

Communication

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Law of 20 July 2020 containing various provisions on the prevention of money laundering and terrorist financing and on the restriction of the use of cash

Scope:

- credit institutions governed by Belgian law, including branches in Belgium of institutions governed by the law of another country of the European Economic Area (EEA) or of a third country;
- stockbroking firms governed by Belgian law, including branches in Belgium of firms governed by the law of another EEA country or of a third country;
- insurance companies governed by Belgian law that are authorised to carry out life insurance activities, including branches in Belgium of companies governed by the law of another EEA country or of a third country;
- payment institutions and electronic money institutions governed by Belgian law, including branches in Belgium of institutions governed by the law of another EEA country or of a third country, and payment institutions and electronic money institutions authorised in another EEA country which are required to designate a central contact point in Belgium;
- settlement institutions and institutions equivalent to settlement institutions governed by Belgian law, including branches in Belgium of institutions governed by the law of another EEA country or of a third country.

Dear Sir,
Dear Madam,

As you know, the Law of 20 July 2020 containing various provisions on the prevention of money laundering and terrorist financing and on the restriction of the use of cash was published in the Belgian Official Gazette of 5 August 2020. This Law, which in particular amends the Law of 18 September 2017 on the prevention of money laundering and terrorist financing and on the restriction of the use of cash (hereinafter referred to as “the Anti-Money Laundering Law”), is primarily aimed at transposing into Belgian law Directive (EU) 2018/843 of the European Parliament and of the Council 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, and amending Directives 2009/138/EC and 2013/36/EU (the “5th Anti-Money Laundering Directive”). In addition, it introduces certain other technical improvements in the Anti-Money Laundering Law. A consolidated version of this Law, which contains all amendments made to it, including by the Law of 20 July 2020, is available on the website of the [FPS Justice](#)¹. A coordinated version of the Law will also be available shortly on the website of the Bank.

In view of the recent legal changes, the National Bank of Belgium (hereinafter referred to as “the Bank”) has started updating the section of its [website](#) dedicated to the prevention of money laundering and terrorist financing². As a first step, given the significant number of pages of this section to which (sometimes limited) modifications need to be made, the Bank has included on the pages likely to be modified in this context an indication that their content is being reviewed and may be modified following the entry into force of the Law of 20 July 2020. This text will be removed as the various pages are updated. In the meantime, the bulk of the information provided on the webpages concerned remains relevant, but it should be taken into account that they do not yet reflect the new legal provisions.

Furthermore, the Bank draws the attention of AMLCOs to the fact that they should already review the internal procedures and mechanisms relating to the prevention of money laundering and terrorist financing implemented in their financial institution, in order to identify the modifications required to ensure that these internal procedures and mechanisms are in full compliance with the modified legal obligations applicable, and that they should ensure that these modifications are carried out without delay. In this respect, the Bank particularly draws the attention of:

- institutions whose activities include the issuing of electronic money, in particular to the lowering, pursuant to Article 42 of the Law of 20 July 2020, of the thresholds provided for in Article 25, first and second paragraphs, of the Anti-Money Laundering Law regarding the exemption from identification of certain customers;
- financial institutions whose activities include the acquiring of payment transactions, in particular to the new third paragraph of Article 25 of the Anti-Money Laundering Law, which was introduced by the same Article 42 of the Law of 20 July 2020 and which relates to the conditions under which they may accept payments carried out with anonymous prepaid cards issued in third countries.

The Bank will include the updating of financial institutions’ internal procedures and mechanisms to take into account the entry into force of the Law of 20 July 2020 in the range of subjects that may be covered by off-site or on-site inspections.

Moreover, it invites AMLCOs to include a sufficiently clear and precise explanation of the measures they have taken to update their internal procedures and mechanisms and of the resulting modifications thereof, in their annual report for 2020 to be addressed to their management committee or senior management, a

¹ http://www.ejustice.just.fgov.be/cgi_loi/change_lg.pl?language=fr&la=F&cn=2017091806&table_name=loi.

² <https://www.nbb.be/en/financial-oversight/combating-money-laundering-and-financing-terrorism?language=de>.

copy of which should be submitted to the Bank no later than 30 June 2021 (see point 3 of the [Comments and recommendations](#)³ of the Bank regarding the reporting obligations of financial institutions).

Yours faithfully,

Pierre Wunsch
Governor

³ <https://www.nbb.be/en/financial-oversight/combating-money-laundering-and-financing-terrorism/supervision-nbb/reporting-0?language=de>.