

**PREVENTION AND FIGHT AGAINST MONEY LAUNDERING**

**PHENOMENON: THE ROLE OF LAND REGISTRIES**

**Assessment of the article 16 of the proposal for a Directive  
revising (EU) 2015/849**

The European Land Registry Association welcomes the proposal and the recognition of the role of land registers in their fight against money laundering.

From a technical point of view, attention is drawn to the following points of the proposal which are subject to technical improvement:

- **Article 16.1bis a), i) on the plot and cadastral reference.**

Many of the registry systems of the member states distinguish between land registry and cadastral systems. In many of them, there is coordination between the two institutions, but the system of coordination between land registry and cadastral parcel is voluntary and progressive, not compulsory or massive.

Thus, there are cases in which the cadastral reference is not provided in a transfer, others in which it is provided but there is no correspondence between the registered property and the cadastral parcel, and finally, others in which it is provided and there is a correspondence. It can be deduced from the above that the cadastral reference sometimes appears in the registration history but not always.

**Solution:** To ensure that the aims of the proposal are met and that it takes account of the coordination model, it is proposed to include the words "***if applicable***". The final text would then read "***on the parcel and cadastral reference, if applicable***".

- **Art16.1 (i) legal owner and any person purporting to act on behalf of the owner;** The problem that arises in this section is in the second reference, it seems that it involves informing the person who can act as representative of the owner. This information does not appear in any case in the land registry, if the owner were a legal person this information could be in the Mercantile Register, Cooperatives... but it is also possible that there are powers of attorney that do not appear in any registry. This is a question that is very difficult to resolve in practice and will change in each state.

**Solution:** It is proposed to delete the second part and speak only of the legal owner, which is what will be recorded in the land registry.

- **Art.16.1 (iv) price of the property at which it has been acquired.** The price is a piece of information that is not generally provided in the registry information, although it is possible to provide this information, it will raise practical problems that involve creating a special type of publicity for these authorities with this information. Consequently, it would be an advertisement that would have to be created when the information is requested, which makes it difficult to provide the information immediately.
- **Art. 16.1 (d) history of property ownership, price and related encumbrances.** The practical problem that arises in almost all registers of the member states is that the registry publicity is intended as up-to-date information on the property, i.e. in no case does it contain information on previous owners or previous encumbrances. This is the information that is usually requested by the person requesting the registry information.

In this way, the property is purged so that current information, which is the essential purpose of the land register, can be provided as quickly as possible.

This does not preclude that there is information in the register that can be provided in the framework of an investigation, but this requires an individualised treatment of the request that cannot be carried out immediately.

**Solution to the above two problems:** the inclusion of a final paragraph in Article 16.1bis stating: ***If any of the information listed in this paragraph cannot be provided immediately, it shall be provided as soon as possible.*** Alternatively, it is proposed to include a final subparagraph 16.1.iv and 16.1.d to read: "***as soon as possible***".

### **CONCLUSIONS**

**It is respectfully requested that paragraph 16.1.bis be rectified in the terms implied to ensure that the aims of the proposal are properly and feasibly achieved.**

**Brussels, 21st March 2024**