

Ireland Implements 5MLD

The Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2021 ("CJA 2021") transposes provisions of the fifth Anti-Money Laundering Directive EU/2018/843 ("5MLD") into Irish law¹.

CJA 2021 – Key Measures

CJA 2021 became effective on 23 April 2021.

It introduces a range of reforms into Irish law from 5MLD² in the area of anti-money laundering and counter-terrorist financing ("AML / CTF") including:

- Extending the categories of entities in the scope of the requirements ("Designated Persons") to include art dealers, tax advisors, letting agents and virtual asset service providers³;
- Requiring Designated Persons to check, in relevant cases, that the customer has made the necessary filing in the relevant central register of beneficial ownership prior to establishing a business relationship;
- Prescribing in detail the enhanced customer due diligence measures to be applied when dealing with a customer established or residing in a 'high risk third country' (as per the list maintained by the European Commission);
- Requiring the Garda Financial Intelligence Unit, where practicable, to provide timely

feedback to a Designated Person following a suspicious transactions report being made; and

- Introducing measures to further facilitate transparency between Designated Persons and its customers by restricting the use of anonymous prepaid cards as payment methods or prohibiting the use of anonymous safe-deposit boxes for customers.

Further EU AML / CTF Reform

CJA 2021 arrives at a time when further EU reform is expected in the area of AML / CTF following the [Action Plan](#)⁴ published by the European Commission on 7 May 2020. One proposed element of the Action Plan is the introduction of a single EU rulebook. An AML legislative package is due to be considered by the Commission in May 2021.

How the Maples Group Can Help

We are working with clients in updating their policies and legal framework documentation to reflect the new measures in CJA 2021. We are also assisting clients with revised training programmes and enhancements to their operating processes.

¹ The deadline for transposition into national law expired on 10 January 2020

² Ireland had previously implemented measures relating to beneficial ownership registers from 5MLD

³ Introducing the Irish AML Regime For Crypto Providers: <https://maples.com/en/knowledge-centre/2021/4/introducing-the-irish-aml-regime-for-crypto-providers>

⁴ https://ec.europa.eu/finance/docs/law/200507-anti-money-laundering-terrorism-financing-action-plan_en.pdf

Further Information

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