



Brussels, 17.6.2026
SWD(2026) 148 final

COMMISSION STAFF WORKING DOCUMENT
EVALUATION

**Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October
2018 on combating money laundering by criminal law**

{COM(2026) 277 final}

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Glossary

<i>Term or acronym</i>	<i>Meaning or definition</i>
The Directive	Directive (EU) 2018/1673 on combating money laundering by criminal law
Warsaw Convention	Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS No 198)
AML	Anti-money laundering
AROs	Asset Recovery Offices
CEPOL	European Union Agency for Law Enforcement Training
CMLD	Directive (EU) 2018/1673 on the criminalisation of money laundering
DG HOME	Directorate-General Migration and Home Affairs of the European Commission
EMPACT	European Multidisciplinary Platform Against Criminal Threats
Eurojust	European Union Agency for Criminal Justice Cooperation
Europol	European Union Agency for Law Enforcement Cooperation
EJTN	European Judicial Training Network
EPPO	European Public Prosecutor's Office
FATF	Financial Action Task Force
FIUs	Financial Intelligence Units
FRA	European Union Agency for Fundamental Rights
INTERPOL	International Criminal Police Organisation
LEAs	Law enforcement agencies
Moneyval	Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism
TFEU	Treaty on the Functioning of the European Union
UNODC	United Nations Office on Drugs and Crime

1. INTRODUCTION

1.1 General introduction¹

Combating money laundering is essential for addressing the threats posed by organised crime networks, including their infiltration of the legal economy and the risks they create for public security. Directive (EU) 2018/1673 on combating money laundering through criminal law ('the CMLD' or 'the Directive') was adopted by the European Parliament and the Council on 23 October 2018². The Directive strengthens law enforcement and judicial responses to money laundering, fosters cross-border cooperation both within the EU and internationally, and complements the legislative framework on the prevention of money laundering.

The Directive establishes minimum rules on the definition of criminal offences in the field of money laundering and ensures that illicit proceeds from a broad range of criminal activities can be effectively addressed by specifying the criminal activities that constitute 'predicate offences' for money laundering, i.e. the criminal acts from which the laundered property originated.

Furthermore, it lays down provisions on penalties and sanctions applicable to both natural and legal persons, as well as rules on freezing and confiscation, jurisdiction, and the use of certain investigative tools against money laundering.

The deadline for transposition was 3 December 2020. The Directive applies in 25 Member States; Ireland and Denmark are not bound by it.

1.2 Purpose and scope of the evaluation

Article 14(2) of the Directive requires the European Commission to submit a report to the European Parliament and the Council to assess the Directive's added value and its impact on fundamental rights and freedoms.

This evaluation presents evidence on the legislative and practical implementation of the Directive and its effects on fundamental rights. This includes a description of the implementation process (see Chapter 3) as well as an analysis in terms of effectiveness, efficiency, relevance, coherence and EU-added value in line with the rules for Better regulation³. In this context, this evaluation draws a number of conclusions and makes concrete recommendations for future action.

¹ It should be noted that this SWD is an informative supporting document accompanying the act; it has no legal effect and cannot commit the European Commission.

² Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law, OJ L 284, 12.11.2018, p. 22-30, available [here](#).

³ Available at: <https://ec.europa.eu/info/sites/info/files/better-regulation-guidelines-evaluation-fitness-checks.pdf>

The temporal scope of this report covers the period from 2018 to 2025 and all Member States bound by the Directive, that is all except Ireland and Denmark, which have opted out of its adoption.

1.3 Methodology of the evaluation

In support of the evaluation, an external study⁴ was carried out, guided by the Better Regulation Guidelines. The study assessed the Directive against the five evaluation criteria (effectiveness, efficiency, relevance, coherence, and EU added value) as well as its impact on fundamental rights in the context of criminal proceedings. The study applied the intervention logic and an evaluation matrix (see Annex II) to structure data collection, guide analysis, and support conclusions and recommendations.

Evidence was collected through six complementary activities carried out under the close supervision of DG Migration and Home Affairs: desk research, interviews, targeted consultations (surveys and interviews), statistical data collection, case studies and expert workshops.

The study placed particular emphasis on stakeholder perspectives. Extensive surveys and interviews were conducted between late 2023 and early 2024, allowing for insights into the Directive's implementation.

The external study also produced a total of three case studies (i) on crypto-asset financial investigations; (ii) on the stand-alone money-laundering offence and (iii) on information exchange and cooperation between a Member State and a third country. The purpose of these case studies was to obtain a deeper view on the practical impact of the Directive within Member States.

The study acknowledges certain limitations in relation to stakeholder engagement and availability of data given the short period since the transposition of the Directive. Many money laundering cases, particularly those involving newer forms such as stand-alone or self-laundering, often take several years to reach final adjudication, especially when appealed to higher courts. In an effort to compensate for these limitations, the study provided alternative engagement options, such as bilateral consultations or focus group discussions, to gather opinions and views that would still give insights into the practical application of the Directive on the ground.

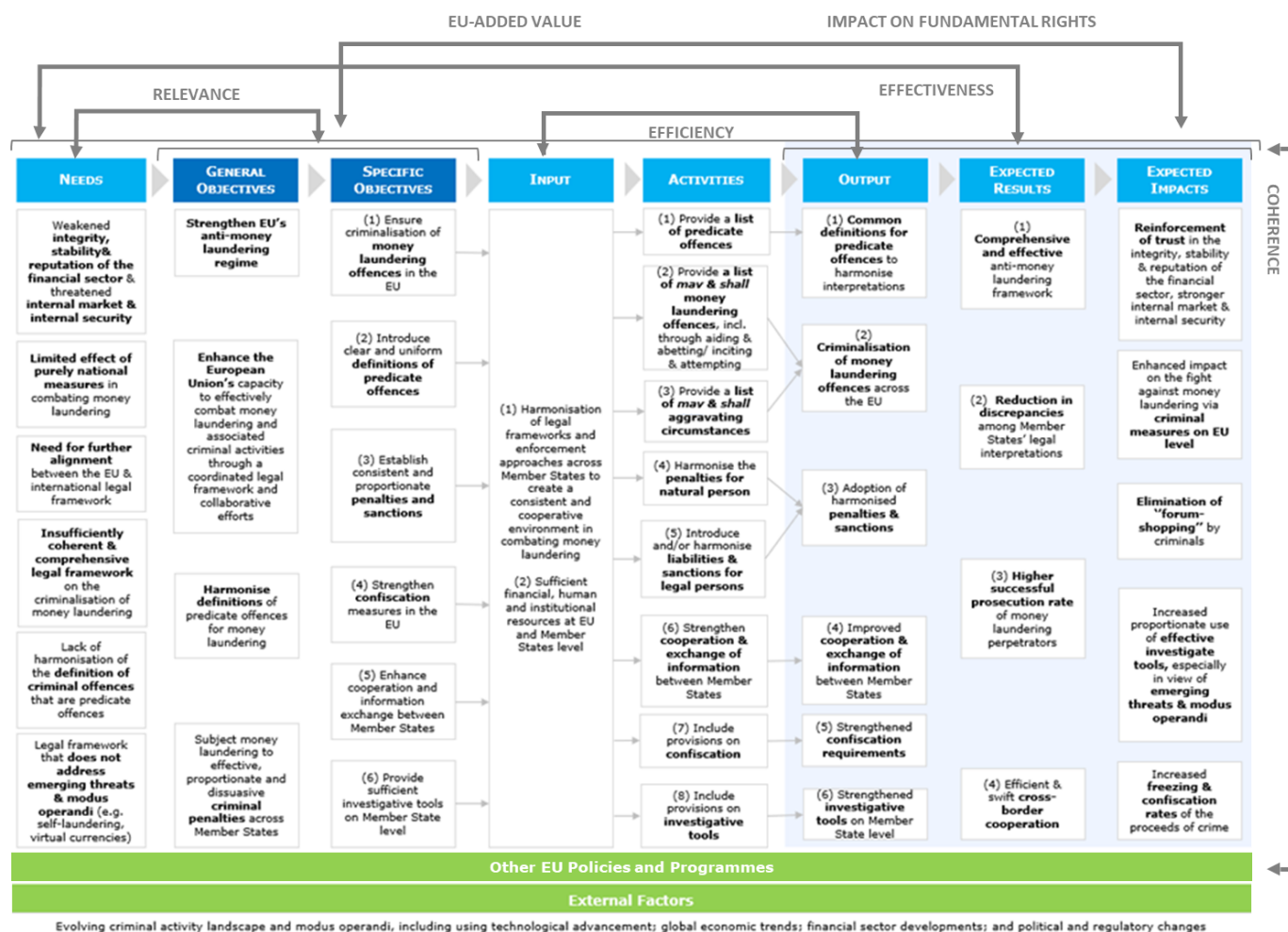
Notwithstanding the limitations, the adopted methodology provided a sufficiently robust evidence base for assessing the Directive's performance, identifying shortcomings and proposing recommendations for possible future revision. A detailed description of the methodology and analytical tools is set out in Annex I.

⁴ Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law. Final Report. ISBN 978-92-68-37245-6 (Print version) - ISBN 978-92-68-37240-1 (PDF)

2. WHAT WAS THE EXPECTED OUTCOME OF THE INTERVENTION?

2.1 Description of the main elements and objectives of Directive (EU) 2018/1673 on combating money laundering by criminal law

Annex II shows the intervention logic of the Directive in full detail.



As emphasised in recital 1 of the Directive, money laundering poses a serious threat to the integrity, stability and reputation of the financial sector and to the internal market, as well as to the security of people in the EU. There was therefore a need to strengthen the EU's legal framework to effectively combat money laundering by criminal law (need 1).

The lack of harmonisation in the definition of money laundering offences and predicate offences limited the effectiveness of measures at the time. There was therefore a need to ensure consistent and uniform definitions across the EU (need 2).

The absence of proportionate and consistent penalties and sanctions for money laundering offences across Member States further hindered effective enforcement. There was therefore a need to establish minimum rules across the EU on penalties and sanctions (need 3).

Finally, the evolving nature of organised crime, including new forms of criminal activity and *modi operandi* such as self-laundering, called for a reinforced and future-proof legal framework (need 4).

To address these needs, the Directive sought to provide a common EU-wide framework for the criminalisation of money laundering and the strengthening of judicial and law enforcement responses. The Directive's general objective is to reinforce the EU's anti-money laundering regime through criminal law. More specifically, the Directive had the following objectives:

- ensuring the effective criminalisation of money laundering offences across the EU;
- introducing clear and uniform definitions of predicate offences;
- establishing consistent and proportionate penalties and sanctions;
- enhancing cooperation and information exchange between Member States.

The expected impacts of the Directive were:

- more effective investigation and prosecution of money laundering perpetrators, through the adoption of harmonised offences, penalties and sanctions;
- increased protection of people in the EU and of the internal market against threats of organised crime and terrorist financing, through the availability of effective tools for authorities to investigate money laundering and bring perpetrators, including legal entities, to justice;
- more efficient and coordinated cross-border action against money laundering, through strengthened cooperation and information exchange between Member States;
- more effective investigative tools available to authorities in money laundering investigations;
- strengthened confiscation measures.

At the same time, the Directive is being applied in a context where external factors continue to increase the threat from money laundering to Europe's security and to the integrity of the financial system. Criminal groups are continuously evolving in terms of their *modi operandi* and using new technologies, including those emerging in the financial sector. The Directive's application further coincides with other regulatory developments at EU level in the fight against money laundering, with the 2024 Anti-Money Laundering Package and the Directive on asset recovery and confiscation, which was also adopted in 2024, presenting significant novelties of relevance for this analysis.

2.2 Point(s) of comparison

To reconstruct the baseline scenario and the point of comparison, this evaluation takes as its point of departure the EU legislative framework addressing the threat from money laundering activities which existed at the time of the Directive's adoption.

The main EU instrument against money laundering back in 2018 was the Fifth Anti-Money Laundering Directive⁵, which established measures to prevent money laundering. On the repressive side, the main rules to facilitate the prosecution of this offence were set out in Framework Decision 2001/500/JHA on money laundering, the identification, tracing, freezing, seizing and confiscation of instrumentalities and the proceeds of crime⁶. However, this instrument was limited in scope and did not ensure a comprehensive criminalisation of money-laundering offences. Although all Member States criminalised money laundering, significant differences existed. These differences concerned first and foremost the respective definitions of what constitutes money laundering, the predicate offences, as well as the level of sanctions. The former legislative framework, before the 2018 Directive, was neither comprehensive nor sufficiently coherent to be fully effective.

This situation had clear operational consequences. Differences in national laws hindered cross-border police and judicial cooperation and complicated information exchange between Financial Intelligence Units (FIUs). Practitioners and EU agencies such as Europol and Eurojust reported that these inconsistencies reduced the effectiveness of investigations and prosecutions, particularly in cases involving cross-border money laundering and links to terrorist financing⁷.

At the same time, the scale of the problem was substantial. Criminal proceeds were estimated at around EUR 110 billion annually in the EU, while only a small share was recovered. Terrorist groups increasingly relied on criminal activities and money laundering schemes to finance their operations⁸. Without intervention, these trends were expected to continue, reinforcing organised crime and increasing security risks.

The pre-intervention situation therefore constitutes the main point of comparison for the assessment. The intervention will be evaluated against this baseline by examining changes in the level of legal harmonisation, the effectiveness of investigations, cross-border cooperation and the deterrent effect of criminal sanctions.

⁵ 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, pp. 73–117, available at: <https://eur-lex.europa.eu/eli/dir/2015/849/oj/eng>

⁶ Council Framework Decision of 26 June 2001 on money laundering, the identification, tracing, freezing, seizing and confiscation of instrumentalities and the proceeds of crime, OJ L 182, 05.07.2001, p. 1-2, available at: <https://eur-lex.europa.eu/legal-content/nl/TXT/?uri=CELEX:32001F0500>

⁷ See explanatory memorandum of the Proposal for a Directive of the European Parliament and of the Council on countering money laundering by criminal law, COM/2016/0826 final - 2016/0414 (COD)

⁸ *Ibid.*

3. HOW HAS THE SITUATION EVOLVED OVER THE EVALUATION PERIOD?

3.1 Transposition

The deadline for Member States to formally incorporate Directive (EU) 2018/1673 into their national laws was December 2020. Only nine Member States had transposed the Directive by this deadline⁹. The degree of the delay in transposition for the remaining Member States varied to a great extent.

Most Member States adopted specific legislation to transpose the Directive. There was only a handful of Member States, that considered the pre-existing legislation (largely) sufficient to transpose the Directive¹⁰. Where legislation was adopted for transposing the Directive, this was primarily done via amendments to the Criminal Code and, to a lesser extent, to the Code of Criminal Procedure or other, more specific, legislation.

In its transposition report the Commission acknowledges the efforts made by Member States to take comprehensive measures to transpose the Directive and align national laws with EU standards. However, some gaps and inconsistencies were detected and detailed in the report.

3.2 Other developments in the field

In parallel with the application of the Directive, important changes have taken place in criminal practices, in technological advancements and in the overall regulatory framework.

In recent years, money laundering practices have undergone significant developments. Criminals take advantage of the possibilities offered by technological innovation and the rise of the digital economy, combining them with traditional money laundering techniques¹¹.

Crypto-assets have opened new avenues for illicit financial flows, creating challenges for both regulators and law enforcement authorities. Europol observes that crypto-assets are increasingly misused for money laundering and terrorist financing¹².

The constantly evolving techniques of money launderers, such as the use of decentralised finance (DeFi) platforms, crypto-asset mixers, but also the misuse of cash, high-value goods or traditional informal value transfer systems (such as *hawala*¹³) and the criminal

⁹ Czechia, Estonia, France, Latvia, Netherlands, Poland, Portugal, Slovenia and Sweden.

¹⁰ France, Poland, Slovenia, and Sweden.

¹¹ Europol, European Union Serious and Organised Crime Threat Assessment – The changing DNA of serious and organised crime, Publications Office of the European Union, Luxembourg, 2025.

¹² See Europol, European Union Serious and Organised Crime Threat Assessment – The changing DNA of serious and organised crime, Publications Office of the European Union, Luxembourg, 2025; Europol, European Union Terrorism Situation and Trend Report, Publications Office of the European Union, Luxembourg, 2025.

¹³ Hawala is an informal, trust-based money-transfer system often used for money remittances. It operates outside traditional banking, without using authorised financial institutions.

infiltration into the legal economy, continue to pose significant and sometimes novel risks.

At the same time, authorities across the EU and globally have intensified efforts to curb money laundering and tackle criminal finances. Measures taken after the adoption of the Directive include establishing new supervisory frameworks¹⁴, such as through the creation of an EU Anti-Money Laundering Authority, and the strengthening of the legislation on the prevention of money laundering¹⁵, asset recovery¹⁶, regulation of the crypto-asset sector¹⁷, or access of law enforcement to financial information¹⁸. There are also efforts to (i) establish specialised investigative units in different Member States focused on financial crime; (ii) foster closer cooperation between Financial Intelligence Units (FIUs)¹⁹ as well as between the public and private sector²⁰; or (iii) strengthen cooperation with third countries in the fight against money laundering. Effectively, the changing *modi operandi* of criminal networks underline the need for sustained vigilance and coordinated actions between all stakeholders involved.

4. EVALUATION FINDINGS (ANALYTICAL PART)

4.1. To what extent was the intervention successful and why?

4.1.1 Effectiveness

Main findings:

- The Directive has made progress in **providing a comprehensive and harmonised legal framework**, ensuring a closer alignment of predicate offences. However, issues remain, particularly in relation to the definition of property, the interpretation of the stand-alone money laundering, and sanctions for legal persons.

