

## Malta Passes the MoneyVal Test

By **Jonathan Vassallo**, 30th April 2021

On Thursday 29<sup>th</sup> April 2021, the Council of Europe's Anti-Money Laundering (AML) committee (MONEYVAL) voted in favour of a final report on Malta's AML and terrorism-financing safeguards.

MONEYVAL, is a permanent monitoring body of the Council of Europe, 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 implementation measures. It is also tasked with making recommendations to national authorities in respect of necessary improvements to their systems.

### **Background**

Two years ago, Malta [failed an exhaustive test of its anti-money laundering](#) rules and policing and has since been at risk of being put on the 'grey list'. There are currently 19 countries on the grey list. Being put on the grey list comes with a strict reform procedure and 'hand-holding' by global authorities. The grey list does not imply any economic sanctions but serves as a signal to the global financial and banking system about heightened risks from transactions with the country in question.

### **AML Reforms**

Since then, Malta has introduced a raft of reforms to strengthen their AML regime and address the shortcomings highlighted by the MONEYVAL Report.

Amongst the changes introduced, substantial investment was made in the police's economic crimes unit which has led to a number of high profile prosecutions in relation to money laundering and other financial crimes.

Malta has significantly 'stepped up' its AML rules, demonstrating its commitment to fighting money laundering and terrorism financing and that the jurisdiction can appropriately manage major cases of financial crime and corruption.

### **What Happens Now?**

The news was welcomed by Malta, and the country will now undertake a visit by the Financial Action Task Force (FATF), an intergovernmental organisation set up to combat money laundering.

Malta has been engaging with FATF since the start of the year, and their team will have a series of meetings with senior officials from Malta's regulatory and law enforcement bodies, in a week-long visit scheduled for May.

### **Additional Information**

If you would like further information, please speak to Jonathan Vassallo: [advice.malta@dixcart.com](mailto:advice.malta@dixcart.com), at the Dixcart office in Malta or to your usual Dixcart contact.