



Council of the European Union  
General Secretariat

Brussels, 08 November 2023

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**Interinstitutional files:**

2021/0240 (COD)

2021/0250 (COD)

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WK 14560/2023 INIT

**LIMITE**

**REDACTED DOCUMENT  
ACCESSIBLE TO THE PUBLIC (26.08.2025).  
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**WORKING DOCUMENT**

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From: General Secretariat of the Council  
To: Financial Services Attachés  
Working Party on Financial Services and the Banking Union (AML)

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Subject: AML working party 13.11.23  
AMLA. Commission services non-paper on Article 31 - peer reviews

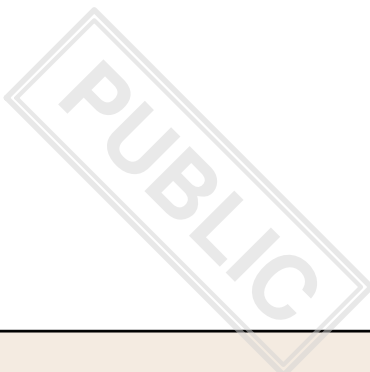
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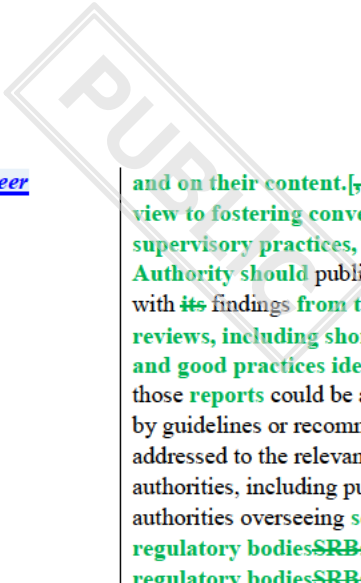
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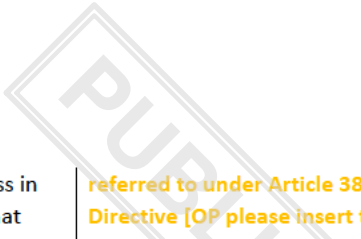
Recital 30			
<p>(30) In order to improve supervisory practices in the non-financial sector, the Authority should carry out peer reviews of supervisory authorities in the non-financial sector, including public authorities overseeing self-regulatory bodies (SRBs), and publish reports with its findings; those could be accompanied by guidelines or recommendations addressed to the relevant public authorities, including public authorities overseeing SRBs. SRBs should be able to participate in peer reviews on a case-by-case basis where they have expressed their willingness to participate.</p>	<p>(30) In order to improve supervisory practices in the non-financial sector, the Authority should carry out peer reviews of supervisory authorities in the non-financial sector, including public authorities overseeing self-regulatory bodies (SRBs), <del>and publish reports with its findings; those could be accompanied by guidelines or recommendations addressed to the</del>. <u>When performing those peer reviews, the Authority should not duplicate existing assessment and take account of all relevant public authorities information accessible, including public authorities overseeing SRBs.</u> SRBs should be able to participate in peer reviews on a case-by-case basis where they have</p>	<p>(30) In order to improve supervisory practices in the non-financial sector, the Authority should carry out peer reviews of supervisory authorities in the non-financial sector, including public authorities overseeing self-regulatory bodies (SRBs), and publish reports with its findings; those could be accompanied by guidelines or recommendations addressed to the relevant public authorities, including public authorities overseeing SRBs. <del>SRBs should be able to participate in peer reviews on a case-by-case basis where they have expressed their willingness</del> <u>When performing those peer reviews, the Authority should not duplicate existing assessments and should take into account all relevant information. SRBs should</u></p>	<p>(30) In order to improve supervisory practices in the non-financial sector, the Authority should carry out peer reviews of <del>supervisory authorities</del> in the non-financial sector, <b>which should also include peer reviews of including</b> public authorities overseeing self-regulatory bodies (<del>SRBs</del>). <b>To that end, the Authority should develop the methodological framework for such reviews, including rules to avoid any conflict of interest in the conduct of peer reviews and in the drawing-up of findings, and regarding the consideration to be given to evaluations by international organisations or intergovernmental bodies with competence in the field of preventing money laundering and terrorist financing, when deciding on the planning of peer reviews</b></p>