¹⁴ In particular, the EU created the Authority for Anti-Money Laundering and Countering the Financing of Terrorism, on the basis of Regulation (EU) 2024/1620 of the European Parliament and of the Council of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism, OJ L, 2024/1620, 19.6.2024. AMLA will also support closer cooperation among Financial Intelligence Units (FIUs).

¹⁵ See in particular the EU's 'Anti-Money Laundering Package' adopted in 2024, including Regulation (EU) 2024/1624 of 31 May 2024 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, OJ L, 2024/1624, 19.6.2024, and Directive (EU) 2015/849 of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, OJ L 141, 5.6.2015.

¹⁶ See in particular Directive (EU) 2024/1260 of 24 April 2024 on asset recovery and confiscation, OJ L, 2024/1260, 2.5.2024. This Directive also introduces the obligation to conduct parallel financial investigations into organised crime cases.

¹⁷ See in particular Regulation (EU) 2023/1114 of 31 May 2023 on markets in crypto-assets, OJ L 150, 9.6.2023, and Regulation (EU) 2023/1113 of 31 May 2023 on information accompanying transfers of funds and certain crypto-assets, OJ L 150, 9.6.2023, pp. 1–3.

¹⁸ See Directive (EU) 2024/1654 of 31 May 2024 amending Directive (EU) 2019/1153 as regards access by competent authorities to centralised bank account registries through the interconnection system and technical measures to facilitate the use of transaction records, OJ L, 2024/1654, 19.6.2024.

¹⁹ At EU-level for example through the new EU Authority for Anti-Money Laundering and Countering the Financing of Terrorism, which started its operations in 2025.

²⁰ See for example Europol Financial Intelligence Public Private partnership (EFIPPP), EFIPPP Practical Guide for Operational Cooperation between Investigative Authorities and Financial Institutions, Publication Office of the European Union, Luxembourg, 2025.

- In regard to the **facilitation of investigation and prosecution** stakeholders have reported both improvements and ongoing challenges, as divergent interpretations and applications continue to affect the Directive's effectiveness.
- **In relation to the prevention of money laundering**, responses varied: some stakeholders reported that the Directive made a significant contribution, while others noted a limited impact, as their national frameworks had already addressed money laundering.
- Responses generally suggest a **moderate to high facilitation of cross-border cooperation**.

The evaluation looks at the extent to which the instrument delivers on its intended goals and generates the expected outcomes. This entails examining its impact on the key problems it seeks to address, the level of compliance and practical implementation by Member States, and the degree to which objectives are met.

This section presents how the Directive has brought changes into Member States' systems and the main issues that hamper the effective application of the Directive. It further presents (i) an assessment of the extent to which the Directive has strengthened the capacity of authorities to investigate and prosecute money laundering across the EU and (ii) an analysis of the effectiveness of the optional provisions and of the impacts of the Directive on cross-border cooperation, mainly based on stakeholders' views.

4.1.1.1 Comprehensive and harmonised legal framework on the criminalisation of money laundering, including money laundering offences and penalties

The evaluation aims to answer the question of whether the Directive's goals of ensuring a sufficient degree of harmonisation of money laundering offences and related penalties have been achieved. In this regard, the evaluation finds that the Directive has achieved progress in providing for a comprehensive and **harmonised legal framework on money laundering, including its offences and related penalties** across Member States.

As described in the above Section 3.1 on transposition and in the transposition report, most Member States have fully transposed with the Directive and included similar definitions of offences (including self-laundering) and penalties as well as aggravating circumstances in their national legislation.

Stakeholders consulted in the context of the supporting study accompanying the evaluation, including all the judicial authorities consulted, reported either a high or very high degree of alignment between their national legislation and the Directive's provisions on offences and penalties. It is to be noted that a number of national frameworks were already in line with international standards reflected in the Directive (a point also raised by criminal law practitioners and one international organisation), in particular regarding the 'standard' money-laundering offence, i.e. transferring or converting property derived from criminal activity, hiding or disguising its illicit origin, or acquiring, possessing or using property knowing of its criminal origin²¹. Despite this, the Directive still led to further approximation, for instance, thanks to the introduction of new money laundering

²¹ One of the evaluation questions relates to the extent to which there were any legislative national measures already in place before the adoption of the Directive.

offences and the clarification of aggravating circumstances²². There was also an approximation in the level of penalties among Member States for these offences, with all Member States being conform with the thresholds set out in the Directive (a maximum of at least four years for the standard money laundering offences as well as for self-laundering). Members of the EMPACT community have indicated the deterrent effect of the national laws transposing the Directive, including with regard to penalties, according to the consultation carried out by the external study supporting the evaluation.

The transposition of the Directive also ensured a closer **alignment of predicate offences**, in line with the approach in the Directive which defines the concept of ‘criminal activity’ (*Article 2*). This definition sets a minimum threshold (offences with a maximum penalty of imprisonment of at least one year), while enumerating a list of categories of serious offences which should, as a minimum, be considered predicate offences (e.g. eurocrimes²³ such as drug trafficking or trafficking in human beings but also other categories of crime such as robbery, forgery etc.). Stakeholders consulted – notably academics and criminal law practitioners – have underlined that while some Member States have opted for an all-crimes approach, others have included a list of crimes in their legislation. This still implies a high level of harmonisation and, by ensuring that a wide range of criminal activities is considered predicate offences, it facilitates the investigation and prosecution of money laundering.

This means not only that there is alignment among Member States’ provisions, but also that authorities across the EU can now count on having a comprehensive set of tools to respond more effectively to the various acts that constitute money laundering, through a sufficiently broad definition of the money laundering offence, a comprehensive scope of predicate offences and through sufficiently dissuasive penalties.

Nonetheless, certain issues may still warrant closer attention to ensure a common understanding and a more consistent approach in practice. This will be discussed below.

- ***Definition of ‘property’ and the interpretation of the concept of property in the context of money laundering (Article 2)***

Article 2(2) of the CMLD Directive defines ‘property’ as including ‘assets of any kind, whether corporeal or incorporeal, movable or immovable, tangible or intangible, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or an interest in, such assets’. While the definition of property in the Directive is, in principle, very broad, the Commission was made aware in exchanges with national

²² Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, pages 32-25.

²³ According to Art. 83 TFEU, eurocrimes are particularly serious crimes with a cross-border dimension resulting from the nature or impact of such offenses or from a special need to combat them on a common basis. They are the following: terrorism, trafficking in human beings and sexual exploitation of women and children, illicit drug trafficking, illicit arms trafficking, money laundering, corruption, counterfeiting of means of payment, computer crime and organised crime.

practitioners as well as with EU authorities that some Member States apply a more limited interpretation and exclude saved expenses (such as taxes withheld through committing a tax crime) from the scope of ‘property’ that can be the object of a money laundering offence. During the consultation with stakeholders, one EU body also highlighted this issue, stressing that this limitation can have consequences for offences such as VAT and customs fraud, which can involve hundreds of millions of euro²⁴.

Although saved expenses (such as taxes withheld through committing a tax crime) are not explicitly mentioned, the Directive’s recitals (13 and 16) clarify that no distinction should be made between property derived directly from criminal activity and that derived indirectly.

- ***Harmonised implementation, interpretation and application of stand-alone money laundering (Article 3(3)(a)(b))***

A major step taken by the Directive was the introduction of provisions on stand-alone money laundering. This enables authorities to prosecute and convict a person for money laundering without requiring a prior conviction for the underlying predicate offence that generated the property to be laundered. The intention was to eliminate legal and practical barriers to investigations and prosecutions, given that it is often difficult to prove a predicate offence from which the perpetrator is often distant in time and space.

At the same time, the transposition checks and consultations with stakeholders (e.g. during bilateral meetings with prosecutors or during the second Eurojust meeting on money laundering and asset recovery)²⁵ as well as case work carried out by Eurojust²⁶ revealed that, although Member States did incorporate stand-alone money laundering into their national legislation, the interpretation of this offence still varies considerably, particularly as regards the extent to which the predicate offence must be proven²⁷. As a result, in some Member States it is relatively simple to prosecute and convict for stand-alone money laundering, whereas in others the evidentiary threshold for proving the illicit origin of the laundered property remains so high that the situation differs little from the one that existed before the Directive entered into force²⁸. Therefore, there are significant differences in the extent to which the provision for stand-alone money laundering has been effectively applied in practice, depending on the way in which Member States transposed the Directive. Several national courts require a high level of proof that a

²⁴ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 33.

²⁵ <https://www.eurojust.europa.eu/news/eurojust-leads-efforts-step-judicial-response-money-laundering-and-asset-recovery>

²⁶ Eurojust (2022), Report on Money-Laundering, p. 8 available [here: https://www.eurojust.europa.eu/publication/eurojust-report-money-laundering](https://www.eurojust.europa.eu/publication/eurojust-report-money-laundering)

²⁷ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 27.

²⁸ *Ibid.*

specific predicate offence took place, which makes prosecution particularly difficult in complex or cross-border cases²⁹.

In principle, this is not an issue of transposition, as the Directive's wording allows for such divergent interpretations: the Directive only requires that money laundering should be punishable even in the absence of a conviction and that not all elements of the predicate offence have to be proven. As such the Directive, while taking an important step forward in creating a more uniform legal framework, left a lot of room for interpretation during transposition and practical application. This continues to create difficulties for effective cross-border law enforcement and weakens harmonisation across the EU. The effects on investigations for practitioners are further elaborated under Section 4.1.1.3.

- ***Harmonised implementation, interpretation and application of self-laundering (Article 3(5))***

Article 3(5) of the Directive introduces the concept of self-laundering, enabling the prosecution of money laundering even in cases where the perpetrator of the predicate offence also laundered the money derived from the offence – something which was not possible in many Member States before the Directive. With the application of the Directive, it is now possible for authorities to prosecute self-laundering, at least for the cases of conversion, transfer, concealment or disguise of the property (Article 3(1)(a) and (b) of the Directive). For the cases of acquisition possession and use (Article 3(1)(c) of the Directive) it was left for Member States to decide if self-laundering should be criminalised.

Overall, this has led to an approximation of Member States' laws in this area, with a number of differences among Member States. Some have an extensive scope of self-laundering, comprising acquisition, possession and use. Others do not, even introducing additional requirements, for example, that self-laundering can only be punishable if the laundered property is brought into circulation. These differences derive not only from the optional nature of self-laundering for the offences of acquisition, possession and use as regulated in Article 3(1)(c) but also from the indications of flexibility that the Directive provides in this area as per recital 11³⁰. Therefore, it is worth continuing the analysis of the concrete application of self-laundering in the long-term, to understand whether the differences could create any problem in practice, in particular with respect to cross-border cooperation. Another aspect to further monitor and assess is the effect on the right to defence (regarding the effect on fundamental rights, see more details below in Section

²⁹ See also Eurojust (2022), Report on Money-Laundering, p.8 *'This has an impact on international cooperation, as prosecutors from these countries are more reluctant to start money laundering investigations'*.

³⁰ Recital 11 states that money laundering should at least be punishable *"where, the money laundering activity does not simply amount to the mere possession or use of property, but also involves the transfer, conversion, concealment or disguise of property and results in further damage than that already caused by the criminal activity, for instance by putting the property derived from criminal activity into circulation and, by doing so, concealing its unlawful origin"*.

4.2.2.). The judicial and law enforcement authorities consulted underscore the important role of self-laundering laws in combating financial crimes. The range of behaviours constituting self-laundering has been expanded, enhancing prosecutorial reach. The criminal-law practitioners consulted confirm that self-laundering is punishable in their jurisdictions, with most stating that self-laundering offences also cover the mere acquisition, possession, or use of illicit property. According to these stakeholders, this has facilitated an increase in international cooperation requests, facilitating cross-border investigations and prosecutions.

However, they also note several challenges that can complicate the effective application of these provisions, such as the difficulties associated with differentiating self-laundering from the predicate offence, or with ensuring consistency when initiating investigations for both the underlying and laundering offences.

- *Penalties for natural persons (Article 5)*

Article 5 introduces harmonised penalties for natural persons, notably by requiring a maximum threshold of at least four years imprisonment for intentional money laundering and self-laundering. This represents a step forward compared to the previous framework. However, Article 5(3) allows for additional, unspecified sanctions, leaving scope for variation across Member States. While this flexibility does not fundamentally undermine the Directive's objectives, desk research conducted for the supporting study showed that it may affect uniformity³¹. This may limit the deterrent potential of sanctions to the extent that it may provide fewer tools for sanctioning perpetrators than for other crimes recently regulated at EU level (see section on coherence).

- *Aggravating circumstances (Article 6)*

Article 6 sets out a number of situations which Member States must consider as aggravating circumstances, making it possible to impose harsher punishments for such conducts: money laundering activities committed within a criminal organisation, as well as cases where obliged entities commit money laundering in the course of professional activities. The study supporting the evaluation showed that applying the aggravating circumstance of committing money laundering as an obliged entity is complex, as it requires precise determination of professional conduct³².

Moreover, the Directive provides for optional aggravating circumstances, which Member States may decide to apply, i.e. for cases where the laundered property is of high value or when it derives from 'more serious' offences, such as drug trafficking. The Directive excludes from this aggravating category offences such as fraud, environmental crime, market abuse, and cybercrime, despite being listed under Article 83(1) TFEU as crimes of

³¹ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 29.

³² Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 30.

particular seriousness with a cross-border dimension. Although Member States may broaden aggravating circumstances nationally, such discretion presents some risks of divergent interpretation, reduced consistency, and weakened EU-wide deterrence.

- ***Harmonised application of penalties to legal entities (Article 8)***

The Directive foresees that fines are mandatorily made available under national law as well as optional additional sanctions for legal persons (e.g. exclusion from public benefits, bans on commercial activities) and leaves Member States the choice between criminal, administrative, or civil liability. This reflects national differences on corporate criminal liability but risks uneven enforcement.

Although fines are mandatory, the Directive grants wide discretion as to their level, unlike newer EU criminal law instruments which prescribe the minimum maximum levels of fines to be calculated either based on percentages of the legal person's total worldwide turnover or on fixed amounts. Likewise, while the Directive makes additional sanctions optional, more recent instruments foresee them as mandatory, while providing a non-binding list of such other criminal and non-criminal penalties or measures. Such flexibility may result in unequal treatment of comparable cases (see section on coherence).

- ***Strengthen confiscation measures (Article 9)***

The Directive requires Member States to take measures to ensure that their competent authorities freeze or confiscate the proceeds derived from money laundering, in accordance with Directive 2014/42/EU (hereinafter 'the Confiscation Directive').

The evaluation assesses the impact of the Directive regarding confiscation of property deriving from activities of a criminal nature, including in the absence of a conviction, and the key obstacles for implementing such confiscation measures. Nevertheless, the assessment on the impact of the Directive with regard to confiscation has posed significant challenges.

First, it should be noted that the Directive 2014 already covered money laundering offences through references to the Council Framework Decision on money laundering from 2001. The Directive criminalising money laundering only expanded these existing confiscation measures to the newly introduced money laundering offences (e.g. the offence of self-laundering). Therefore, the practical impact of the provision on confiscation is difficult to assess. Secondly, such practical impact would need to be analysed over a longer period, considering the length of criminal and confiscation proceedings. Third, the confiscation regime in the EU has been significantly reinforced in the meantime, with the 2024 Directive on asset recovery and confiscation³³ bringing in new possibilities, notably in relation to non-conviction based confiscation. Therefore,

³³ Directive (EU) 2024/1260 of the European Parliament and of the Council of 24 April 2024 on asset recovery and confiscation, OJ L, 2024/1260, 2.5.2024

such aspects can only be analysed as part of the evaluation of the latter instrument. The Commission is required to submit that evaluation to the European Parliament and to the Council by 24 November 2031.

- ***Jurisdiction (Article 10)***

Article 10 requires Member States to establish jurisdiction over money laundering offences committed on their territory or by their nationals, and allows for optional extension of jurisdiction to offences committed abroad by habitual residents or for the benefit of locally established legal persons, while providing that where multiple Member States have jurisdiction over the same facts, they shall cooperate – involving Eurojust where appropriate – to centralise proceedings in a single Member State.

It should be noted that the provision concerning the establishment of **jurisdiction over money laundering offences** – specifically in the instance where the offender is a national of the Member State, pursuant to **Article 10(1)(b)** – was transposed in a divergent manner, particularly with respect to the requirement of **double criminality**³⁴.

4.1.1.2 Facilitating investigation and prosecution of money laundering and use of investigative tools

Among other things, the evaluation aims to establish the extent to which the application of the Directive has contributed to facilitating the investigation and prosecution of money laundering in the Member States and at EU level. Overall, Directive (EU) 2018/1673 has contributed to strengthening the investigation and prosecution of money laundering across the EU, notably thanks to the introduction of the stand-alone money laundering offence. However, its implementation has produced mixed outcomes, with stakeholders reporting both improvements and ongoing challenges when asked if the Directive facilitated their investigations into money laundering. While the Directive did approximate national legislation, divergent interpretations and applications continue to affect its overall effectiveness. This section examines how these differences influence investigations and prosecutions.

