

NEW IMOLA'S PIVOT TERMS

ANTI MONEY LAUNDARING AN TERRORISM FINANCING IN REAL ESTATE MARKET

IMOLA 7TH TRAINING SEMMINAR

THE ROLE OF EUROPEAN REGISTERS IN THE FIGHT AGAINST MONEY LAUNDARY

Actions of criminals and their associates often point at the real estate market, which has been frequently used to disguise the funds and money from criminal proceeds.

However **Registers are not** mentioned as **obliged entities** by article 2 of the AML Directive.

But this doesn't mean that land registers are not concern by this problem.

On the contrary. Chapter IV of the Directive titled "Reporting Obligations" call our registries to take an active role in the AML fight,. Art. 32 b)

Land registries are in the position to provide relevant information to FIU authorities

DIRECTIVE (EU) 2018/843 of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, Article 32b

- 1. Member States shall provide FIUs and competent authorities **with access to information** which allows the identification in a timely manner of **any natural or legal persons owning real estate**, including through registers or electronic data retrieval systems where such registers or systems are available.*
- 2. By 31 December 2020, the Commission shall submit a report to the European Parliament and to the Council assessing the necessity and proportionality of harmonising the information included in the registers and assessing the need for the interconnection of those registers. Where appropriate, that report shall be accompanied **by a legislative proposal**.'*

Following this provision, land registers must provide FIU authorities with access to relevant information allowing to identify any natural person or legal entity owing real estate by :

- **In timely manner**
- **Presenting Harmonized information**
- **Setting up a data Retrieval system,**
- **In accordance with Data Protection Regulation, which applies also in to the AML Directive**

2. *Interconnection of registers*

8. The European e-Justice Portal should also serve as a single access point for interconnected national registers, relevant to the field of justice. These registers are managed by national authorities or professional bodies. Their aim is to facilitate the administration of and access to justice.
9. The interconnected registers are provided and maintained by the responsible local organisations, be they public authorities or practitioners' associations⁽⁴⁾. The Portal provides a central point of access to these registers, but does not store a centralised duplicate of them. The maintenance of the access point established at EU level remains the responsibility of the Commission.

No	Name of the project	Proposed by	Goals of the project	Actions to be undertaken	Project leader	Contributions			
						Member States	Commission	Working Party	Other partners
2	Land Registers Interconnection	AT	<ul style="list-style-type: none"> — Create an inter-connection for land registers in Member States — Create a tool for querying land registers 	<ul style="list-style-type: none"> — Connect the national land register(s) to the LRI application on the e-Justice Portal including authentication and authorisation of court professionals who may use privileged functions — Implement an e-Payment solution for payment of fees linked with LRI 	COM	<ul style="list-style-type: none"> Connect national Land register(s) to the LRI application 	<ul style="list-style-type: none"> — Build the multi-language LRI query application on the e-Justice Portal — Implement an e-Payment solution for payment of fees 	<ul style="list-style-type: none"> — Follow up on implementation by Member States and the Commission — Share information and practices on the implementation of registers and their interconnection 	<ul style="list-style-type: none"> Professionals such as geographers or geometers: — Possibly provide assistance in creating registers — Provide data for the registers Legal practitioners

**IMOLA CONTRIBUTION TO THE AML FIGHT:
CREATING NEW PIVOTS TO BE INCLUDED IN THE ELRD SCHEME**

The set of data that Land Registers shall make accessible to FIU authorities for the purpose of anti money laundry fight should be agreed with the authorities.

IMOLA has made a proposal in advance, inspired in the rules established in the Directive. Identification of the customer, high risk countries ...

Some of these data are already included in the ELRD scheme: proprietor/ price/ residence/
Other supplementary data , perhaps not crucial for registration purposes but very useful to detect potential risk transactions. (we extend this point in next presentation).

Those new data should be treated within IMOLA in order to achieve the expected harmonization:

- They should be identified through pivot concepts-
- they should be incardinated in the ELRD scheme.

NEW PIVOTS AML

SECTION B

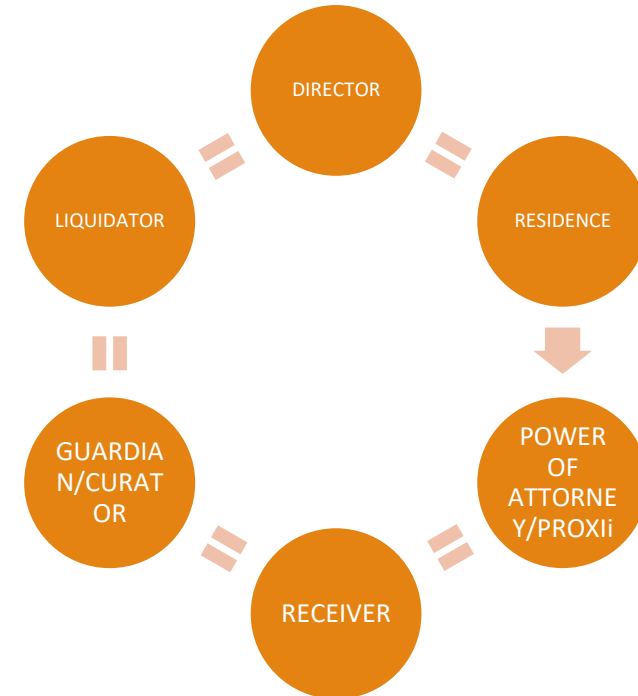
I.- PROPRIETOR

+ ACTIVITY

+ REPRESENTATIVE

- Director
- Liquidator
- Guardian/Curator
- Power of attorney/Proxy
- Receiver
- Representative's Registration country