	expressed their willingness to participate.	<u>be able</u> to participate <u>in peer reviews</u> .	and on their content. <del>and</del> With a view to fostering convergence of supervisory practices, the Authority should publish reports with <del>its</del> findings from those peer reviews, including shortcomings and good practices identified]; those reports could be accompanied by guidelines or recommendations addressed to the relevant public authorities, including public authorities overseeing self-regulatory bodies <del>SRBs</del> . Self-regulatory bodies <del>SRBs</del> should be able to participate in peer reviews <del>on a case-by-case basis</del> where they have expressed an interest to do so <del>their willingness to participate</del> .
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**Article 31 AMLA-R :**

Article 31(1)				
396	1. The Authority shall periodically conduct peer reviews of some or all of the activities of non-financial	1. The Authority shall periodically conduct peer reviews of some or all of the activities of <u>supervisory</u>	1. The Authority shall periodically conduct peer reviews of some or all of the activities of non-financial supervisors to strengthen	1. The Authority shall periodically conduct peer reviews of some or all of the activities of non-financial supervisors <b>and public authorities</b>



<p>supervisors to strengthen consistency and effectiveness in supervisory outcomes. To that end, the Authority shall develop methods to allow for an objective assessment and comparison between non-financial supervisors reviewed. When planning and conducting peer reviews, existing information and evaluations already available with regard to the non-financial supervisor concerned, including any relevant information provided to the Authority in accordance with Article 11, assessments or reports drawn up by international organisations and intergovernmental bodies competent in the field of preventing money laundering or terrorist financing and any relevant information from stakeholders shall be taken into account.</p>	<p><u>authorities in the non-financial supervisors sector</u> to strengthen consistency and effectiveness in supervisory outcomes. To that end, the Authority shall develop methods to allow for an objective assessment and comparison between <del>non-financial supervisors</del> <u>supervisory authorities</u> reviewed <u>taking into account their specificities and characteristics</u>. When planning and conducting peer reviews, <del>existing information and evaluations already available with regard to the non-financial supervisor concerned, including any relevant information provided</del> <u>the Authority shall avoid duplication of assessments or reports already available with regard</u> to the <del>Authority in accordance with Article 11, assessments or reports</del> <u>non-financial supervisory authorities concerned, which have been</u> drawn up by international organisations and intergovernmental bodies</p>	<p>consistency and effectiveness in supervisory outcomes. To that end, the Authority shall develop methods to allow for an objective assessment and comparison between non-financial supervisors reviewed. <del>When planning and conducting peer reviews, existing information and evaluations already available with regard to the non-financial supervisor concerned, including any relevant information provided to the Authority in accordance with Article 11, assessments or reports drawn up by international organisations and intergovernmental bodies competent in the field of preventing money laundering or terrorist financing and any relevant information from stakeholders shall be taken into account.</del></p>	<p>referred to under Article 38 of Directive [OP please insert the next number to the AMLD, COM(2021)423] <del>[that are public authorities]</del> to strengthen consistency and effectiveness in supervisory outcomes.</p> <p><del>To that end,</del> the Authority shall develop methods to allow for an objective assessment and comparison between non-financial supervisors <del>that are public authorities reviewed.</del> <del>When planning and conducting peer reviews, existing information and evaluations already available with regard to the non-financial supervisor concerned, including any relevant information provided to the Authority in accordance with Article 11]</del> <u>reviewed [taking into account the specificities of the sectors]. Where relevant, the planning and conducting of assessments shall take due account of the evaluations,</u> assessments or reports drawn up by international organisations and intergovernmental bodies <del>competent</del> <u>with competence</u> in the field of preventing money laundering</p>
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**Commented** [redacted] : We have reflected on this and in order not to pass the message that SRBs should not be equally covered by peer reviews, we think it is better to use our initial wording.