As indicated above, **judicial authorities** reported uneven effects when it comes to the facilitation of investigations³⁵. Some saw little change, as their national frameworks were already largely compliant with the Directive's obligations. Others highlighted clear benefits, particularly the removal of the need to prove intent behind the predicate offence, which simplified judicial proceedings. **Law enforcement authorities**, including members of the European Multidisciplinary Platform Against Criminal Threats (EMPACT) community, generally reported that investigative action has been

³⁴ That is the principle whereby jurisdiction can only be established where the conduct in question is criminalised both in the prosecuting state and in the state in which it was committed.

³⁵ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 37.

significantly facilitated following legislative alignment with the Directive³⁶. Depending on the Member State, national reforms inspired by the Directive expanded investigative tools and introduced the criminalisation of self-laundering and of negligent money laundering, the possibility to investigate laundering independently of the predicate offence, and clearer definitions of criminal proceeds. **Financial Intelligence Units (FIUs)** gave mixed feedback³⁷: while some noted improved analysis and cooperation, others observed limited change in daily practice (it should be noted that the FIUs' work is governed by Directive (EU) 2024/1640 (the EU Anti-Money Laundering Directive - AMLD)³⁸.

- ***The impact of stand-alone money laundering (money laundering without prior conviction for the predicate offence) on the investigation and prosecution of money laundering***

Feedback from **judicial and law enforcement authorities, including EMPACT members**, suggests that removing the requirement for a prior conviction, prosecution, or factual establishment of the predicate offence has generally facilitated prosecutorial and investigative work³⁹. National authorities highlighted that this enabled them to pursue money laundering independently, even where the perpetrator of the predicate offence could not be identified, prosecuted, or convicted. The change also removed certain procedural obstacles, for example in cases of tax-related laundering where prosecutions were previously blocked by the absence of a complaint from tax authorities.

Nevertheless, some authorities reported limited impacts, often because national legislation had already provided equivalent tools. Opinions from NGOs, think tanks, and professional associations were equally diverse, ranging from significant facilitation in securing convictions to minimal impact.

At the same time, as explained in Section 4.1.1.1., several Member States continue to require an identification of the predicate offence to establish the criminal origin of the property, thereby maintaining high evidentiary standards for prosecutors⁴⁰. Criminal law practitioners and one EU body confirmed this picture, noting that courts in many jurisdictions still expect prosecutors to prove the underlying offence⁴¹.

Overall, the obligation to introduce a stand-alone money laundering offence has had positive, albeit mixed effects. While many authorities emphasised that it facilitated

³⁶ *Ibid.*

³⁷ *Ibid.*

³⁸ Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849.

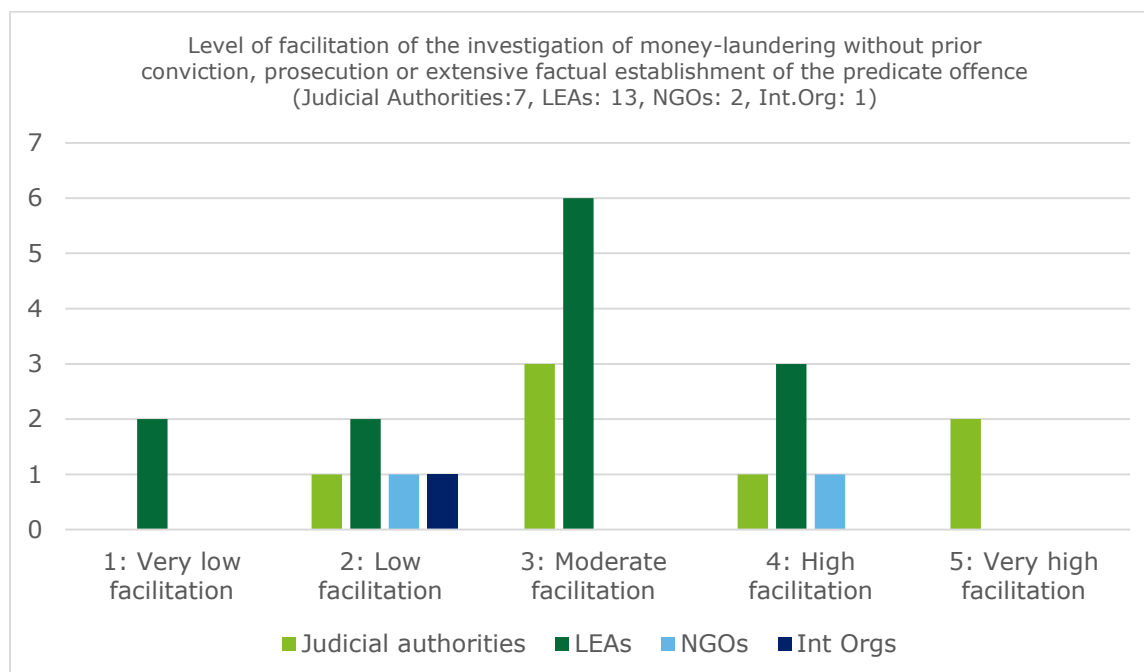
³⁹ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 39.

⁴⁰ As further analysed in the transposition report.

⁴¹ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 39.

investigations and prosecutions, others stressed that its potential remained limited by the high national threshold required to prove the criminal origin of assets.

Figure 1: Level of facilitation of the investigation of money-laundering without prior conviction, prosecution or extensive factual establishment of the predicate offence⁴²



- Use of investigative tools

The Directive requires Member States to ensure that effective investigative tools used for cases involving, for example, organised crime, are also available for investigating or prosecuting money laundering. Law enforcement authorities in many jurisdictions reported that the Directive strengthened investigations by raising maximum penalties, thereby enabling access to specialised tools such as communication interception and enhancing cross-border cooperation. Others reported limited impact, as these tools had already been available under national law.

Stakeholders such as academics and professional associations expressed concerns about applying investigative powers designed for organised crime to all money laundering cases⁴³, warning that this could raise proportionality issues and risk diverting resources from the fight against organised crime.

- Effects of optional provisions on the effectiveness of the Directive

⁴² JAs: judicial authorities; LEAs: law enforcement authorities; NGOs: non-governmental organisations.

⁴³ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 38.

The evaluation also looked into whether the implementation of optional provisions had positive effects on cross-border cooperation and the fight against money laundering. Some of the optional provisions in the Directive, such as on negligent money laundering, under Article 3(2), or the possibilities for further aggravating circumstances e.g. enabling a higher penalty if the money laundering relates to property of significant value or to property generated through a specifically serious offence (Article 6(2)(a) and (b)), had some positive effects on the investigations.

The provisions on negligent money laundering were included in several legal systems, according to the judicial authorities consulted. These provisions are widely regarded as highly effective across various stakeholder categories⁴⁴ because intent does not have to be proven, making a conviction for money laundering easier to achieve. Members of the EMPACT community also recognised the positive effects of the optional aggravating circumstances⁴⁵.

The optionality of certain provisions does not lead to a harmonised legal framework; however, this does not seem to have an impact on the effectiveness of the Directive. In this context, some stakeholders supported retaining the non-mandatory nature of these provisions, giving Member States flexibility to implement them in line with their respective legal traditions and constraints. Several **legal experts and academics** from the Expert Group on EU Criminal Policy explicitly referred to Article 3(2), commenting that **negligence** should only be used to protect important legal interests, such as life or bodily integrity, and is not appropriate for money laundering⁴⁶. They argued that money laundering, as a crime against the administration of justice, should always require a form of intent.

4.1.1.3. Money Laundering prevention

Stakeholders offered differing assessments regarding the deterrent impact of Directive (EU) 2018/1673 on money laundering.

Certain Judicial Authorities emphasised the significance of the Directive's new criminal offences, while also stressing that enhanced international cooperation was crucial in reinforcing deterrence. Others, however, contended that their domestic legal frameworks had already addressed money laundering effectively before the Directive's introduction. Law Enforcement Authorities presented similarly varied perspectives—some identified Article 3(2) and (3) as particularly effective in preventing money laundering, whereas

⁴⁴ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, pages 45-46.

⁴⁵ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 46.

⁴⁶ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 45.

others either lacked sufficient evidence to evaluate its impact or asserted that pre-existing national laws already met the Directive's standards.

Financial Intelligence Units, for the most part, observed little change following implementation, though an International Organisation highlighted the importance of standardised definitions across EU Member States to ensure consistency.

Meanwhile, participants within the EMPACT network confirmed that the Directive's transposition had a discernible deterrent effect, citing provisions such as the removal of the need for prior conviction or extensive proof of the predicate offence, the ability to prosecute laundering of illicit proceeds linked to crimes committed in other Member States, and the liability of legal entities for failures in supervision or control. They also noted the introduction of independent criminal proceedings against legal entities, aggravating circumstances in sentencing, penalties for individuals, and sanctions for corporate entities.

4.1.1.4 Cross-border and international cooperation

The evaluation seeks to establish the extent to which the provisions of the Directive have facilitated cross-border as well as international cooperation.

It must be noted that the Directive has certainly facilitated cross-border cooperation in an indirect way, by approximating legal frameworks so that authorities from different Member States 'speak a common language': the more offences and penalties resemble each other, the easier it is for Member States to cooperate across borders and recognise judgments. However, the Directive does not contain provisions specifically governing cross-border cooperation, which is regulated in other instruments such as the Directives on the European Investigation Order and on the exchange of information between police forces⁴⁷.

The responses on this topic varied depending on the authorities consulted, and often views within each group differed⁴⁸, the responses generally suggest that there was moderate to high facilitation of cross-border cooperation.

Judicial authorities (five out of seven) generally consider that cross-border cooperation has improved to a moderate to very high extent, primarily thanks to the clarification of jurisdiction (Article 10), and to more common criminal law standards, which facilitate the use of mutual legal assistance instruments.

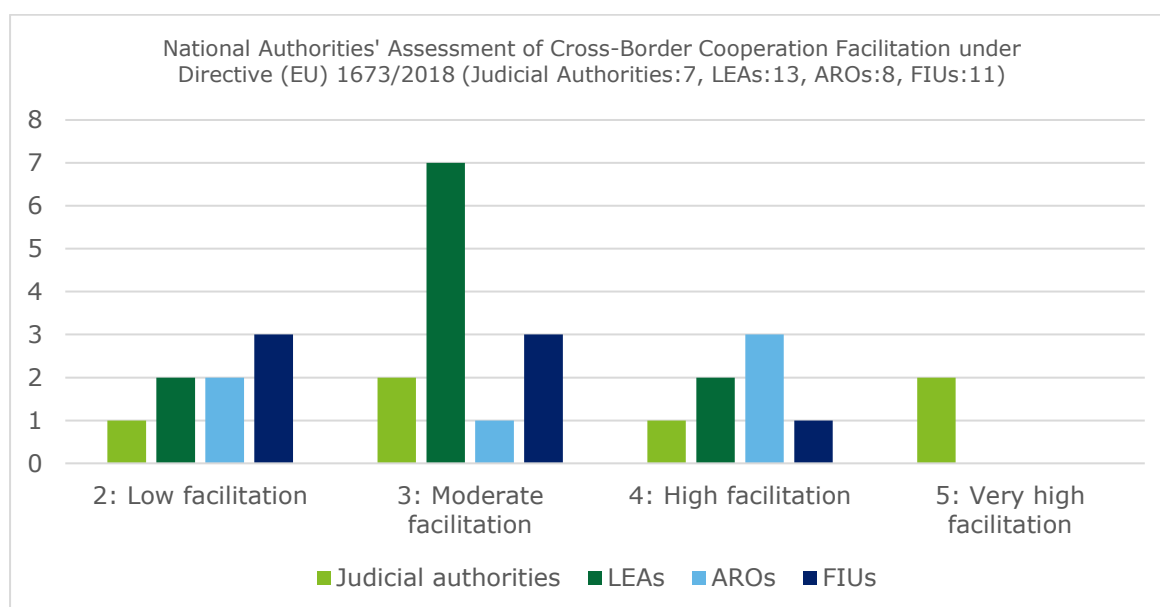
⁴⁷ Directive 2014/41/EU of the European Parliament and of the Council of 3 April 2014 regarding the European Investigation Order in criminal matters, OJ L 130, 1.5.2014, pp. 1–36, and Directive (EU) 2023/977 of the European Parliament and of the Council of 10 May 2023 on the exchange of information between the law enforcement authorities of Member States and repealing Council Framework Decision 2006/960/JHA, OJ L 134, 22.5.2023, pp. 1–24.

⁴⁸ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 41.

Law enforcement authorities expressed more diverse views. Only a few law enforcement authorities saw little impact on cross-border cooperation, while most stressed the Directive's role in fostering a common understanding and facilitating information exchange. More than half of the Financial Intelligence Units (FIUs) consulted considered the Directive to have a moderate effect, noting that pre-existing international standards already provided a solid basis for cooperation. Asset recovery offices reported mixed experiences: some observed increased requests and case numbers, while others stated that their work was largely unaffected. However, it's not clear whether the implementation of the Directive led to the aforementioned increase in requests.

Civil society stakeholders, including NGOs, think tanks, and professional associations, highlighted enhanced information exchange and the creation of cooperation networks among law enforcement authorities.

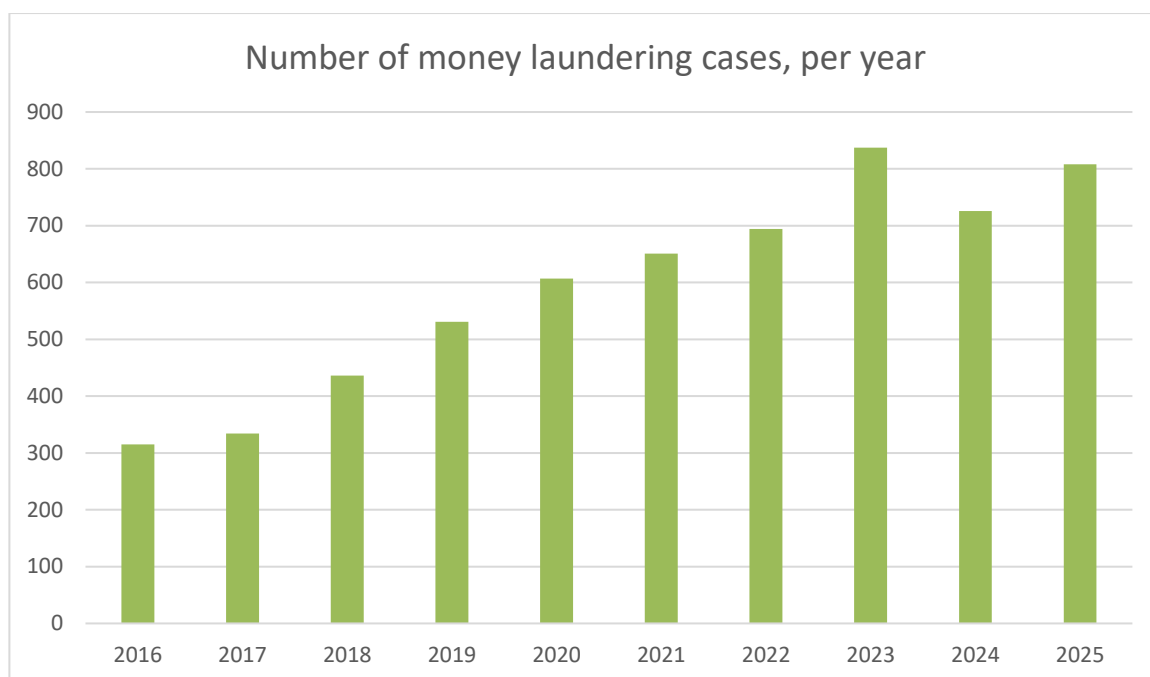
Figure 2: Overview of national authorities' responses to cross-border cooperation facilitation under Directive (EU) 2018/1673



Regarding the evaluation question about the extent to which the competent authorities of the Member States cooperate with each other in criminal proceedings regarding money laundering, a 2026 analysis by Eurojust⁴⁹ shows that the number of money laundering cases has steadily increased since the adoption of the Directive.

⁴⁹ Source: Eurojust Case Management System. DMU Reference: 2026/OPD/DMU-3801/AW. Due to the ongoing nature of cases, the figures may change after the reporting date.

Figure 3: Number of money laundering cases registered at Eurojust since 2016

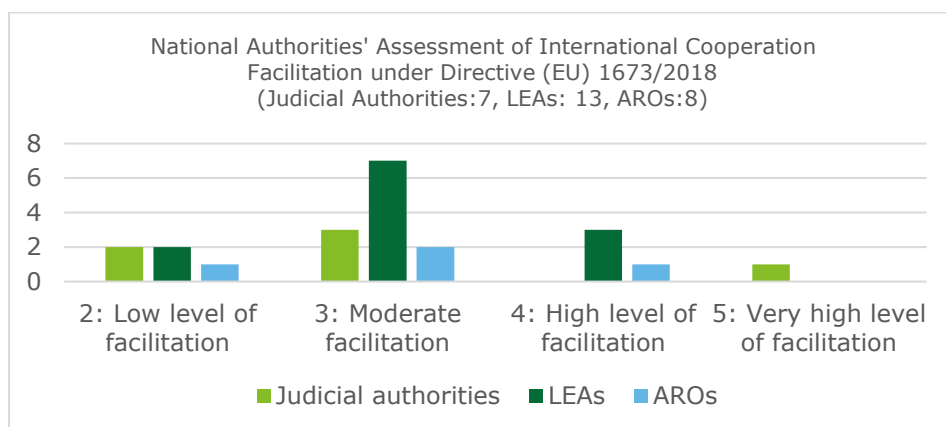


On international cooperation beyond the EU, the impact was less evident, as suggested by stakeholders' opinions, which diverged within each group⁵⁰. Judicial authorities noted that most facilitation was confined to intra-EU cooperation and that they did not see a high degree of facilitation at international level, Meanwhile law enforcement authorities generally took the view that harmonisation within the EU contributes indirectly to global cooperation, with 10 out of 13 observing moderate or high facilitation of international cooperation, though concrete effects outside the EU remained limited.