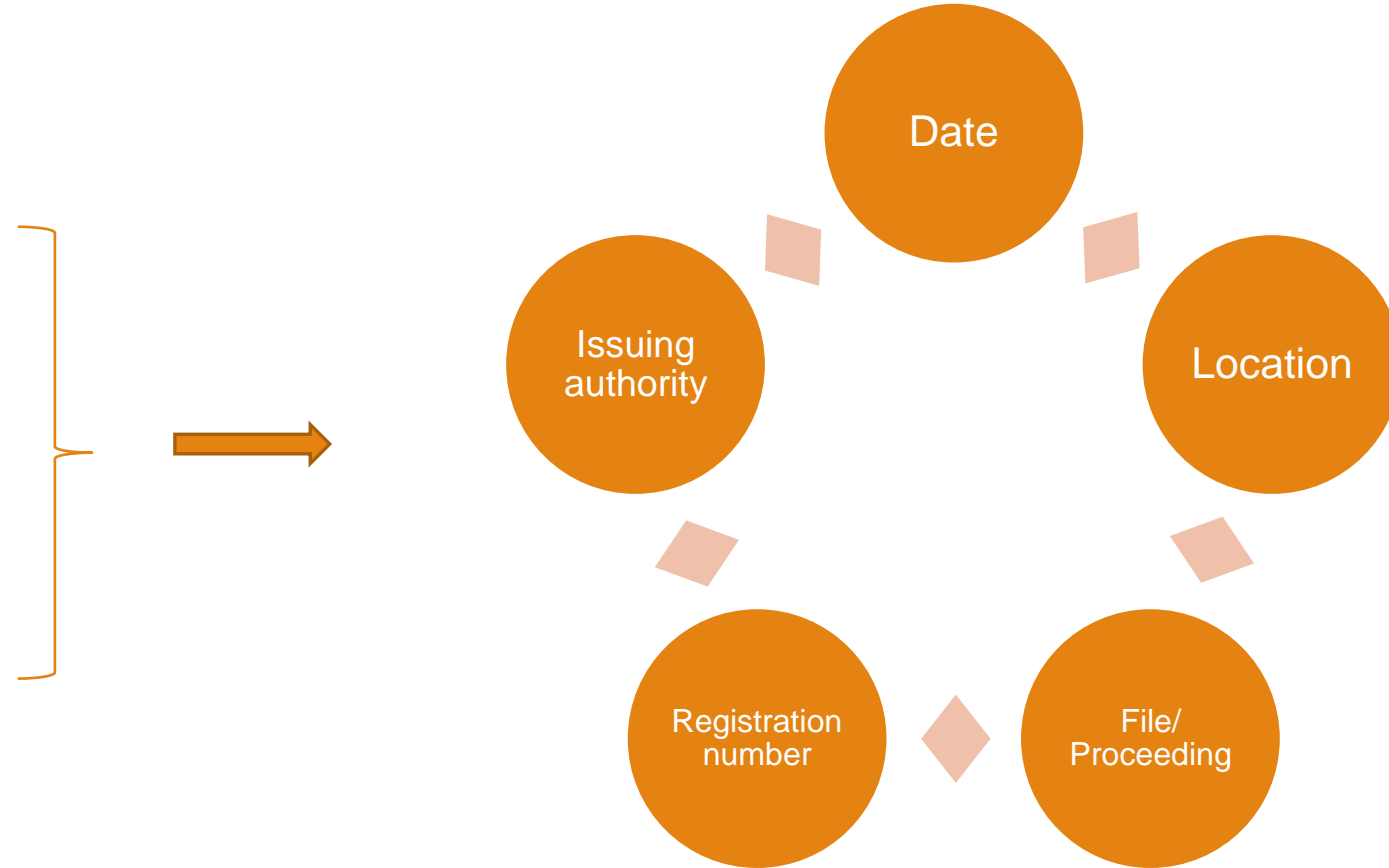
+ POLITICALLY EXPOSED PERSON



NEW AML IMOLA PIVOTS

II.- DOCUMENT

- + DEED
- + JUDICIAL DECISION
- + GOVERNMENT ORDER
- + OTHER DOCUMENT



SECTION B.-

III.- ENTITLEMENT

PRICE/VALUE:

-TAXATION VALUE

- PAYMENT:

- + Cash
- + bank transfer
- + Bank check
- + electronic money
- + virtual currency
- + other type of payment means

-FUNDS' COUNTRY OF ORIGIN

-TRANSFEROR:

+Date of acquisition



NEW PIVOTS AML
SECTION B

III.- RESTRICTIONS Criminal disguised behind interposed person or structures:

- TRUST / fideicomiso/ fiducie:

- + TRUSTOR
- +TRUSTEE
- +BENEFICIARY
- + RESIDENCE

-CLOSE RELATIVES: THE SPOUSE(REM)

- + NAME OF SPOUSE, in case of married proprietor whose REM is
 - A Community regime
 - A absolute separation
 - Other economic matrimonial regime



THANK YOU