**Commented** [redacted] : As the Article is again horizontal, this addition by the Council is justified. See proposal for redrafting

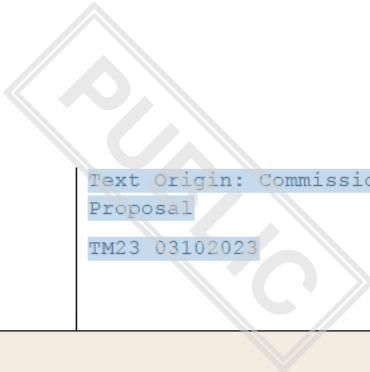
competent in the field of preventing money laundering ~~of terrorist~~and the financing of terrorism. Existing information, including any relevant information provided to the Authority in accordance with Article 11, and any relevant information from stakeholders shall be taken into account.

~~and~~ terrorist financing. The assessments may also take due account of the~~and any relevant information from stakeholders shall be taken into account~~set out contained in the central AML/CFT database established pursuant to Article 11.

The methods referred to in the first sub-paragraph shall take into account the specific features of the supervisory framework in cases where supervision is entrusted to self-regulatory bodies, including the role of the public authority in charge of overseeing those bodies pursuant to Article 38 of Directive [OP please insert the next number to the AMLD, COM(2021)423], and the specific characteristics of supervisors in those cases.

Wording in line with Article 28(3) (line 367)

CONS to revert EP to revert



Text Origin: Commission  
Proposal  
TM23 03102023

Article 31(2)

397

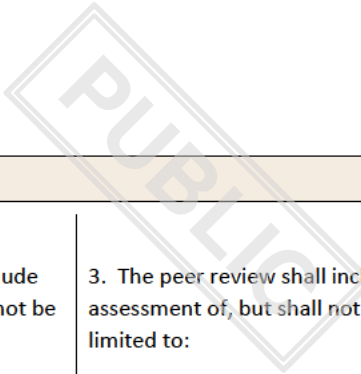
2. For the purposes of this Article, the Authority shall establish ad hoc peer review committees, which shall be composed of staff from the Authority and members of the non-financial supervisors. The peer review committees shall be chaired by a member of the Authority's staff. The Chair of the Authority shall, following a call for proposals, propose the chair and the members of a peer review committee which shall be approved by the Executive Board.

2. For the purposes of this Article, the Authority shall establish ad hoc peer review committees, which shall be composed of staff from the Authority and members of supervisory authorities in the non-financial ~~supervisors~~sectors. The peer review committees shall be chaired by a member of the Authority's staff. The Chair of the Authority shall, following a call for proposals, propose the chair and the members of a peer review committee which shall be approved by the Executive Board.

2. ~~For the purposes of this Article, the Authority shall establish ad hoc peer review committees, which~~The peer reviews shall be composed of staff from the Authority and members of the non-financial supervisors. ~~The peer review committees shall be chaired by a member of the Authority's~~carried out by the staff. ~~The Chair~~ of the Authority shall, following a call for proposals, propose the chair and the members of a peer review committee which shall be approved by the Executive Board in cooperation with the relevant staff of the non-financial supervisors.

2. ~~For the purposes of this Article, the Authority shall establish ad hoc peer review committees, which~~The peer reviews shall be composed of staff from the Authority and members of the non-financial supervisors. ~~The peer review committees shall be chaired by a member of the Authority's~~carried out by the staff. ~~The Chair~~ of the Authority shall, following a call for proposals, propose the chair and the members of a peer review committee which shall be approved by the Executive Board jointly with the relevant staff of the non-financial supervisors.

Text Origin: EP Mandate  
TM23 of 03102023



Article 31(3)				
398	3. The peer review shall include an assessment of, but shall not be limited to:	3. The peer review shall include an assessment of, but shall not be limited to:	3. The peer review shall include an assessment of, but shall not be limited to:	3. The peer review shall include an assessment of, but shall not be limited to:  <u>Text Origin: Commission Proposal</u>
Article 31(3), point (a)				
399	(a) the adequacy of powers and financial, human and technical resources, the degree of independence, the governance arrangements and professional standards of non-financial supervisor to ensure the effective application of Chapter IV [OP please insert the next number to the AMLD, COM(2021)423];	(a) the adequacy of powers and financial, human and technical resources, the degree of independence, the governance arrangements and professional standards of non-financial supervisor to ensure the effective application of Chapter IV [OP please insert the next number to the AMLD, COM(2021)423];	(a) the adequacy of powers and financial, human and technical resources, the degree of independence, the governance arrangements and professional standards of non-financial supervisor to ensure the effective application of Chapter IV [OP please insert the next number to the AMLD, COM(2021)423];	(a) the adequacy of powers and financial, human and technical resources, the degree of independence, the governance arrangements and professional standards of non-financial supervisor to ensure the effective application of Chapter IV [OP please insert the next number to the AMLD, COM(2021)423];  <u>Text Origin: Commission Proposal</u>