Overall, the Directive appears to have indirectly facilitated cross-border cooperation within the EU to some extent, especially for judicial authorities, but its impact remains uneven across stakeholders and appears more modest in the field of international cooperation with non-EU countries.

⁵⁰ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 42.

Figure 4: Overview of national authorities' responses to international cooperation facilitation under Directive (EU) 2018/1673



4.1.2. Efficiency

Main findings:

- **Costs** → Implementing the Directive did not entail significant costs or excessive administrative burden for MSs. No major legal amendments were required, nor were new structures established.
- **Benefits** → Data are limited, and further monitoring is deemed necessary. Most stakeholders report greater legal clarity and effectiveness, enhanced deterrence and improved cooperation

According to the Better Regulation Guidelines, the efficiency criterion determines whether the Directive meets its objectives with minimal cost and no undue burdens. The assessment compared implementation costs and outcomes across the EU to determine if the Directive's results justified its costs and if the regulatory burden on Member States was proportional to the benefits.

4.1.2.1. Costs and benefits of the Directive

The evaluation indicates that implementing the Directive did not entail significant costs or excessive administrative burden for Member States⁵¹. It considers the Directive largely built on existing legislation and therefore required no major legal amendments. The obligations of the Directive mainly produce changes in national criminal codes or criminal procedural laws, but do not necessarily entail the creation of new structures or procedures. Some additional costs that the Directive entails are training for judicial and law enforcement authorities, especially with a view to the investigation and prosecution of new forms of money laundering introduced by the Directive. However, these elements have been integrated in the existing continuous training opportunities offered to investigators, prosecutors and judges.

⁵¹ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, pages 50 and 51.

Figure 5: Implementation costs of the Directive for law enforcement authorities

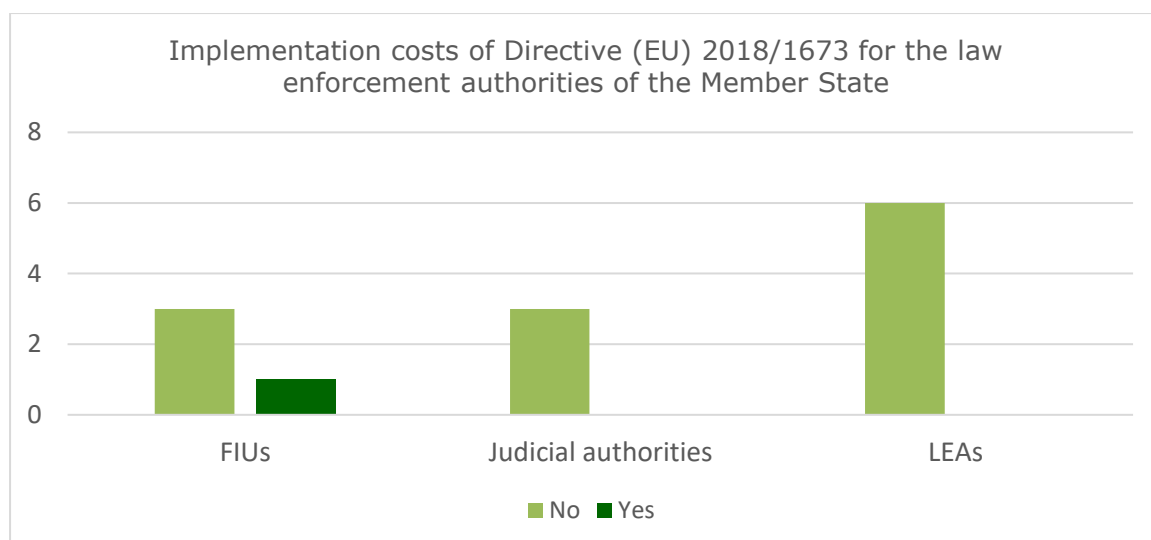
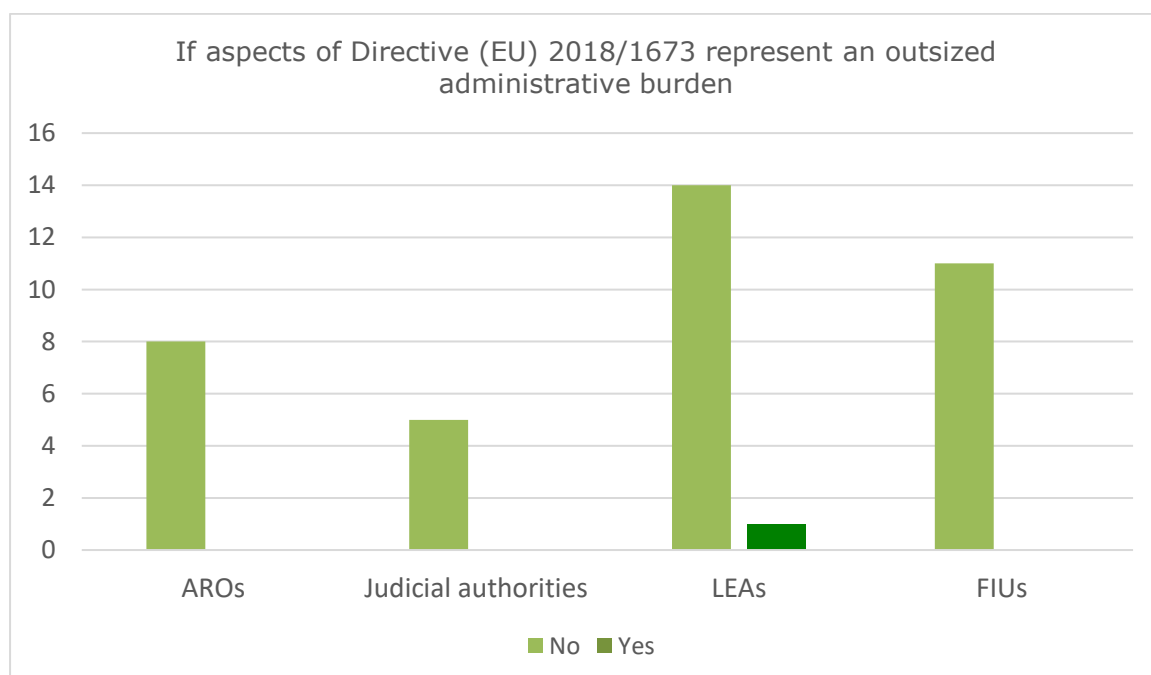


Figure 6: Overview of the reported outsized administrative burden associated with Directive (EU) 2018/1673



On the benefits side, data are limited in view of the length of criminal proceedings. The evaluation is therefore largely based on observations of the practical benefits that authorities have experienced so far⁵². Asset recovery offices pointed to greater legal clarity and effectiveness (particularly regarding information exchange) as a result of the the notion of money laundering being redefined. Judicial authorities highlighted enhanced deterrence and improved cooperation, while law enforcement reported stronger investigative tools due to the provision in Article 11 of the Directive, deterrence effects,

⁵² *Ibid.*

and cross-border collaboration. At the same time, those Member States whose national framework already largely reached the standards set by the Directive at the time of its adoption noted only limited improvements.

Overall, there are indications that the Directive supports the fight against money laundering and safeguards financial integrity, but the lack of comprehensive data underlines the need for continued monitoring to fully capture its benefits.

In conclusion, the assessment of costs and benefits can only be considered preliminary as it is largely based on anecdotal evidence/unquantifiable general observations by stakeholders, given the lack of comparative quantitative data (as discussed above). The full impact of the Directive in quantitative terms (number of prosecutions and convictions, volume of assets frozen and confiscated in these money laundering cases) can only be assessed once a statistically significant number of proceedings concerning money laundering have been concluded.

Finally, the evaluation assesses whether the administrative burden (including monitoring and reporting) could be simplified or reduced without undermining the intended objectives of the Directive. Considering the limited administrative burden that the Directive entails (confined to the legislative steps to transpose the Directive and the updating of training curricula for competent authorities), and the absence of reporting obligations incumbent upon Member States, the evaluation has not identified any opportunities for simplifying the Directive

4.1.3. Coherence

Main findings:

- **Internal coherence:** No regulatory gaps arise from the Directive.
- **External coherence:** The Directive is generally consistent with EU legislation and internal security policies, though minor divergences exist regarding penalties and sanctions against natural and legal persons compared to other EU criminal law instruments.
Some elements still hinder full coherence between the CMLD and the international framework. Notably, the Directive adopts a narrower definition of predicate offences than does the Warsaw Convention. However, the Convention allows parties, upon accession, to restrict the list of predicate offences via a declaration.

In line with the Better Regulation Guidelines, coherence is assessed in terms of internal and external coherence. Internal coherence examines how the components of the Criminalisation of Money Laundering Directive (CMLD) work together to achieve its objectives, while external coherence looks at how the Directive interacts with other EU measures, identifying synergies as well as possible overlaps.

4.1.3.1. Internal coherence

Based on the survey results, it appears that there are no regulatory gaps stemming from the Directive⁵³. The different stakeholder groups consulted (**judicial authorities, law enforcement authorities, Financial Intelligence Units, and Asset Recovery Offices**) concur that the CMLD Directive does not present any instances of internal incoherencies. The different components of the Directive are working well together in achieving its objectives.

4.1.3.2 External coherence

At international level, the **international framework** against money laundering is largely shaped by the 2003 United Nations Convention against Transnational Organised Crime (UNTOC) and its Protocols, the United Nations Convention against Corruption (UNCAC), the 2005 Warsaw Convention, as well as the recommendations of the Financial Action Task Force (FATF). The Directive contributes to the facilitation of international cooperation efforts achieved under these instruments, to the extent that it is aligned and, in some instances, goes beyond the provisions of these instruments, ensuring external coherence⁵⁴.

Despite this general alignment, some elements hamper full consistency between the CMLD and the international framework. Most notably, the Directive restricts the scope of predicate offences in its Article 2(1) to crimes punishable by more than one year's imprisonment (or by more than six months in certain cases) and to those belonging to specifically listed categories. This narrower scope contrasts with the broader approach of the Warsaw Convention, which defines the predicate offences for money laundering as 'any criminal offence', regardless of the punishment (Article 1, lit. e). However, Article 9(4) of the Warsaw Convention permits parties, upon accession, to restrict the list of predicate offences through a declaration (it is possible to restrict it, as was done in the Directive). The European Union has not yet acceded to the Convention and not yet exercised this option.

At the **level of the European Union**, the CMLD Directive is consistent with policies and legislation in the area of internal security.

The reinforced penal response to money laundering introduced by the Directive is in line with the European Internal Security Strategy ('ProtectEU')⁵⁵, which highlighted that following the money is crucial in policy combating organised crime. The Strategy pointed out the essential role of seizing assets and confiscating criminal gains to dismantle the financial motives behind organised crime, providing information on the work strands to

⁵³ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 53.

⁵⁴ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 54.

⁵⁵ [EUR-Lex - 52025DC0148 - EN - EUR-Lex](#)

be pursued to reinforce the follow-the-money approach, including the effective implementation of new EU rules in this area.

The Directive is equally consistent with such rules, including the Anti-Money Laundering Package adopted between 2023 and 2024. This package, which includes the establishment of a new EU Anti-Money Laundering Authority (AMLA), a directly applicable Anti-Money Laundering Regulation (AMLR)⁵⁶, a new Directive (AMLD6)⁵⁷ and a revision of the Regulation on Transfers of Funds⁵⁸, is intended to create a uniform set of rules for the private sector and to close loopholes exploited by criminals. Importantly, the new rules also address crypto assets, which had previously constituted a major vulnerability. These reforms are fully coherent with, and complementary to, the CMLD Directive, since they reinforce the preventive side of the framework and thus support its provisions on criminalisation.

Similarly, consistency is evident between the CMLD and the new Asset Recovery and Confiscation Directive (ARCD), adopted in 2024, which replaces earlier legislation on asset recovery and confiscation. The ARCD directly refers to the CMLD's definition of money laundering, ensuring consistency in terminology and scope. Both instruments are mutually reinforcing, with the ARCD complementing the CMLD by extending the range of confiscation mechanisms, notably through the introduction of confiscation of unexplained wealth linked to criminal activities.

The CMLD Directive is also consistent with Directive (EU) 2017/1371 on the fight against fraud to the Union's financial interests (PIF Directive)⁵⁹, which regulates offences affecting the Union's financial interests. Recital 10 of the CMLD explicitly excludes these offences from its scope, clarifying that they fall under the PIF Directive, but also leaves open the possibility for Member States to transpose both directives through a single legislative framework. Given that the PIF Directive refers to definitions from AMLD4, minor adjustments may be needed to ensure consistency with the more recent CMLD Directive.

In conclusion, the Directive shows partial consistency with the international framework, contributing to global efforts in this field, with the remaining issue of the narrower approach of predicate offences. At EU level, the CMLD fits consistently within the

⁵⁶ Regulation (EU) 2024/1620 of the European Parliament and of the Council of 31 May 2024 establishing the Authority for Anti-Money Laundering and Countering the Financing of Terrorism and amending Regulations (EU) No 1093/2010, (EU) No 1094/2010 and (EU) No 1095/2010.

⁵⁷ Directive (EU) 2024/1640 of the European Parliament and of the Council of 31 May 2024 on the mechanisms to be put in place by Member States for the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directive (EU) 2019/1937, and amending and repealing Directive (EU) 2015/849.

⁵⁸ Regulation (EU) 2023/1113 of the European Parliament and of the Council of 31 May 2023 on information accompanying transfers of funds and certain crypto-assets and amending Directive (EU) 2015/849.

⁵⁹ Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law, OJ L 198, 28.7.2017, pp. 29–41.

broader legislative landscape. The AML package, the PIF Directive and the ARCD not only complement the CMLD but also fill important gaps, particularly in the areas of crypto-assets and asset confiscation.

At the same time, the Directive diverges on some points from more recent criminal law directives, for example the Directive (EU) 2024/1203 on the protection of the environment through criminal law⁶⁰ and Directive (EU) 2024/1226 on the violation of Union restrictive measures⁶¹. As a consequence, there is a lack of consistency between EU criminal law instruments. The need for a more consistent approach to criminal legislation was also highlighted by the Council. It adopted conclusions on *‘the future of EU criminal law: recommendations on the way forward’*⁶², inviting the Commission to ensure and reinforce the internal consistency of the EU criminal law and in the Council conclusions on *‘Model provisions on EU substantive criminal law’*⁶³ where standard non-binding provisions, inter alia for penalties and sanctions against natural and legal persons, were adopted.

Regarding the **application of additional penalties against natural persons**, the Directive requires Member States to make provision for, in addition to imprisonment, additional sanctions or measures against perpetrators of money laundering. The fact that the Directive does not specify which type of measure should be imposed, causes variations in national transpositions. In contrast, more recent EU criminal law instruments explicitly list possible optional measures for Member States to apply against natural persons, such as fines, exclusion from funding and public tenders, withdrawals of permits or temporary bans on running for public office.

A similar issue occurs with regards to **sanctions for legal persons**. While in this case the Directive does provide a list of possible additional sanctions these remain optional and are not outlined in sufficient detail. Fines are foreseen to be mandatorily implemented by Member States, but the Directive does not further specify how they are calculated. This contrasts with the most recent criminal law legislation, which foresees that the minimum levels of maximum fines for legal persons for offences covered by the respective Directive are to be calculated either based on a percentage of the global worldwide turnover or on a specific fixed amount⁶⁴.

⁶⁰ Directive (EU) 2024/1203 of the European Parliament and of the Council of 11 April 2024 on the protection of the environment through criminal law and replacing Directives 2008/99/EC and 2009/123/EC.

⁶¹ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.

⁶² Council conclusions on the future of criminal law: recommendations on the way forward: <https://data.consilium.europa.eu/doc/document/ST-10984-2024-INIT/en/pdf>

⁶³ Council conclusions on Model provisions on EU substantive criminal law: <https://data.consilium.europa.eu/doc/document/ST-16638-2025-INIT/en/pdf>

⁶⁴ For example, Directive (EU) 2024/1203 of the European Parliament and of the Council of 11 April 2024 on the protection of the environment through criminal law obliges Member States to make provision for fines for legal persons in the case of specific offences. The Directive, also stipulates that the maximum level of those fines should be at least 5 % or a lump sum of EUR 40 000 000 for certain

4.2. How did the EU intervention make a difference and to whom?

4.2.1 EU added value

Main findings:

- Stakeholders broadly agreed that the Directive created significant EU added value by establishing a level playing field and harmonising money laundering offences and penalties across Member States.
- The Directive offers limited added value to countries where its core provisions were already enshrined in national law—though they still gain from improved cross-border cooperation—while the inconsistent adoption of optional measures has undermined full harmonisation.

This section assesses the EU added value of Directive (EU) 2018/1673 compared with what Member States could have achieved individually to face a threat that is transnational in nature. Criminal organisations and their money launderers transfer money and assets across borders and set up complex transnational ownership schemes to obscure the illicit origin of the funds and hide the financial trail from the radar of authorities. Criminals take advantage of the fragmented overview authorities have of the financial flows to hide their money across entities and countries. The only way of effectively addressing this challenge is through robust cross-border cooperation, which, in order to be effective, requires a more aligned penal framework against money laundering across Member States. The analysis draws on desk research, surveys, expert consultations and interviews.

