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COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	14 July 2025
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	C(2025) 4724 final
Subject:	COMMISSION DELEGATED REGULATION (EU) 2025/xxxx [OJ please complete] [Delegated Regulation C(2025) 3815 final adopted on 10.06.2025] to introduce a review clause

Delegations will find attached document C(2025) 4724 final.

Encl.: C(2025) 4724 final



EUROPEAN
COMMISSION

Brussels, 8.7.2025
C(2025) 4724 final

COMMISSION DELEGATED REGULATION (EU) .../...

of 8.7.2025

**amending Delegated Regulation (EU) 2025/xxxx *[OJ please complete]*
[Delegated Regulation C(2025) 3815 final adopted on 10.06.2025]
to introduce a review clause**

(Text with EEA relevance)

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE DELEGATED ACT

Under Article 9(1) of Directive (EU) 2015/849⁽¹⁾, third-country jurisdictions with strategic deficiencies in their anti-money laundering and countering the financing of terrorism (AML/CFT) regimes that pose significant threats to the EU's financial system ('high-risk third countries') must be identified in order to protect the proper functioning of the internal market.

Article 9(2) of Directive (EU) 2015/849 empowers the Commission to adopt delegated acts to identify these high-risk third countries, taking into account strategic deficiencies. It also lays down the criteria for the Commission's assessment. The delegated acts must be adopted within one month after the strategic deficiencies have been identified.

Article 18a of Directive (EU) 2015/849 states that Member States must require obliged entities to apply enhanced customer due diligence measures when establishing business relationships or carrying out transactions involving high-risk third countries identified by the Commission.

On 14 July 2016, the Commission adopted Delegated Regulation (EU) 2016/1675, which identified a number of such high-risk third countries.

The Commission published a revised methodology for identifying high-risk third countries on 7 May 2020². The three main new aspects are increased interaction with the Financial Action Task Force (FATF) listing process, strengthened engagement with third countries and improved consultation of Member States and the European Parliament.

The changing nature of money laundering and terrorist financing threats, which are facilitated by the constant development of technology and the means at the disposal of criminals, requires continuous adaptation of the legal framework on high-risk third countries in order to efficiently address existing risks and prevent new ones.

On 10 June 2025, the Commission adopted a Commission Delegated Regulation³ to amend the list of high-risk third countries laid down in Commission Delegated Regulation (EU) 2016/1675. That amending act followed the recommendations of the international standard-setter, the FATF.

Countries that are not publicly identified as subject to calls for action or increased monitoring by FATF might still pose a threat to the integrity of the Union financial system. Where membership of such countries to FATF is suspended because of gross violations of core principles upon which that standard-setter is built, the threat to the Union financial system is likely to increase. The Commission should therefore take decisive action to preserve the integrity of the Union financial system and bring to completion an autonomous assessment of whether such countries are high-risk third countries as referred to in Article 9 of Directive

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 (OJ L 141, 5.6.2015, p. 73).

² Commission staff working document on a methodology for identifying high-risk third countries under Directive (EU) 2015/849 (SWD(2020) 99 final).

³ C(2025)3815.

(EU) 2015/849. In the framework of the current geopolitical situation, it is important that the Commission acts swiftly.

2. CONSULTATIONS PRIOR TO THE ADOPTION OF THE ACT

On 7 July 2025, the Commission consulted the Expert Group on Money Laundering and Terrorist Financing on the draft Delegated Regulation by written procedure.

3. LEGAL ELEMENTS OF THE DELEGATED ACT

This delegated regulation introduces a review clause to the delegated act of 10 June 2025⁴ amending Delegated Regulation (EU) 2016/1675.

⁴

C(2025)3815.

COMMISSION DELEGATED REGULATION (EU) .../...

of 8.7.2025

**amending Delegated Regulation (EU) 2025/xxxx [OJ please complete]
[Delegated Regulation C(2025) 3815 final adopted on 10.06.2025]
to introduce a review clause**

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to 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/EC⁵, and in particular Article 9(2) thereof,

Whereas:

- (1) On 10 June 2025, the Commission adopted Commission Delegated Regulation (EU) 2025/xxx [OJ please complete]⁶ to amend the list of high-risk third countries laid down in Commission Delegated Regulation (EU) 2016/1675⁷. This amending act followed the recommendations of the international standard-setter, the Financial Action Task Force (FATF).
- (2) Countries that are not publicly identified as being subject to calls for action or increased monitoring by the FATF might still pose a threat to the integrity of the EU financial system. Where membership of such countries to the FATF is suspended because of gross violations of core principles upon which that standard-setter is built, the threat to the EU financial system is likely to increase. The Commission should therefore take decisive action to preserve the integrity of the EU financial system and complete an autonomous assessment of whether such countries are high-risk third countries as referred to in Article 9 of Directive (EU) 2015/849. Against the backdrop of the current geopolitical situation, it is important that the Commission acts swiftly. It is therefore appropriate to provide for an obligation for the Commission to conclude such assessment by 31 December 2025. To complement the approach followed by Delegated Regulation (EU) 2025/xxxx [OJ please complete], such an obligation should be introduced into that Regulation.

⁵ OJ L 141, 5.6.2015, p. 73, ELI: <http://data.europa.eu/eli/dir/2015/849/oj>.

⁶ OJ, please complete.

⁷ 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 (OJ L 254, 20.9.2016, p. 1, ELI: http://data.europa.eu/eli/reg_del/2016/1675/oj).

(3) Delegated Regulation (EU) 2025/xxxx [*Delegated Regulation adopted on 10.6.2025 C(2025) 3815, OJ please complete*] should therefore be amended accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Article 1a is inserted in Delegated Regulation (EU) 2025/xxxx [*Delegated Regulation adopted on 10.6.2025 C(2025) 3815, OJ please complete*].

“Article 1a

By 31 December 2025, the Commission shall conclude the review of third countries that are not identified as being subject to calls for action or increased monitoring by the FATF, but whose membership in that international standard-setter is suspended, to assess whether to amend the Annex to Delegated Regulation (EU)2016/1675 accordingly.”

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 8.7.2025

For the Commission
The President
Ursula VON DER LEYEN