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Article 31(3), point (b)				
400	(b) the effectiveness and the degree of convergence reached in the application of Union law and in supervisory practice, and the extent to which the supervisory practice achieves the objectives set out in Union law;	(b) the effectiveness and the degree of convergence reached in the application of Union law and in supervisory practice, and the extent to which the supervisory practice achieves the objectives set out in Union law;	(b) the effectiveness and the degree of convergence reached in the application of Union law and in supervisory practice, and the extent to which the supervisory practice achieves the objectives set out in Union law;	(b) the effectiveness and the degree of convergence reached in the application of Union law and in supervisory practice, and the extent to which the supervisory practice achieves the objectives set out in Union law;  Text Origin: Commission Proposal
Article 31(3), point (c)				
401	(c) the application of best practices developed by non-financial supervisors whose adoption might be of benefit for other non-financial supervisors;	(c) the application of best practices developed by <u>supervisory authorities in the non-financial supervisors sector</u> whose adoption might be of benefit for other non-financial supervisors;	(c) the application of best practices developed by non-financial supervisors whose adoption might be of benefit for other non-financial supervisors;	(c) the application of best practices developed by non-financial supervisors whose adoption might be of benefit for other non-financial supervisors;  Wording on non-financial supervisors to be checked for consistency

Commented [REDACTED]: It's fine as it stands for us

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Text Origin: Commission Proposal

TM23 of 03102023

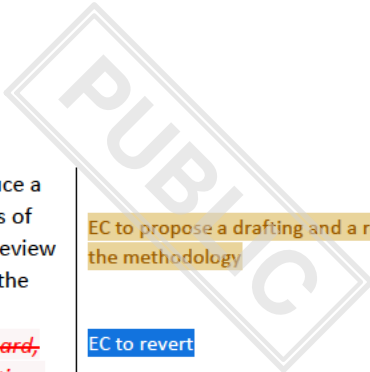
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Article 31(3), point (d)

402	(d) the effectiveness and the degree of convergence reached with regard to the enforcement of the provisions adopted in the implementation of Union law, including the administrative sanctions and other administrative measures imposed against persons responsible where those provisions have not been complied with.	(d) the effectiveness and the degree of convergence reached with regard to the enforcement of the provisions adopted in the implementation of Union law, including the administrative sanctions and other administrative measures imposed against persons responsible where those provisions have not been complied with.	(d) the effectiveness and the degree of convergence reached with regard to the enforcement of the provisions adopted in the implementation of Union law, including the administrative sanctions and other administrative measures imposed against persons responsible where those provisions have not been complied with.	(d) the effectiveness and the degree of convergence reached with regard to the enforcement of the provisions adopted in the implementation of Union law, including the <b>administrative pecuniary</b> sanctions and <b>other</b> administrative measures imposed against persons responsible where those provisions have not been complied with.  Text Origin: Commission Proposal
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Article 31(4)

