

MONACO AMENDS ITS LEGISLATION IN THE FIGHT AGAINST MONEY LAUNDERING, THE FINANCING OF TERRORISM AND THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION



On 6 July 2023, the National Council of Monaco adopted Law No. 1.549, which amends previous legislative provisions in the fight against money laundering, the financing of terrorism and the proliferation of weapons of mass destruction. It is based on Bill n° 1.077, which was tabled by the Prince's Government on 12 April 2023 in response to the recommendations of the MONEYVAL Report on the Principality of Monaco made public on 23 January 2023.

The Law n° 1.549 has introduced amendments to a previous Law n° 1.362 of 3 August 2009 relating to the fight against money laundering, the financing of terrorism and corruption, which constitutes the cornerstone of the Monegasque legal framework in this area.

The main amendments include:

- strengthening the supervision of financial institutions (FIs) and designated non-financial businesses and professions (DNFBPs) by transforming the current status of the Service d'Information et de Contrôle sur les Circuits Financiers (SICCFIN), into an independent administrative authority. This Authority would have three functions: financial intelligence unit, supervision, and sanction;
- introduction of an obligation for legal persons to appoint a person residing in Monaco responsible for obtaining, storing and making available to the competent authorities information on beneficial owners;
- establishment of a mechanism for permanently monitoring the good repute of managers, shareholders and beneficial owners of professionals subject to professional obligations in the area of AML/CFT;
- strengthening of control measures and sanction procedures concerning the register of beneficiaries;
- attribution to the Bar Association of the Principality of Monaco (l'Ordre des avocats de la Principauté de Monaco) the function of supervision, and to the Council of the Bar Association (Conseil de l'Ordre) the power to introduce sanctions against barrister-defenders and lawyers, in support of the creation of a control and supervision system.
- increase in the amount of penal sanctions and the revision of their wording in order to be able to impose them on legal persons.

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