Stakeholders broadly agreed that the Directive created significant EU added value by establishing a level playing field and harmonising money laundering offences and penalties across Member States⁶⁵. This common framework was seen as particularly beneficial for cross-border investigations and international police cooperation.

However, the Directive's added value is limited in some other respects. In approximately 10 Member States, key provisions were already part of national law, meaning the Directive brought only marginal change for those countries internally⁶⁶. However, those Member States also benefited from smoother cross-border cooperation thanks to the approximation of other Member States' legislation.

Optional provisions ('may clauses') were transposed in several countries, but not uniformly. Moreover, some stakeholders stressed that minimum EU rules do not go far enough to eliminate differences on issues such as negligence, self-laundering, stand-alone money laundering, or liability of legal persons⁶⁷. As a result, full harmonisation has not yet been achieved causing some missed opportunities as outlined in the effectiveness section.

offences related to the pollution of the environment and 3 % or EUR 24 000 000 for other offences such as wildlife trafficking.

⁶⁵ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 59.

⁶⁶ Ibid.

⁶⁷ Ibid.

Overall, the Directive is assessed as having high EU added value, providing common definitions – especially for self-laundering and stand-alone money laundering – and closer sanctions amongst Member States. This facilitates a smoother cooperation to combat money laundering across borders, which could not have been achieved by Member States acting alone.

4.2.2. Fundamental rights and freedoms

Main findings:

- Member State authorities and EU/international bodies generally consider the Directive to be in line with fundamental rights standards.
- NGOs and academics have voiced some concerns, particularly with regard to the vagueness of the definition of “criminal activity” (principle of legality), the stand-alone money laundering offence (presumption of innocence) and the self-laundering offences (*ne bis in idem* principle).

In line with Article 14(2) of Directive (EU) 2018/1673, the evaluation also considers the impact of the Directive on fundamental rights following the Better Regulation Guidelines on this aspect. Feedback diverges considerably depending on the stakeholder group. NGOs and academics have voiced concerns, notably regarding the stand-alone money laundering offence and the self-laundering offence with regards to their possible impact on the presumption of innocence, access to legal representation, privacy and the proportionality of penalties. Member State authorities and EU/international bodies either considered the Directive to be in line with fundamental rights standards or reported no available data.

Overall, the evidence base remains insufficient to allow firm conclusions to be drawn, in the absence of firm case law and concrete data showing that any limitations on the exercise of the rights and freedoms recognised by the EU Charter of Fundamental Rights do not comply with the requirements of Article 52 thereof.

International organisations and EU bodies broadly confirmed that the Directive respects fundamental rights⁶⁸. They noted that the offences listed in Articles 3 and 4 are defined in a clear and foreseeable manner and that the penalties provided for in Article 5 are proportionate. One organisation reported no impact on freedom of association, while another considered the Directive to be consistent with both the Charter of Fundamental Rights of the European Union and the European Convention on Human Rights. Generally, these stakeholders have not reported significant issues but highlighted a lack of systematic data. It should be noted that the Court of Justice of the European Union (CJEU)⁶⁹, in interpreting Directive 2005/60/EC, has ruled on the compatibility of self-laundering with Article 50 of the Charter of Fundamental Rights of the European Union. The Court held that there is no breach of the principle of *ne bis in idem* provided that the

⁶⁸ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, pages 61-62.

⁶⁹ Judgment of 2.9.2021 Case C-709/19 - <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:62019CJ0790>.

facts underlying the money-laundering prosecution are not identical to those constituting the predicate offence.

NGOs, think tanks, academics and associations expressed more critical perspectives⁷⁰ on the potential direct impact on fundamental rights and freedoms by the Directive.

With regard to the definition of ‘criminal activity’ in Article 2, for example, some stakeholders have voiced concerns that it does not fully meet the legality principle, pointing to vague terminology such as ‘cybercrime’ and ‘corruption’”, which undermines legal certainty.

Concerns were also raised about Article 3 (2), which allows Member States to convict for money laundering where the person concerned suspected or ought to have known of the illicit origin of the property. Stakeholders, consider that this may undermine the presumption of innocence and the right to a fair trial, due to a low burden of proof.

The introduction of the stand-alone money laundering offence (Article 3 (3) (a) (b)), which allows for conviction when the illicit origin of property is proven, without requiring all factual elements of the predicate offence or the identity of the perpetrator of that predicate offence to be demonstrated, has also raised some concerns in this stakeholder group. On the one hand, the reduced evidentiary threshold has been deemed potentially against the principle of proportionality; especially where Member States apply an all-crimes approach – meaning that all crimes can constitute a predicate offence – even minor offences could potentially give rise to money laundering charges. Judges may therefore lack sufficient context regarding the underlying conduct, which could risk imposing potentially disproportionate sanctions. On the other hand, NGOs indicated that these provisions raise concerns on the right to be presumed innocent until proved otherwise and might affect defence rights and general principles which govern any criminal procedure.

Regarding self-laundering under Article 3(5), certain stakeholders have pointed out the risk of violations of the principle of *ne bis in idem* (double jeopardy), as enshrined in Article 50 of the Charter, where Member States go beyond the minimum standards set by the Directive and punish as self-laundering the acquisition, possession, or use of property by the author of the predicate offence. This concerns, for instance, cases where an offender steals a vehicle (predicate offence) and the possession and/or use of the vehicle are regarded as self-laundering offences. The Directive does not foresee the criminalisation of the acquisition, possession or use of property derived from criminal activity when these conducts are committed by the person who committed or was involved in the criminal activity from which the property was derived. These stakeholders argued that use and possession of proceeds may be inherent in the predicate offence itself, and the use and possession can be viewed as a direct and logical consequence of the theft

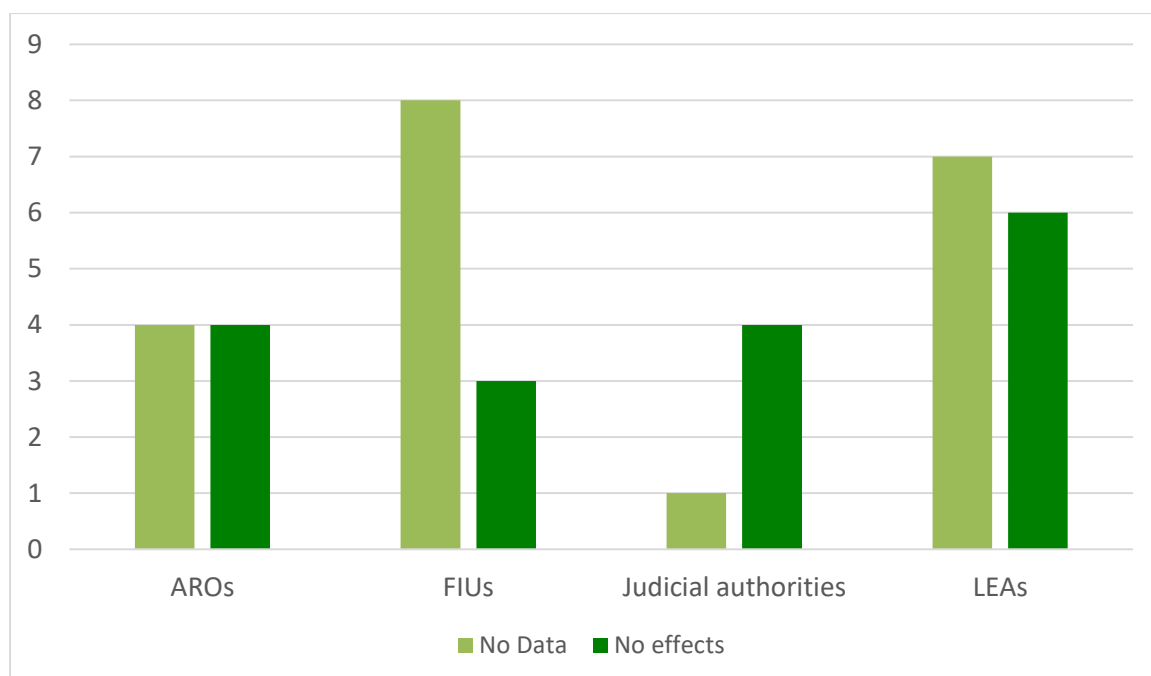
⁷⁰ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, pages 62-63.

and not as a separate money laundering offence. As a result, also prosecuting the offender for money laundering could be seen as punishing the same conduct twice.

In addition, they criticised Article 11 for extending special investigative tools – typically reserved for combating organised crime or serious offenses - to simple money laundering cases, which they considered disproportionate and potentially infringing on privacy. While one NGO considered that the Directive itself provides adequate guarantees, two NGOs argued that explicit safeguards for each fundamental right should be included in the main body of the legislation.

Feedback from **national authorities** was generally more positive or inconclusive⁷¹. On the issue of private and family life and data protection, Asset Recovery Offices and Financial Intelligence Units mostly reported no available data on which to base an assessment, with a few noting no identifiable effect. A minority of Asset recovery offices suggested that fundamental rights implications were inherent in but not exacerbated by the extension of the list of crimes that can constitute a predicate offence. Law enforcement agencies were evenly divided between those reporting no data and those observing no impact. Several underlined that the Directive was consistent with the principles set out in Article 2 TEU and with the Charter of Fundamental Rights of the European Union, and that it largely reflected existing criminal law provisions on money laundering. Judicial authorities were the most consistent, with the majority reporting no effects of the Directive on this topic, and one authority indicating a lack of relevant data.

Figure 7 – Effect of Directive (EU) 2018/1673 on the protection of private and family life and personal data



⁷¹ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, page 64.

When asked about the proportionality of the penalties laid down in Article 5 of Directive (EU) 2018/1673, all judicial authorities considered them appropriate to the nature and gravity of the offences. By contrast, on questions concerning the presumption of innocence and the rights of suspects and accused persons both judicial authorities and law enforcement agencies either reported no data or did not identify any effects.

Figure 8: Effect of Directive (EU) 2018/1673 on upholding the presumption of innocence and ensuring the rights of suspects and accused persons

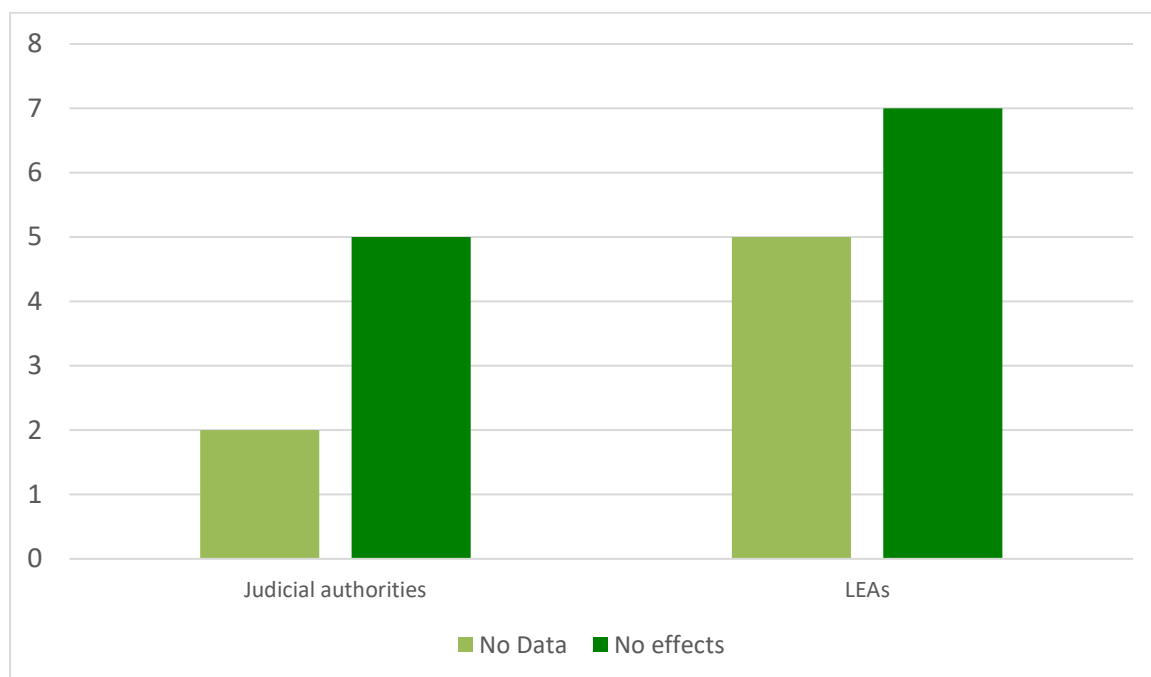
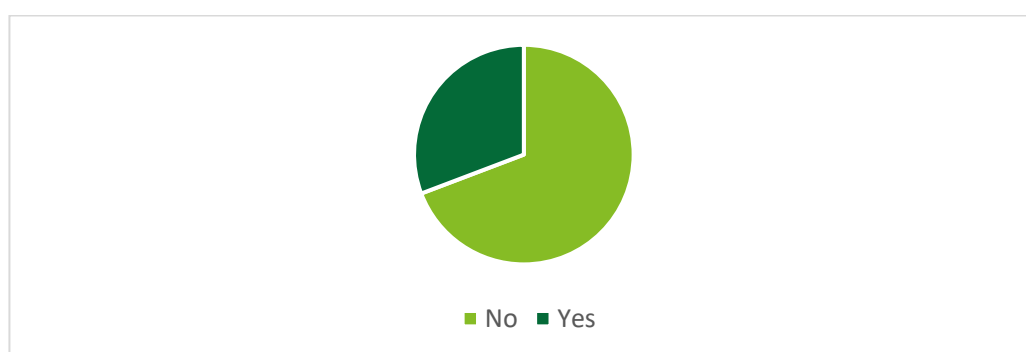


Figure 9: Concerns about fundamental rights of self- laundering suspects, based on stakeholders' input



In conclusion, while some stakeholders, in particular representatives of civil society organisations and academia, have voiced concerns regarding the presumption of innocence when applying the stand-alone money laundering offence, the principle of double jeopardy (*ne bis in idem*) in cases of self-laundering⁷², and the clarity and

⁷² As in self-laundering the distinction between predicate offence and money laundering offence is often not clear-cut, so that there is a risk of a double punishment for the same act if there is a conviction for the predicate offence and the money laundering offence.

proportionality of the definition of offences and penalties, other stakeholders, in particular Member States' authorities and EU/international bodies, do not appear to identify major issues or do not have relevant data on this matter.

While the Directive does not contain specific provisions on procedural rights, such rights are ensured through horizontal rules set out in the six EU procedural rights directives, in the Charter of Fundamental Rights of the European Union and in the European Convention of Human Rights. The application and interpretation of national rules that transpose the Directive is subject to review of national courts that have to ensure compliance with the fundamental rights and freedoms enshrined in above-mentioned instruments.

The Commission will continue to assess any possible problem associated with fundamental rights in the application of the Directive as part of its continuous monitoring activities.

4.3. Is the intervention still relevant?

The relevance criterion examines whether the objectives of an intervention remain fit for purpose and adequately respond to the problems they were designed to address. In the case of Directive (EU) 2018/1673, this means assessing to what extent its objectives and measures continue to tackle the key challenges of money laundering and organised crime, while also addressing newly emerging risks and needs in this area, and how the provisions can be enhanced to effectively respond to current and future threats. The evaluation further aims to identify any provisions that might be considered obsolete or that should be adapted to take certain developments into account.

4.3.1. Current and future threats and needs concerning the development of organised crime, particularly focusing on evolving money laundering activities

According to some law enforcement authorities, the Directive remains too general in scope, setting out standards that were already largely applied in the Member States prior to its adoption. However, most survey respondents consider that the Directive adequately addresses the difficulties faced by authorities in investigating and prosecuting money laundering. Emerging challenges flagged by stakeholders, such as money laundering facilitated by virtual currencies, are adequately covered by the Directive because of its technology-neutral character, and addressed through other EU legislative instruments, such as the Anti-Money Laundering Package.

4.3.2. Remaining obstacles/legal and practical issues in the fight against money laundering

Most stakeholders did not point out any provisions of Directive (EU) 2018/1673 that have become less effective in terms of addressing current challenges associated with investigating money laundering and predicate offences⁷³. One law enforcement authority,

⁷³ Deloitte (2024). Evaluation of Directive (EU) 2018/1673 on the fight against money laundering by criminal law, final report, pages 69-70.

however, stressed that the rapid emergence of new technologies, such as fintech services and virtual currencies, requires the European legislator to consider more specific rules on investigative tools adapted to these developments. The respondent referred in particular to Article 11, which addresses the use of such tools in preparatory proceedings only in broad and general terms.

Overall, the Directive's objectives and measures continue to meet identified needs and current challenges in relation to money laundering and organised crime. According to Europol's Serious and Organised Threat Assessment 2025, money laundering plays a crucial role in enabling criminals to profit from illegal activities and is the backbone of organised crime⁷⁴. Moreover, *modi operandi* of money laundering often involve multiple transactions across various non-EU jurisdictions, exploiting regulatory disparities and creating a complex trail that challenges financial investigations: a harmonised criminal response across Member States therefore remains as important as ever.

5. WHAT ARE THE CONCLUSIONS AND LESSONS LEARNED?

The overall objective of this Staff Working Document is to evaluate Directive (EU) 2018/1673 on combating money laundering by criminal law. The evaluation considers the Directive in light of six evaluation criteria: relevance, effectiveness, efficiency, coherence, EU added value and the impact of the Directive on fundamental rights and freedoms.