403				
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<p>4. The Authority shall produce a report setting out the results of the peer review. That peer review report shall be prepared by the peer review committee and adopted by the Executive Board, having received the observations of the General Board in supervisory composition as to the consistency of application of the methodology with other peer review reports. The report shall explain and indicate the follow-up measures that are deemed appropriate, proportionate and necessary as a result of the peer review. Those follow-up measures may be adopted in the form of guidelines and recommendations pursuant to Article 3 and opinions pursuant to Article 44. The non-financial supervisors shall make every effort to comply with any guidelines and recommendations issued, in accordance with Article 43.</p>	<p>4. The Authority shall produce a report setting out the results of the peer review. That peer review report shall be prepared by the peer review committee. <u>A draft version of the report shall be submitted to the concerned supervisory authorities in the non-financial sector or the supervisory authorities in the non-financial sector subject to the assessment for comments, prior to its consideration by the General Board in supervisory composition. The report shall be</u> <del>and</del> adopted by the Executive Board, having received the observations of the General Board in supervisory composition as to the consistency of application of the methodology with other peer review reports. The report shall explain and indicate the follow-up measures that are deemed appropriate, proportionate and necessary as a result of the peer review. Those follow-up measures may be adopted in the</p>	<p>4. The Authority shall produce a report setting out the results of the peer review. That peer review report shall be prepared by the <del>peer review committee and adopted by the Executive Board, having received the observations of the General</del> <u>staff of the Authority, in cooperation with the relevant staff of the non-financial supervisors and adopted by the Executive Board, which shall share it in a timely manner with the non-financial supervisor</u> <del>under-in supervisory composition as to the consistency of application of the methodology with other peer review reports.</del> The report shall explain and indicate the follow-up measures that are deemed appropriate, proportionate and necessary as a result of the peer review. Those follow-up measures may be adopted in the form of guidelines and recommendations pursuant to Article <del>343</del> and opinions pursuant to Article 44. The non-financial supervisors shall make</p>	<p>EC to propose a drafting and a recital on the methodology</p> <p>EC to revert</p> <p>TM23 of 03102023</p> <p>4. The Authority shall produce a report setting out the results of the peer review. That peer review report shall be <b>jointly</b> prepared by the <b>staff of the Authority and the relevant staff of the non-financial supervisors involved in the</b> peer review <b>committee</b> and adopted by the Executive Board, having received the observations of the General Board in supervisory composition as to the consistency of application of the methodology with other peer review reports. The report shall explain and indicate the follow-up measures that are deemed appropriate, proportionate and necessary as a result of the peer review. Those follow-up measures may be adopted in the form of guidelines and recommendations pursuant to Article</p>
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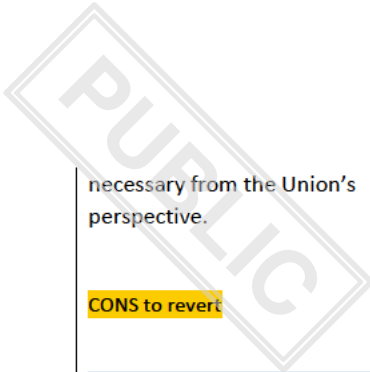
**Commented** [redacted] Text based on COM original drafting since EP agrees to limited role of GB and there is no need to submit the report to the assessed supervisors for review (it's drafted jointly)

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		form of guidelines and recommendations pursuant to Article <del>34</del> 3 and opinions pursuant to Article 44. The <u>supervisory authorities in the non-financial supervisors sector</u> shall make every effort to comply with any guidelines and recommendations issued, in accordance with Article 43.	every effort to comply with any guidelines and recommendations issued, in accordance with Article 43. <u>The Authority shall transmit such reports without delay, on a confidential basis, at least to the European Parliament.</u>	43 and opinions pursuant to Article 44. The non-financial supervisors shall make every effort to comply with any guidelines and recommendations issued, in accordance with Article 43. <u>The Authority shall transmit such reports without delay, on a confidential basis, at least to the European Parliament.</u>
404	5. The Authority shall publish the findings of the peer review on its website and submit an opinion to the Commission where, having regard to the outcome of the peer review or to any other information acquired by the Authority in carrying out its tasks, it considers that further harmonisation of Union rules applicable to obliged entities in the non-financial sector or to non-financial supervisors	5. The Authority shall <del>publish the findings of the peer review on its website and</del> submit an opinion to the Commission where, having regard to the outcome of the peer review or to any other information acquired by the Authority in carrying out its tasks, it considers that further harmonisation of Union rules applicable to obliged entities in the non-financial sector or to <u>supervisory authorities in the non-financial supervisors sector</u>	5. The Authority shall publish the findings of the peer review on its website and submit an opinion to the Commission where, having regard to the outcome of the peer review or to any other information acquired by the Authority in carrying out its tasks, it considers that further harmonisation of Union rules applicable to obliged entities in the non-financial sector or to non-financial supervisors would be necessary from the Union's perspective.	5. The Authority shall publish the findings of the peer review on its website and submit an opinion to the Commission where, having regard to the outcome of the peer review or to any other information acquired by the Authority in carrying out its tasks, it considers that further harmonisation of Union rules applicable to obliged entities in the non-financial sector or to non-financial <del>supervisors</del> <u>supervisory authorities, that are public authorities,</u> supervisors would be

