its assessment of the risks related to the UAE and will soon propose the European Parliament and the Council to update the Delegated Regulation (EU) 2016/1675³ to add the UAE to the EU's list of high-risk third countries.

Yours sincerely,



Mairead McGuinness

² SWD(2020) 99 final

³ Commission Delegated Regulation (EU) 2016/1675 of 14 July 2016 supplementing Directive (EU) 2015/849 of the European Parliament and of the Council by identifying high-risk third countries with strategic deficiencies (Text with EEA relevance), C/2016/4180