- The Directive is assessed as being **overall effective** in strengthening the fight against money laundering. In particular, while in some Member States a certain alignment with its obligations had already been achieved, desk research and stakeholder input shows that it has contributed to greater harmonisation of the legal framework. This includes the definitions of money laundering offences including stand-alone money laundering and self-laundering, and related penalties.
- The Directive also indirectly **facilitated law enforcement and judicial action and cross-border cooperation** against money laundering. This was stressed by several stakeholders consulted.
- The Directive can be considered **efficient** as it did not incur implementation costs or administrative burden; only a possible increased investigative workload was mentioned in terms of possible costs. While this aligns with the nature of a criminal law directive that updates existing legislation, there was also a lack of quantifiable data which. This made it impossible to collect conclusive evidence on the costs of achieving the results of the Directive. As mentioned in Section 4.1.2.1., however, the assessment of costs and benefits can only be preliminary and qualitative and will be more visible in the coming years, given the length of criminal proceedings.

⁷⁴ europol.europa.eu/cms/sites/default/files/documents/EU-SOCTA-2025.pdf

- The evaluation shows that the different components of the Directive are working well together in achieving its objectives (**internal coherence**) and broadly align with the international framework and with other EU policies in the area of fighting criminal finances (**external coherence**).
- The evaluation shows that the Directive demonstrates some **EU added value** through the creation of a more aligned criminal law framework against money laundering across the EU. This was also underlined by several of the stakeholders consulted, who saw this as a positive step contributing to greater legal consistency across jurisdictions and facilitating cross-border cooperation in the EU. This could not have been achieved if the criminalisation of money laundering had been left to Member States individually.
- Concerns regarding the compatibility of the Directive and its transposition in the Member States with **fundamental rights and freedoms** were expressed by some academics and criminal law practitioners. These concerns relate to the clarity of the definition of offences and penalties and/or the proportionality of the latter as well as undue interferences with the presumption of innocence and the principle of ne bis in idem, in particular in relation to self-laundering offences and ‘negligent’ money laundering. Other stakeholders either considered that there was no undue impact on fundamental rights or did not have sufficient data to draw conclusions on this issue
- Overall, the Directive’s objectives and measures **continue to address identified needs** and ongoing challenges related to money laundering and organised crime, although new technological developments mean that the criminal landscape in which authorities operate has been slightly altered.

In general, **the Directive achieved its objectives**, and the assessment of its functionality is positive.

On the **availability of relevant data** for the purpose of the assessment, the report and supporting external study were limited in specific areas. This includes data on the practical implementation of the Directive across all Member States regarding case numbers on investigations and judicial proceedings, as well as quantifiable data regarding the costs. Member States did not always provide sufficient evidence during the consultations for the external study. Where possible, this problem has been mitigated to the greatest possible extent by drawing on other exchanges with practitioners, for instance in bilateral meetings or in meetings at Eurojust, and by relying on desk research done by the Commission or by drawing on reports from Eurojust and Europol. Nevertheless, the evaluation would have benefited from additional data input.

Despite the overall positive assessment, the evaluation identified several issues limiting the functioning of the Directive. There is **scope for further improvement** based on the lessons learned as set out below.

One area of concern relates to the **differing interpretations of the required standard of proof to establish the existence of a predicate offence or the illicit origin of**

laundered assets for the stand-alone money laundering offence. While the Directive leaves margin for interpretation, the lack of detailed rules on the requirements to establish the existence of a predicate offence or the illicit origin of laundered property does not ensure a uniform application of stand-alone money laundering, brings challenges in relation to the investigation and prosecution of money laundering across EU Member States, and according to some stakeholders carries risks with regards to the impact on the rights of affected persons. The Directive has shown misalignment with newly adopted EU criminal legislation, such as Directive (EU) 2024/1203 on the protection of the environment through criminal law⁷⁵ and Directive (EU) 2024/1226 on the violation of Union restrictive measures⁷⁶. Compared with these recently adopted instruments, the Directive does not list the penalties that can be applied to natural persons in addition to imprisonment, and for legal person it does not define in sufficient detail the calculation of the fines and additional sanctions that Member States may apply and they are, unlike in most recent instruments, only optional.

Similarly, stakeholders report that the **definition of ‘property’** under the Directive is applied inconsistently across Member States. Although the Directive defines property broadly, it does not explicitly refer to all types of illicit economic advantages, such as cost savings or indirect proceeds from criminal activities. This leads to uncertainty concerning the interpretation of the scope of the Directive and its consistent implementation across Member States. It also makes it difficult to identify, freeze and confiscate criminal assets.

While there is general consistency, as described above, the evaluation points to minor inconsistencies with the Council of Europe Warsaw Convention⁷⁷, and some gaps as compared to the most recent criminal law directives. These inconsistencies can lead to confusion in the application of the legal frameworks and can lead to a non-uniform application of law and should be addressed.

Furthermore, it would be beneficial if Member States consistently monitor aspects such as the costs or burdens associated with implementing of the Directive or case data regarding investigations into newly created offences. This would enhance both the Member States’ as well as the Commission’s ability to evaluate the functioning of the Directive in the future.

⁷⁵ Directive (EU) 2024/1203 of the European Parliament and of the Council of 11 April 2024 on the protection of the environment through criminal law and replacing Directives 2008/99/EC and 2009/123/EC.

⁷⁶ Directive (EU) 2024/1226 of the European Parliament and of the Council of 24 April 2024 on the definition of criminal offences and penalties for the violation of Union restrictive measures and amending Directive (EU) 2018/1673.

⁷⁷ Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism (CETS No. 198).

1. Lead DG

The Terms of Reference for engaging a contractor to carry out the external study as part of the evaluation were drawn up by DG Migration and Home Affairs (DG HOME). A request for service was issued on 1.8.2023, and a contractor selected by an evaluation committee consisting of staff from DG HOME⁷⁸. The study began on 12 October 2023 and ended on 23 October 2024.

2. Organisation and timing

As per the Better Regulation Guidelines, an inter-service group was set up within the Commission to oversee the evaluation. Several Directorates-General (DGs) within the Commission⁷⁹ were invited to nominate representatives to the steering group. The meetings of the inter-service group were chaired by DG HOME. The group was consulted over the course of the evaluation. The following list provides an overview of the steering group's work over the course of the evaluation:

- The inter-service group was convened for the first time on 12 July 2023 in order to receive initial information about and provide feedback on draft versions of the Terms of Reference for the external study and on the Call for Evidence.
- On 3 April 2024 the inter-service group met to discuss the contractor's interim report and provided written feedback after the meeting.
- On 19 June 2025, the steering group convened to receive and provide feedback on the contractor's draft Final Report. The participants were invited to provide additional written feedback after the meeting.

On 24 September 2024, the Final Report was re-submitted by the contractor to DG HOME and subsequently accepted.

3. Evidence, sources and quality

The evaluation drew on different types of documents at EU, international and national level.

⁷⁸ The call for service was issued via framework contract HOME/2018/ISFB/PR/EVAL/0017. One contractor submitted a bid to carry out the evaluation. The evaluation committee considered a number of criteria, namely: compliance with the technical specifications described in the Terms of Reference; demonstrated understanding of the objectives and tasks; the quality of the preliminary assessment of difficulties and expected results; the quality of the proposed methodology; and the quality of the project management and team organisation. The Commission awarded the contract to Deloitte.

⁷⁹ The DGs invited to participate in the steering group included: the Secretariat-General of the Commission (SG); Legal Service (LS); Justice and Consumers (JUST); GROW; FISMA; BUDG; OLAF; EEAS; NEAR; TAXUD; ECFIN; FPI

Policy documents, legal instruments and research reports the EU level provided indications as to the nature and scope of EU anti-money laundering policy, in particular when related to criminal law. At international level, the contractor reviewed documents describing international standards and initiatives relating to criminal law provisions in the field of money laundering, such as the Warsaw Convention and FATF Recommendations. Finally, at the national level, national legislative measures, strategies, administrative procedures and guidelines that in one way or another were relevant in transposing and implementing the provisions contained in the Directive were of relevance. The contractor also conducted an analysis of national implementation measures with the aim of creating a better picture of the situation in practice and identifying challenges and opportunities.

Besides a review of the relevant documents, the evaluation also relied on extensive consultations with a wide range of stakeholders with desk research, discovery interviews, targeted consultations (via surveys and interviews), statistical data collection, case studies and, expert input through workshops. These consultations served as opportunities to collect new data or to confirm the validity of already collected data. Additional information concerning the stakeholder consultations is provided in Annex V.

ANNEX II. METHODOLOGY AND ANALYTICAL MODELS USED

1. Methods and sources

The external study was carried out by Deloitte, following a call for services under a framework contract. Evidence was collected through six complementary activities that were carried out under the close supervision of DG HOME: desk research, discovery interviews, targeted consultations (surveys and interviews), statistical data collection, three case studies, and expert workshops. Data triangulation was applied systematically to ensure objectivity and robustness by balancing qualitative and quantitative evidence.

The study placed particular emphasis on stakeholder perspectives. Extensive surveys and interviews were conducted between late 2023 and early 2024, allowing for contemporaneous insights into the Directive's implementation and practical implications. Sensitive information collected during the consultations was processed under strict confidentiality rules in line with EU classified information and relevant national requirements.

2. Known limitations

The table below outlines challenges, risks and limitations encountered when collecting and analysing the data, along with the mitigating measures taken:

Challenge/Risk/Limitation

Mitigation action (proactive and reactive)

Reach the relevant stakeholders and avoid consultation fatigue

The involvement of the right stakeholders was crucial for the success of the study supporting the evaluation. The study team therefore incorporated several mitigation measures in this regard:

- **Stakeholder mapping and engagement:** A stakeholder mapping strategy facilitated timely and appropriate engagement, supported by introductions and endorsements from DG HOME.
- **Monitoring response rate:** Response rates to online surveys were closely monitored, with the circulation of personalised reminders and time extensions if necessary.
- **Alternative engagement:** Stakeholders encountering challenges in submitting their responses within the designated deadline for the online survey were given the opportunity to participate in a brief interview with the evaluation team to provide their input.

Timely data availability and low response rate

Several consulted stakeholders noted challenges regarding providing the study team with the requested data in a timely manner. The supporting study implemented the following mitigation actions, to promote further stakeholder engagement and fill in any data gaps:

- **Follow-up emails:** Send follow-up emails to stakeholders who had not provided input to remind them of the survey and encourage their participation.
- **Deadline extension with formal communication:** Formally communicate the extension of the deadline for providing input, ensuring stakeholders are aware of the opportunity to contribute.
- **Edit survey question rules (optional response):** Convert any remaining mandatory surveys to optional, enabling stakeholders to provide partial input if necessary.
- **Provision of alternative engagement options:** Offer alternative engagement avenues such as private consultations or focus group discussions to gather insights from stakeholders who may prefer or require alternative means of participation.
- **Expansion of stakeholder list:** Consider broadening the list of stakeholders to promote further representation and input.

Reluctance from stakeholders to share their views

Stakeholders may hesitate to share views due to privacy concerns or discomfort. As their insights are crucial for assessing the performance of the Directive, the study team tried to address these concerns as follows:

- **Anonymity assurance:** Stakeholders were assured of anonymised data usage for aggregate study purposes.
- **Clarification of purpose:** The study team clarified the purpose and confidentiality measures at the outset of interviews and surveys.
- **Adjusted approach for partial input:** The study team revised the online survey questions, shifting them from mandatory to optional for specific stakeholder categories unable to provide input on all survey inquiries. This modification enabled stakeholders to provide partial input on questions they are knowledgeable about, ensuring their insights were still captured effectively.
- **Alternative engagement:** Stakeholders unable to provide responses to all survey questions were offered the option of participating in interviews to share their input effectively.

3. Process description

To assess the Directive's impact, a multifaceted approach involving both qualitative and quantitative data collection methods was developed.

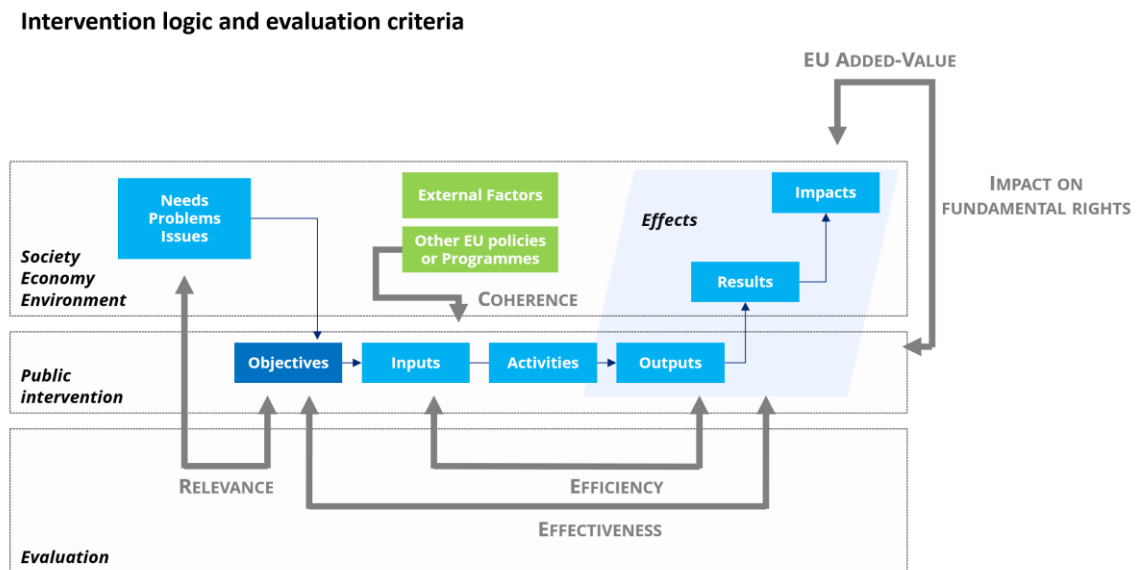
The qualitative data were sourced for the period 2001-2018 (to the extent possible), thus taking into account the fact that Council Framework Decision 2001/500/JHA was in force until Directive (EU) 2018/1673 was adopted. This approach ensured that an exhaustive analysis was carried out into the situation before the Directive was adopted and into the Directive's influence on the harmonising of money-laundering offences. Furthermore, the external study drew on in-depth surveys and interviews at the end of 2023 and in early 2024, providing contemporaneous insight into stakeholders' perspectives and enabling an academic exploration of the Directive's practical implications.

The evaluation used qualitative and quantitative data and evidence to assess the performance of existing programmes, compared with expectations prior to

implementation of Directive (EU) 2018/1673 on combating money laundering by criminal law.

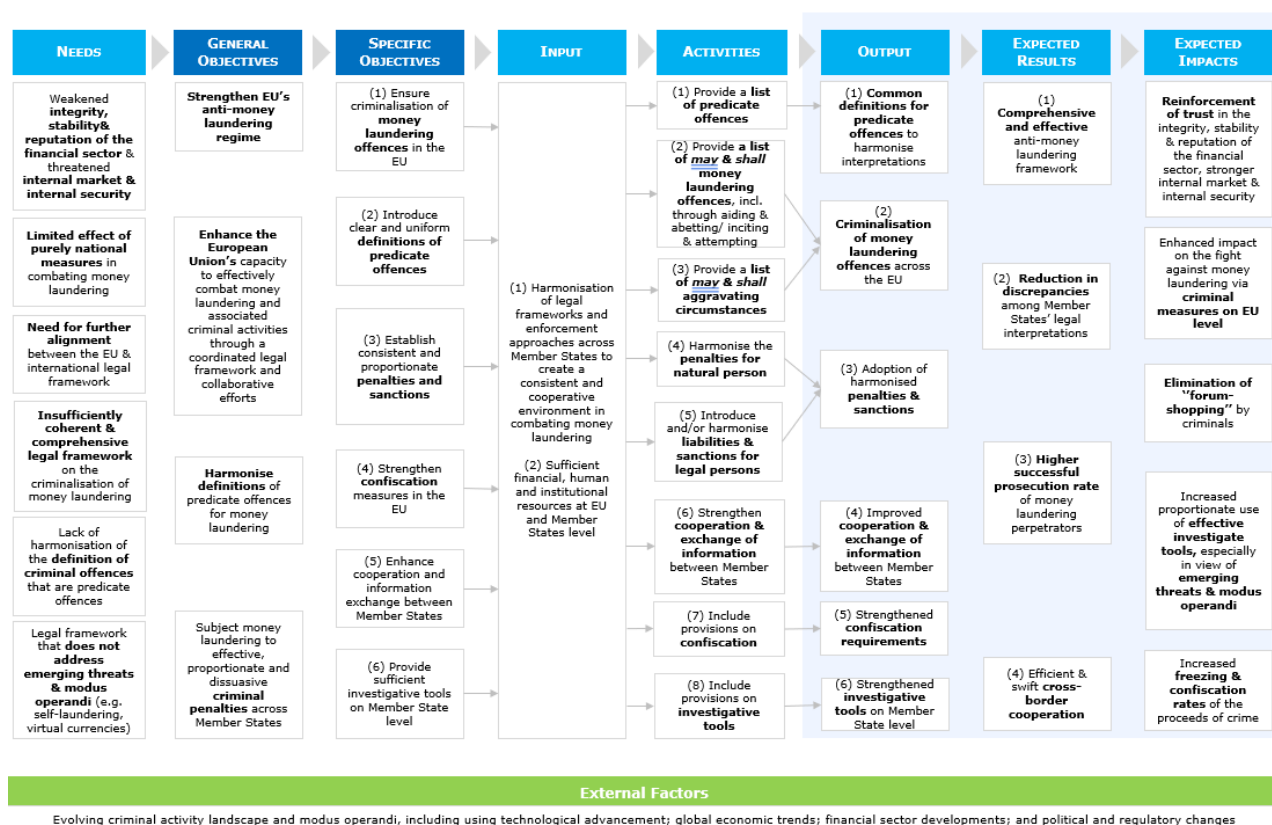
The research was structured along the five core evaluation criteria listed in the Better Regulation Guidelines: effectiveness, efficiency, coherence, relevance and EU added value. In addition to these, the evaluation team also assessed the impact of the Directive on the fundamental rights and freedoms having regard to the different stages of the criminal procedure.