**Commented [REDACTED]:** As explained today, the only 'report' that will formally come out of the peer review is the one that the authority will publish. This is generally of a horizontal nature and not mentioning the performance of a specific supervisor, although there are instances where the ESAs have provided in a summary fashion an overview of the performance of each supervisor under review (green/yellow/red). This report will be public and there is no need for confidential transmission to the EP. What could be done is that the Authority submits it in parallel to publication to the Commission, EP and Council for information.

As to the individual 'reports' drawn up on each supervisor, they are confidential and their content cannot be disclosed to non-supervisors, as it is the case today with ESAs reports.

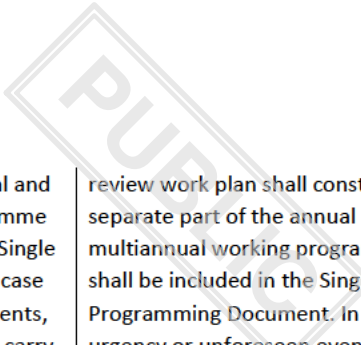


	would be necessary from the Union's perspective.	would be necessary from the Union's perspective.	necessary from the Union's perspective.
			CONS to revert
			Text Origin: Commission Proposal
			TM23 of 03102023
Article 31(6)			
405	6. The Authority shall provide a follow-up report two years after the publication of the peer review report. The follow-up report shall be prepared by the peer review committee and adopted by the Executive Board, having received the observations of the General Board in supervisory composition on the consistency with other peer review reports. The follow-up report shall include an assessment of the	6. The Authority shall provide a follow-up report two years after the publication of the peer review report. The follow-up report shall be prepared by the peer review committee and adopted by the Executive Board, having received the observations of the General Board in supervisory composition on the consistency with other peer review reports. The follow-up report shall include an assessment of the adequacy and effectiveness of the actions	6. The Authority shall provide a follow-up report two years after the publication of the peer review report. The follow-up report shall be prepared by the <del>peer review committee and adopted by the Executive Board, having received the observations of the</del> <u>General staff of the Authority, in cooperation with the relevant staff of the non-financial supervisors, and adopted by the Executive Board, which shall share it in a timely manner with the non-financial supervisor</u>
			EC to revert
			TM23 of 03102023
			6. The Authority shall provide a follow-up report two years after the publication of the peer review report. The follow-up report shall be jointly prepared by the <u>staff of the Authority and the relevant staff of the non-financial supervisors involved in the</u> peer review

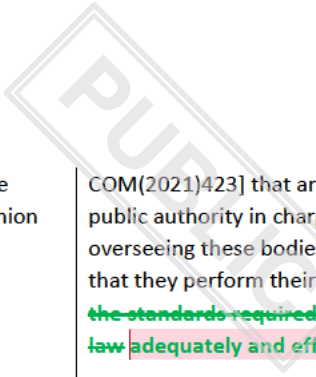
	<p>adequacy and effectiveness of the actions undertaken by the non-financial supervisors that were subject to the peer review in response to the follow-up measures of the peer review report. The Authority shall publish the findings of the follow-up report on its website.</p>	<p>undertaken by the <u>supervisory authorities in the non-financial supervisors sector</u> that were subject to the peer review in response to the follow-up measures of the peer review report. The Authority shall publish the findings of the follow-up report on its website.</p>	<p><u>under review in supervisory composition on the consistency with other peer review reports.</u> The follow-up report shall include an assessment of the adequacy and effectiveness of the actions undertaken by the non-financial supervisors that were subject to the peer review in response to the follow-up measures of the peer review report. The Authority shall publish the findings of the follow-up report on its website.</p>	<p><u>esmmitee</u> and adopted by the Executive Board, having received the observations of the General Board in supervisory composition on the consistency with other peer review reports. The follow-up report shall include an assessment of the adequacy and effectiveness of the actions undertaken by the non-financial supervisors that were subject to the peer review in response to the follow-up measures of the peer review report. The Authority shall publish the findings of the follow-up report on its website.</p>
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Article 31(7)

406	<p>7. For the purposes of this Article, the Executive Board shall adopt a peer review work plan every two years, which shall reflect the lessons learnt from the past peer review processes and discussions held in the General Board in supervisory composition. The</p>	<p>7. For the purposes of this Article, the Executive Board shall adopt a peer review work plan every two years, <u>after approval by the General Board,</u> which shall reflect the lessons learnt from the past peer review processes and discussions held in the General Board in supervisory</p>	<p>7. For the purposes of this Article, the Executive Board shall adopt a peer review work plan every two years, which shall reflect the lessons learnt from the past peer review processes and discussions held in the General Board in supervisory composition. The peer review work plan shall constitute</p>	<p>7. For the purposes of this Article, the Executive Board shall adopt a peer review work plan every two years, <u>after consultation of with the General Board,</u> which shall reflect the lessons learnt from the past peer review processes and discussions held in the General Board in supervisory composition. The peer</p>
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	peer review work plan shall constitute a separate part of the annual and multiannual working programme and shall be included in the Single Programming Document. In case of urgency or unforeseen events, the Authority may decide to carry out additional peer reviews.	composition. The peer review work plan shall constitute a separate part of the annual and multiannual working programme and shall be included in the Single Programming Document. In case of urgency or unforeseen events, the Authority may decide to carry out additional peer reviews.	a separate part of the annual and multiannual working programme and shall be included in the Single Programming Document. In case of urgency or unforeseen events, the Authority may decide to carry out additional peer reviews.	review work plan shall constitute a separate part of the annual and multiannual working programme and shall be included in the Single Programming Document. In case of urgency or unforeseen events, the Authority may decide to carry out additional peer reviews.  EP to revert CONS to revert  Text Origin: Council Mandate TM23 of 03102023
Article 31(8)				
407	8. When supervision is performed by SRBs, the peer review exercise shall include the assessment of the adequacy and effectiveness of measures pursuant to Article 38 of [OP please insert the next number to the AMLD, COM(2021)423] that are taken by the public authority in	8. When supervision is performed by SRBs, the peer review exercise shall include the assessment of the <del>adequacy and effectiveness</del> <u>implementation</u> of measures pursuant to Article 38 of [OP please insert the next number to the AMLD, COM(2021)423] that are taken by the public authority in charge	8. When supervision is performed by SRBs, the peer review exercise shall include the assessment of the adequacy and effectiveness of measures pursuant to Article 38 of [OP please insert the next number to the AMLD, COM(2021)423] that are taken by the public authority in charge of overseeing these bodies to ensure that they	8. Where <del>peer reviews concern supervisory activities which in one or more Member States are carried out supervision is performed by SRBs</del> <u>self-regulatory bodies</u> , the peer review exercise shall include the assessment of the [adequacy and effectiveness] of measures pursuant to Article 38 of <u>Directive</u> [OP please insert the next number to the AMLD,



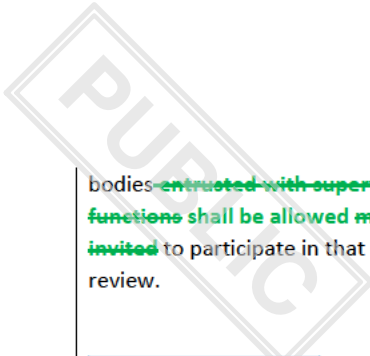
	charge of overseeing these bodies to ensure that they perform their function to the standards required under Union law.	of overseeing these bodies to ensure that they perform their function <del>to the standards required under</del> <u>in accordance with</u> Union law.	perform their function to the standards required under Union law.	COM(2021)423] that are taken by the public authority in charge of overseeing these bodies to ensure that they perform their function <del>to the standards required under Union law</del> <u>adequately and effectively</u> .  EC to revert  Text Origin: Commission Proposal TM23 of 03102023
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Commented [REDACTED]: To align with AMLD