Fig. 1 Intervention logic and evaluation criteria



In line with the Better Regulation Guidelines, the evaluation used the **intervention logic (IL)** (see Figure 1 above) and the **evaluation matrix (EM)** (see Annex III) to conceptualise the key elements of the policy intervention, design the data collection, help to establish judgements and conclusions in response to the evaluation questions, and, finally, provide grounds for the recommendations as a basis for possible future revisions of the Directive. The intervention logic is to be found in Figures 1 and 2.

Fig. 2 Intervention logic



The study supporting the evaluation involved organising and making use of six different data collection activities to assess the performance of the Directive: desk research, discovery interviews, targeted consultations (via surveys and interviews), statistical data collection, case studies and, expert input through workshops.

3.1. Stakeholder consultation

Continuous stakeholder engagement was crucial for the success of this assignment, since the stakeholders' input in the ecosystem was key to gathering the required data and formulating findings.

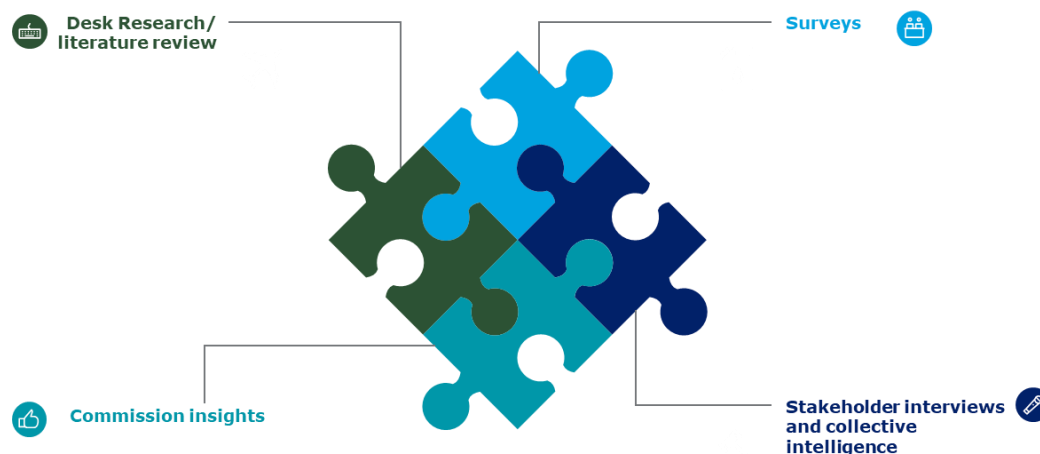
The data-collection tools selected for this study included: desk research, interviews, online survey, meetings and tertiary experts. The interviews and online survey are the stakeholder consultation tools of most importance for this synopsis report (v. Annex V).

3.2. Data analysis techniques and tools

To ensure the robustness of the data and the independence of the evaluation, the study team performed data triangulation as the main data analysis technique, in order to conduct a comprehensive assessment of the evaluation matrix and carry out the case studies.

Once the empirical data had been gathered, triangulation was used to ensure data quality, objectivity and relevance. Furthermore, triangulation proved useful when putting together the quantitative and qualitative data and ensuring overall coherence of the analysis. The

figure below shows the main sources of data feeding into the triangulation exercise (desk research, online survey and interviews):



ANNEX III. EVALUATION MATRIX

1. Evaluation matrix

In keeping with the Better Regulation Guidelines, this evaluation used the **intervention logic (IL)** and the **evaluation matrix (EM)** to conceptualise the key elements of the policy intervention, design the data collection, help to establish judgements and conclusions in response to the evaluation questions, and, finally, provide grounds for the recommendations as a basis for possible future revisions of the Directive.

Through dedicated data collection activities and analysis, the study aimed to provide an evidence-based answer to the following overarching questions, matching the evaluation criteria:

- How effective has the Directive been? (effectiveness criterion);
- How efficient has the Directive been? (efficiency criterion);
- How relevant is the Directive? (relevance criterion);
- What is the added value provided by addressing this issue via the Directive compared with an approach at national level? (EU added value criterion);
- How coherent and consistent is the Directive with other ongoing initiatives (coherence criterion);
- Did the implementation of the Directive and its assessed impact respect fundamental rights (fundamental rights criterion).

The Evaluation Matrix contained questions that address the following three levels of evaluation of the Directive:

- Evaluation of the Directive itself;
- Evaluation of the transposition of the Directive;
- Evaluation of the practical implementation of the Directive.

Beyond the assessment of the Directive's impact based on the five criteria – as well as the fundamental rights – in accordance with the Better Regulation Guidelines and based on the analysis and input received from different stakeholders, the study also drew on its data collection exercises and the case studies to identify potential improvements regarding any legal, technical, and operational aspects associated with the Directive. It thus provided DG HOME with clear and actionable recommendations. This future-oriented comprehensive analysis of the Directive was also included in the evaluation matrix.

Furthermore, three case studies were carried out in the context of the study, in order to provide additional insights into the performance of the Directive and supplement the overall assessment.

2. Effectiveness

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ1: Have the Directive's goals to ensure a sufficient degree of harmonisation of the money laundering offences and related penalties been achieved?	EQ1.1: To what extent have the Member States aligned their definitions of money laundering offences with the Directive's provisions?	• Percentage of Member States that have incorporated the definitions of money laundering offences in their legal systems • Existence of legal provisions addressing the specific aggravating circumstances outlined in the Directive	• Desk research • Surveys and interviews targeted at national authorities in EU Member States (Financial Intelligence Units, law enforcement authorities and judicial authorities) • Surveys and interviews targeted at international organisations (FATF, OECD, MONEYVAL, GRECO)
	EQ1.2: To what extent have the Member States aligned the penalties for money laundering offences with the Directive's provisions?	• Range of penalties before and after the implementation of the Directive • Presence of disparity in penalties across Member States	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ2: Has the application of the provisions of the Directive contributed to facilitating the investigation and prosecution of money laundering in the Member States and at EU	EQ2.1: To what extent has the application of the provisions of the Directive facilitated the investigation of money laundering in Member States and at EU level?	• Number of money laundering investigations before and after the application of the provisions per Member State and at EU level • Qualitative assessment by stakeholders on the extent to which the application of the provisions of the Directive facilitated the investigation of money laundering in the	• Surveys and interviews targeted at national judicial authorities in EU Member States • Surveys and interviews targeted at national law enforcement authorities in EU Member States • Desk research on public resources (country-

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
level? Have Member States made sufficient use of investigative tools available for serious and organised crime cases?		Member States and on EU level	specific evaluation reports, statistical data) • Surveys and interviews targeted at academic and think-tanks
	EQ2.2: To what extent has the application of the provisions of the Directive facilitated the prosecution of money laundering in Member States and at EU level?	• Number of money laundering prosecutions before and after application of the provisions per Member State and at EU level • Qualitative assessment by the stakeholders with regard to prosecutions before and after the application of the Directive	
	EQ2.3: To what extent have Member States made use of investigative tools for serious and organised crime cases?	• Number of instances investigative tools were used per Member State and at EU level • Qualitative assessment by the stakeholders on the extent to which Member States have made use of investigative tools for serious and organised crime cases	
	EQ2.4: What can be further done so that the Directive and its application further contribute to facilitating the investigation and prosecution of money laundering offences in the Member States and at EU level, including greater use of investigative tools for serious and organised crime?	• Qualitative input from stakeholders on the ways the Directive can better facilitate investigation and prosecution of money laundering offences	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ3: Have provisions allowing Member States to convict for money laundering offences without prior conviction, prosecution or extensive factual establishment of the predicate offence been effectively applied in practice, and have they facilitated the prosecution and conviction for money laundering?	EQ4.1: To what extent have Member States applied in practice the prosecution for money laundering offences without prior conviction, prosecution or extensive factual establishment of the predicate offence?	• Number of prosecutions for money laundering without prior conviction, prosecution or extensive factual establishment of predicate offence before and after the application of the Directive's provisions • Qualitative assessment by the stakeholders on extent to which Member States have applied in practice the prosecution for money laundering without prior conviction, prosecution or extensive factual establishment of predicate offence before and after the application of the Directive's provisions	• Surveys targeted at national judicial authorities in EU Member States • Surveys targeted at EU bodies (Eurojust, Europol) and international bodies (Interpol)

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
	EQ4.2: To what extent has the conviction for money laundering offences without prior conviction, prosecution or extensive factual establishment of the predicate offences facilitated prosecutions and convictions for money laundering in the Member States?	- Number of convictions for money laundering without prior conviction, prosecution or extensive factual establishment of the predicate offence before and after the application of the Directive's provisions - Qualitative assessment by the stakeholders on extent to which the convictions for money laundering without prior conviction, prosecution or extensive factual establishment of the predicate offence has facilitated prosecution and convictions for money laundering before and after the application of the Directive's provisions	
	EQ4.3: To what extent have provisions allowing Member States to convict for money laundering offences without prior conviction, prosecution or extensive factual establishment of the predicate offence contributed to the effectiveness of the overall AML legal framework?	- Number of money laundering convictions before and after the entry into force and transposition of the Directive, in cases where a Member State has allowed convictions without prior conviction, prosecution or extensive factual establishment of the predicate offence - Qualitative assessment by the stakeholders on the extent to which the provisions allowing Member States to convict for money laundering offences without prior conviction, prosecution or extensive factual establishment of the predicate offence contributed to the effectiveness of the overall AML legal framework	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ4: Have the provisions of the Directive facilitated cross border as well as international cooperation? To what extent do competent authorities of the Member States cooperate with each other in criminal	EQ5.1: To what extent have the Directive's provisions facilitated cross border cooperation among Member States in criminal proceedings regarding money laundering?	- Number of cross border and international money laundering investigations and prosecutions before and after the entry into force and transposition of the Directive - Qualitative assessment by stakeholders on the extent to which the Directive's provisions facilitated cross border cooperation among Member States in criminal proceedings regarding money laundering	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
proceedings regarding money laundering?	EQ5.2: To what extent have the Directive's provisions facilitated international cooperation in criminal proceedings regarding money laundering?	Qualitative assessment by the stakeholders on the extent to which the Directive's provisions facilitated international cooperation in criminal proceedings regarding money laundering	Recovery Offices in EU Member States Surveys targeted at EU bodies (Eurojust, Europol) and international bodies (Interpol)
	EQ5.3: To what extent do Member States cooperate with each other in criminal proceedings regarding money laundering in accordance with national legislation and the existing Union legal framework?	- Number of cross border and international forms of cooperation in criminal proceedings regarding money laundering before and after the entry into force and transposition of the Directive - Qualitative assessment by stakeholders on the extent to which Member States cooperate with each other in criminal proceedings regarding money laundering in accordance with national legislation and the existing Union legal framework following the entry into force and transposition of the Directive	
	EQ5.5: To what extent have the Directive's provisions facilitated the effective and timely information exchange in criminal proceedings regarding money laundering?	- Number of information exchange requests before and after the entry into force and transposition of the Directive - Qualitative assessment by the stakeholders on the extent to which the Directive's provisions facilitated the effective and timely information exchange in criminal proceedings regarding money laundering	
	EQ5.4: In what ways could the effectiveness of the Directive be improved to further enhance the effective and timely cross border and international exchange of information and cooperation?	Qualitative assessment from stakeholders on the way the Directive can be further improved to further enhance the effective and timely cross border and international exchange of information and cooperation	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ: Are there remaining obstacles regarding the criminalisation of "self-laundering" in certain cases? What has been the effectiveness and impact of the criminalisation of self-laundering in	EQ6.1: What have been the key challenges or successes encountered in the implementation of self-laundering?	Qualitative assessment by the stakeholders on the presence of any challenges in relation to the implementation of self-laundering	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member
	EQ6.2: To what extent has the criminalisation of self-laundering contributed to deterring individuals and entities from engaging in money laundering?	Qualitative assessment by the stakeholders on the extent to which the criminalisation of self-laundering has contributed to deterring individuals and entities from	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
the EU Member States, and how has this contributed to the broader efforts in combating money laundering and related financial crimes?		engaging in money laundering after the implementation of the Directive	States • Surveys and interviews targeted at EU bodies (e.g., Eurojust, Europol)
	EQ6.3: To what extent has the criminalisation of self-laundering led to enhanced collaboration and exchange of information between the Member States?	• Number of exchanges of information and collaboration requests in relation to self-laundering before and after the entry into force and the transposition of the Directive • Qualitative assessment by stakeholders on the extent to which the criminalisation of self-laundering led to enhanced collaboration and exchange of information between the Member States	
	EQ6.4: To what extent has the criminalisation of self-laundering led to greater or lower number of money laundering prosecutions?	• Number of “self-laundering” prosecutions before and after the entry into force and transposition of the Directive • Qualitative assessment by the stakeholders on the extent to which the criminalisation of self-laundering led to change in number of the money laundering prosecutions after the implementation of the Directive	
	EQ 6.5: To what extent has the criminalisation of self-laundering led to greater or lower number of money laundering convictions?	• Number of “self-laundering” convictions before and after the entry into force and transposition of the Directive • Qualitative assessment by the stakeholders on the extent to which the criminalisation of self-laundering led to change in number of money laundering convictions after the implementation of the Directive	
	EQ 6.6: How can the Directive be further improved to close any gaps in cases where the prosecution of self-laundering does not lead to a conviction?	• Qualitative assessment by the stakeholders on the ways to further improve the Directive with regard to “self-laundering” provisions	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ7: Has the implementation of the Directive resulted in confiscation of property deriving from activities of a criminal nature, including in the absence of a	EQ7.1: To what extent has the implementation of the Directive led to confiscation of property derived from criminal activities, including in the absence of a conviction of a specific person or persons for those activities?	• Value of confiscated property derived from criminal activity before and after the entry into force and the transposition of the Directive • Value of confiscated property derived from criminal activity in case of non-conviction before and after the entry into force and the transposition of	• Surveys targeted at national judicial authorities in EU Member States • Surveys targeted at Asset Recovery Offices in EU Member States

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
conviction of a specific person or persons for those activities? If yes, and if applicable, what was the share of non-conviction-based confiscation proceedings? If not, what are the key obstacles hindering the implementation of such confiscation measures?		the Directive Qualitative assessment by the stakeholders on the extent to which the implementation of the Directive led to confiscation of property derived from criminal activities, including in the absence of a conviction of a specific person or persons for those activities	
	EQ7.2: To what extent has the Directive contributed to greater challenges or successes in relation to confiscation of property derived from criminal activities, including in the absence of a conviction of a specific person or persons for those activities? What are those challenges and successes?	- Qualitative assessment by the stakeholders on the presence of any challenges in relation to the confiscation of property, including non-conviction-based confiscation - Indication of specific challenges and successes with regard to the confiscation of property, including non-conviction-based confiscation	
	EQ7.3: To what extent has the Directive led to the initiation and execution of non-conviction-based confiscation?	- Number of initiations and executions of non-conviction-based confiscations - Qualitative assessment by the stakeholders on the extent to which the Directive has led to the initiation and execution of non-conviction-based confiscation	
	EQ7.4: How can the Directive be further improved to overcome challenges in relation to the confiscation of property derived from criminal activity, including in the context of non-conviction-based confiscation?	Qualitative assessment by the stakeholders on the ways to further improve the Directive with regard to confiscation of property derived from criminal activity, including in the context of non-conviction-based confiscation	