Article 31(9)

408	9. On a case by case basis, when SRBs indicate an interest to participate in a peer review exercise, representatives of such bodies entrusted with supervisory functions may be invited to participate in that peer review.	9. On a case by case basis, when SRBs indicate an interest to participate in a peer review exercise, representatives of such bodies entrusted with supervisory functions may be invited to participate in that peer review. <u>Article 31 (1) to (6) shall apply accordingly.</u>	9. <del>On a case by case basis, when SRBs indicate an interest to participate in</del> <u>When</u> a peer review exercise <del>concerns SRBs,</del> representatives of <del>such bodies entrusted with supervisory functions may</del> <u>SRBs shall</u> be invited to participate in that peer review.	9. <u>On a case by case basis, when SRBs</u> Where peer reviews concern supervisory activities which in one or more Member States are carried out by self-regulatory bodies, those self-regulatory bodies shall not be required to participate. However, where they indicate an interest to participate in a peer review exercise, <u>staff entrusted with supervisory tasks from</u> <del>representatives of such</del>
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Commented [REDACTED]: This revision has been introduced following the question by Council as to SRBs without supervisory functions, and to clarify our initial intention, i.e. that SRBs exercising supervision only send supervisory staff to the peer review.  
  
If useful to clarify that SRBs are only taken into account as supervisors under our framework, we can expand on the definition of supervisor under AMLR to clarify that it encompasses SRBs when exercising functions under Article 29(1) of AMLD



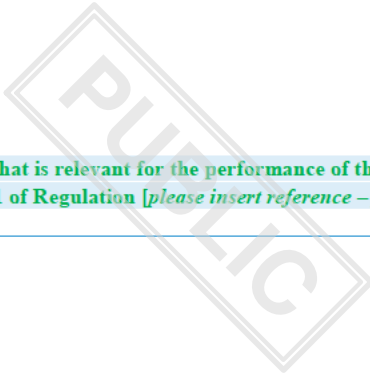
			<p>bodies <del>entrusted with supervisory functions shall be allowed</del> <b>may be invited</b> to participate in that peer review.</p> <p><a href="#">Linked to Article 38 AMLD</a></p> <p>AML related <b>Horizontal level</b></p> <p>TM23 of 03102023</p>
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**Commented** [redacted]: See below

**Article 38 AMLD**

**Commented** [redacted]: Note that this Article is still subject to redrafting based on discussions at AMLD TMs

1. Where Member States decide, pursuant to Article 29(3), to allow self-regulatory bodies to perform supervision of the entities referred to in Article 3, points (3)(a), ~~(b) and (d)~~ **and (b)**, of Regulation [please insert reference – proposal for Anti-Money Laundering Regulation - COM/2021/420 final], they shall ensure that the activities of such self-regulatory bodies in the performance of such functions are subject to oversight by a public authority.
2. The authority overseeing self-regulatory bodies shall be responsible for:
  - (a) verifying that any self-regulatory body performing the functions or aspiring to perform the functions referred to in Article 29(1) satisfies the requirements of paragraph 3 of that Article;
  - (b) issuing guidance as regards the performance of the functions referred to in Article 29(1);
  - (c) ensuring that self-regulatory bodies perform their functions under Section 1 of this Chapter ~~to the highest standards~~ **adequately and effectively**;
  - (d) reviewing the exemptions granted by self-regulatory bodies from the obligation to draw up an individual documented risk assessment pursuant to Article 29(4), point (b).



(e) regularly informing self-regulatory bodies of any activity planned or task carried out by AMLA that is relevant for the performance of their supervisory function, and in particular the planning of peer reviews in accordance with Article 31 of Regulation [please insert reference – proposal for Anti-Money Laundering Regulation - COM/2021/420 final]

[...]

**Commented** [redacted] : In order to resolve the difficulties of Article 31(9), we propose to add a general obligation to communicate information from AMLA