Effectiveness			
EQ8: To what extent have Member States implemented optional provisions ("may clauses") of the Directive? What positive impact does it have in the fight against money laundering and cross border cooperation?	EQ8.1: Which Member States have implemented optional provisions ("may clauses") of the Directive?	List of Member States which have implemented optional provisions	- Surveys targeted at judicial authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Survey at EU bodies and agencies, incl. discovery interviews with DGs
	EQ8.2: What specific optional provisions within the Directive have been implemented by the Member States?	List of optional provisions implemented per Member State	
	EQ8.2: To what extent are the optional provisions ("may clauses") of the Directive aligned across Member States?	Qualitative assessment on the degree of alignment of the optional provisions across the Member States	
	EQ8.3: To what extent has the introduction of optional provisions ("may clauses")	Qualitative assessment by the stakeholders on the extent to which the introduction of optional provisions ("may	

	contributed to cross-border cooperation and exchange of information within the European Union?	clauses'') contributed to cross-border cooperation and exchange of information within the European Union	
	EQ8.4: To what extent has the introduction of the optional provisions of the Directive ('may clauses') impacted the operational capacities of law enforcement agencies?	Qualitative assessment by the stakeholders on the extent to which the introduction of the optional provisions of the Directive ('may clauses') impacted the operational capacities of law enforcement agencies	
	EQ8.5: To what extent has the introduction of the optional provisions of the Directive ('may clauses') impacted the work of the judiciary (i.e., the jurisprudence)?	Qualitative assessment by the stakeholders on the extent to which the introduction of the optional provisions of the Directive ('may clauses') impacted the work of the judiciary (i.e., the jurisprudence)	
	EQ8.6: What are the main challenges and obstacles identified by Member States in the implementation of the optional provisions ('may clauses')?	The presence of any challenges in the implementation of the optional provisions of the Directive ('may clauses')	
	EQ8.7: How can the Directive be further improved to overcome any challenges or obstacles in relation to the implementation of the optional provisions of the Directive ('may clauses')?	Qualitative assessment by the stakeholders on the ways to overcome any challenges or obstacles in relation to the implementation of the optional provisions of the Directive ('may clauses')	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ9: Regarding the application of the new provisions of the Directive, to what extent were any legislative national measures already in place before the adoption of the Directive?	EQ9.1: What specific national legislative measures were already in place prior to the adoption of the Directive, and to what extent has the entry into force and the transposition of the Directive impacted or complemented these existing measures?	- List of Member States that had already national legislative measures in place prior to the adoption of the Directive - List of national legislative measures already in place before the adoption of the Directive - Qualitative assessment by the stakeholders on the extent to which the entry into force and the transposition of the Directive has impacted or complemented these existing measures - State of overall effectiveness of the combination of pre and post existing measures	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States
	EQ9.2: To what extent did the integration of the new provisions of the Directive with pre-existing national legislative measures	Qualitative assessment by the stakeholders on the extent to which the integration of the new provisions of the Directive with pre-existing national legislative measures	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
	contribute to the enhancement of the regulatory framework and in what way?	- contributed to the enhancement of the overall regulatory framework - Qualitative assessment by the stakeholders on the way the integration of the new provisions of the Directive with pre-existing national legislative measures contributed to the enhancement of the overall regulatory framework	
	EQ9.3: To what extent have any national legislative measures or good practices, which were previously effective, become ineffective or significantly restricted following the implementation of the Directive (if any)?	Qualitative assessment by the stakeholders on the extent (if any) to which any national legislative measures or good practices, which were previously effective, become ineffective or significantly restricted following the implementation of the Directive	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ10: To what extent and why is the level of effectiveness of the relevant provisions of the Directive different in the different Member States?	EQ10.1: To what extent are the relevant provisions of the Directive effective in each Member State?	Qualitative assessment by the stakeholders on the extent to which the relevant provisions of the Directive are effective in each Member State	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys and interviews targeted at EU bodies (e.g., Europol, Eurojust) - Surveys to other stakeholders (e.g., academic and think-tank)
	EQ10.2: To what extent does the level of effectiveness of the relevant provisions differ between each Member State?	Qualitative assessment by the stakeholders on the extent to which the level of effectiveness of the relevant provisions differs between each Member State	
	EQ10.3: What are the reasons for the differences in effectiveness between Member States?	Qualitative assessment by the stakeholders on the reasons for the differences in the effectiveness between the Member States	
	EQ10.4: How can the Directive be further improved to increase the level of effectiveness across the EU?	Qualitative assessment by the stakeholders on the ways the Directive can be further improved to increase the level of effectiveness across the EU	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Effectiveness			
EQ11: Are there any shortcomings in the implementation or regulatory gaps in the Directive that hinder the effective combating of money laundering from a criminal justice perspective?	EQ11.1: To what extent are there any operational or technical shortcomings in the implementation of the Directive that hinder the effective combating of money laundering from a criminal justice perspective?	Qualitative assessment by the stakeholders on the presence of any operational or technical shortcomings in the implementation of the Directive that hinder the effective combating of money laundering from a criminal justice perspective	- Surveys targeted at EU agencies and bodies - Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
	EQ11.2: To what extent are there any regulatory gaps in the Directive that hinder the effective combating of money laundering from a criminal justice perspective?	Qualitative assessment by the stakeholders on the extent to which there are regulatory gaps in the Directive that hinder the effective combating of money laundering from a criminal justice perspective	Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at academics and think-tanks - Desk research
	EQ11.3: To what extent and in what ways do any shortcomings in the implementation of the Directive and regulatory gaps impact reaching convictions for money laundering?	- Qualitative assessment by the stakeholders on the extent to which any shortcomings in the implementation of the Directive and regulatory gaps impact reaching convictions for money-laundering - Qualitative assessment by the stakeholders on the ways in which any shortcomings in the implementation of the Directive and regulatory gaps impact reaching convictions for money laundering	
	EQ11.4: To what extent do differences in the implementation of money laundering offences in the national law of the Member States create dual criminality issues that impact the overall effectiveness of the Directive?	Qualitative assessment by the stakeholders on extent to which any issues related to dual criminality of money laundering impact the effective implementation of the Directive	
	EQ11.5: To what extent do differences in the national law of the Member States between money laundering, tax fraud and tax evasion impose limitations on the effective investigation, prosecution and conviction of money laundering?	Qualitative assessment by the stakeholders on the extent to which the differences in the national law of the Member States between money laundering, tax fraud and tax evasion (if any) impact the effective investigation, prosecution and conviction of money laundering	
	EQ11.6: How can the Directive be further improved to address any other shortcomings in its implementation in order to optimise its effectiveness?	Qualitative assessment by the stakeholders on how to further improve the Directive to address any shortcomings in its implementation	

3. Efficiency

In line with the Better Regulation Guidelines on evaluation, the efficiency criterion aims to assess whether the activities evaluated are delivering their objectives at minimum costs and while avoiding unnecessary costs or burdens. This means that the evaluation looks at the relationship between the costs deriving from the implementation of Directive (EU) 2018/1673 and the outcomes and results it has generated in each country and per stakeholder following the transposition. As there are differences between the implementation of activities across the Member States, the project team also looked at

how the implementation differs between the countries and whether some approaches are more efficient than other. The analysis of efficiency covered administrative and adjustment costs, aspects of simplification and a cost-benefit comparison by Member State.

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Efficiency			
EQ13: What are the implementation costs and the benefits of the Directive – in the individual Member States and overall? Are there differences between Member States and what causes them? What are the administrative costs and benefits of the Directive for citizens and businesses?	EQ13.1: What are the implementation costs (including costs for citizens and businesses) of the Directive for each Member State and overall?	Estimation by stakeholders on the costs expressed in monetary value of the implementation of the Directive per Member State and overall	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at other stakeholders
	EQ13.2: What are the causes of the differences in the implementation costs between Member States?	Qualitative assessment on the causes of the differences in the implementation cost between Member States	
	EQ13.3: What are the benefits (including benefits for citizens and businesses) of implementing the Directive for each Member State and overall?	Qualitative assessment by the stakeholders on the benefits expressed in monetary value of the implementation of the Directive per Member State and overall	
	EQ13.4: What are the causes of the benefits of the implementation of the Directive between Member States?	Qualitative assessment on the causes of the benefits in the implementation cost between Member States	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Efficiency			
EQ14: Have the results that can be attributed to the Directive been achieved at a reasonable cost? Is the regulatory burden placed on Member States by the implementation of the Directive proportional to the observed results?	EQ14.1: To what extent do the costs associated with the implementation and enforcement of the Directive compare to the achieved outcomes in terms of the prevention and deterrence of money laundering activities within the European Union?	- Qualitative assessment, including by stakeholders, on the ratio of costs to benefits per Member State - Number of FTEs per Member State competent authorities needed to implement the Directive - Financial costs per Member State in relation to the implementation of the Directive - Qualitative assessment by the stakeholders on the extent to which the costs associated with the implementation and enforcement of the Directive compared to the achieved outcomes in terms of the prevention and deterrence of money laundering activities within the European Union	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at other stakeholders - Survey at EU bodies and agencies, incl. discovery interviews with DGs
	EQ14.2: What specific financial, administrative, and resource-related challenges have Member States encountered	Qualitative assessment by the stakeholders on the financial, administrative, and resource-related challenges faced by Member States in the	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
	during the implementation of the Directive, and to what extent have these challenges impacted the overall efficiency and effectiveness of anti-money laundering measures?	- implementation of the Directive - List of financial, administrative, and resource-related challenges faced by Member States in the implementation of the Directive - Qualitative assessment by the stakeholders on the extent these challenges impacted the overall efficiency and effectiveness of anti-money laundering measures	
	EQ14.3: How has the regulatory burden on Member States, stemming from the implementation of the Directive, affected their capacity to meet other regulatory obligations and effectively address emerging financial crime threats?	- Qualitative assessment by the stakeholders on the regulatory burden of the Directive - Qualitative assessment by the stakeholders on the ways the regulatory burden on Member States stemming from the implementation of the Directive affected their capacity to meet other regulatory obligations and effectively address emerging financial crime threats	
	EQ14.4: What measures or adjustments with regard to the implementation of the Directive can be undertaken to ensure a balanced approach that minimises unnecessary regulatory burden, streamlines regulatory requirements, optimises resource allocation while maintaining robust anti-money laundering standards and achieving the desired results outlined in the Directive?	Qualitative assessment by the stakeholders on the measures or adjustments needed with regard to the implementation of the Directive in order to minimise regulatory burden, streamline regulatory requirements, optimise resource allocation while maintaining robust anti-money laundering standards and achieving the desired results outlined in the Directive	Survey at EU bodies and agencies, incl. discovery interviews with DGs
EQ15: Is there a potential to simplify or reduce administrative burden (including monitoring and reporting) without undermining the intended objectives of the Directive?	EQ15.1: Which elements of the implementation of the Directive represent an outsized administrative burden?	- Qualitative assessment by the stakeholders on administratively burdensome elements of the implementation of the Directive - List of administrative burdens associated with the implementation of the Directive as identified by stakeholders	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at other stakeholders - Survey at EU bodies and agencies, incl. discovery
	EQ15.2: Is there scope to simplify those elements which represent an outsized administrative burden without reducing the desired benefits?	Qualitative assessment by the stakeholders on simplification of administratively burdensome elements which would not undermine the objectives of the Directive	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
			interviews with DGs

4. Relevance

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Relevance			
EQ17: To what extent does the EU Directive 2018/1673 address current and future threats and needs concerning the development of organised crime, particularly focusing on evolving money laundering activities outlined in the 2021 Serious and Organised Crime Threat Assessment (SOCTA)? How can the provisions be enhanced to effectively respond to recent developments and anticipated trends, including criminal networks' displacement of money laundering attempts to underground remittance systems, increased use of virtual currencies, and the exploitation of non-fungible tokens (NFTs) for money laundering purposes?	EQ17.1: To what extent does the Directive address current and future threats and needs related to cybercrime as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats of cyber crime	- Desk research based on the 2021 SOCTA report and other publications by relevant authorities and research papers - Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at other stakeholders - Survey at EU bodies and agencies, incl. discovery interviews with DGs
	EQ17.2: To what extent does the Directive address the current and future threats and needs related to the trade in illegal drugs in the EU as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to illegal drug trade	
	EQ17.3: To what extent does the Directive address the current and future threats and needs related to environmental crime as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to environmental crime	
	EQ17.4: To what extent does the Directive address the current and future threats and needs related to the trade in illegal firearms and explosives as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to the trade in illegal firearms and explosives	
	EQ17.5: To what extent does the Directive address the current and future threats and needs related to fraud as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to fraud	
	EQ17.6: To what extent does the Directive address the current and future threats and needs related to match fixing and betting-related scams as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to match fixing and betting-related scams	
	EQ17.7: To what extent does the Directive address the current and future threats and needs related to "people as a commodity" as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to "people as a commodity"	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
	EQ17.8: To what extent does the Directive address the current and future threats and needs related to document fraud as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to document fraud	
	EQ17.9: To what extent does the Directive address the current and future threats and needs related to product counterfeiting and intellectual property crime as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to product counterfeiting and intellectual property crime	
	EQ17.10: To what extent does the Directive address the current and future threats and needs related to currency counterfeiting as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to currency counterfeiting	
	EQ17.11: To what extent does the Directive address the current and future threats and needs related to organised property crime as outlined in the 2021 SOCTA?	Qualitative assessment by the stakeholders on the extent of alignment of the Directive's provisions with the current and future threats and needs related to organised property crime	
	EQ17.12: To what extent are the provisions still appropriate and sufficient to respond to recent developments and anticipated trends such as the response by criminal networks displacing money laundering attempts to underground remittance systems?	Qualitative assessment by the stakeholders on the extent of relevance of the Directive's provisions with the anticipated trends in money laundering via underground remittance systems	
	EQ17.13: To what extent are the provisions still appropriate and sufficient to respond to recent developments and anticipated trends related to the use of virtual currencies and the tokenisation economy (such as NFTs)?	Qualitative assessment by the stakeholders on the extent of relevance of the Directive's provisions with the anticipated trends in money laundering via virtual currencies	
	EQ17.14: How can the Directive be further enhanced to better address the emerging trends and techniques observed in organised crime as well as new threats identified in SOCTA 2021?	Qualitative assessment by the stakeholders on how to improve the Directive to better address the new threats and the emerging trends and techniques observed in organised crime	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Relevance			
EQ18: Are there provisions contained in the Directive that might be considered obsolete or provisions that should be aligned due to certain developments (for example: Proposal for a Directive on asset recovery and confiscation as well as sanction evasion)?	EQ18.1: Which specific provisions within the Directive may no longer effectively address the current challenges posed by emerging forms of financial crime, and what amendments or revisions could be proposed to enhance their efficacy and alignment with contemporary regulatory standards and practices?	- Qualitative assessment from stakeholders on the provisions of the Directive that may no longer effectively address the current challenges posed by emerging forms of financial crime - Qualitative input from stakeholders on points of improvement of the Directive's provisions that may no longer effectively address the current challenges posed by emerging forms of financial crime	- Desk research analysing evolutions in the financial crime trends and the regulatory landscape - Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at other stakeholders - Survey at EU bodies and agencies, incl. discovery interviews with DGs
	EQ18.2: In what ways can the Directive be better harmonised with the proposed measures outlined in the Directive on asset recovery and confiscation and other relevant initiatives, e.g., sanction evasion?	Qualitative input from stakeholders on points of improvement of the Directive for further alignment with the proposed measures outlined in the Directive on asset recovery and confiscation and other relevant initiatives (e.g., the AML package, sanction evasion)	
	EQ18.3: Are there provisions that might be considered obsolete or need to be aligned due to any other changes?	- Qualitative assessment by the stakeholders on the provisions which could be considered obsolete due to other changes - Qualitative assessment by the stakeholders on the provisions which might require alignment due to other changes	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Relevance			
EQ19: Are there other remaining obstacles/legal and practical issues in the fight against money laundering identified by relevant stakeholders such as EUROJUST or FATF that are not sufficiently addressed or taken into account in the Directive?	EQ19.1: Are there any legal issues in the fight against money laundering identified by relevant stakeholders such as EUROJUST or FATF which are not sufficiently addressed in the Directive?	- List of unaddressed legal issues in the Directive as identified by relevant stakeholders - Qualitative assessment by the stakeholders on the importance of the unaddressed legal issues to the overall effectiveness of the Directive	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at international bodies - Survey at EU bodies and agencies, incl. discovery interviews with DGs
	EQ19.2: Are there any practical issues in the fight against money laundering identified by relevant stakeholders such as EUROJUST or FATF which are not sufficiently addressed in the Directive?	- List of unaddressed practical issues in the Directive as identified by relevant stakeholders - Qualitative assessment from stakeholders on the importance of the unaddressed practical issues to the overall effectiveness of the Directive	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
			Surveys at other stakeholders

5. Coherence

In accordance with the Better regulation guidelines, the evaluation of coherence entails assessing how well different interventions work together and are consistent with each other. The coherence evaluation criterion is twofold: internal and external. On the one hand, internal coherence means looking at how the different components of the same EU intervention (the CMLD, in this case) operate together to achieve its objectives. On the other hand, external coherence examines how different interventions complement each other (e.g. assessing whether there are synergies, but also duplication or overlaps). This section will thus focus first on the internal consistency of the CMLD and then study the external consistency of this legal instrument.

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Coherence			
EQ20: Is the Directive coherent with developments in the international context including as international agreements, frameworks etc.?	EQ20.1: To what extent does the Directive lay down rules in line with international frameworks and standards, such as 2003 United Nations Convention against Transnational Organised Crime (Palermo Convention), 2005 Warsaw Convention, the FATF Recommendations etc.?	Degree of alignment between the Directive and relevant international frameworks/standards with regard to provisions on the criminalisation of money laundering, asset freezing and confiscation as well as international cooperation	- Desk research - Surveys and interviews with relevant stakeholders (FATF, OECD, MONEYVAL, TI) - Survey at EU bodies and agencies, incl. discovery interviews with DGs
	EQ20.2: What steps can be taken to address any inconsistencies or conflicts between the Directive and other relevant international instruments?	Qualitative input from stakeholders on possible ways for further alignment of the Directive with relevant international instruments	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Coherence			
EQ21: Is the Directive coherent with other relevant EU acts? In particular to what extent does the	EQ21.1: To what extent does the Directive complement and reinforce existing EU acts such as the Directive 2014/42/EU on	- Degree of alignment between the Directive and relevant EU acts - Qualitative assessment by the stakeholders on the extent to which the Directive has a	- Desk research - Survey at EU bodies and agencies, incl. discovery interviews with DGs - Surveys targeted at national judicial

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Directive usefully complement and reinforce the preventative money laundering provisions in light of recent developments? Is this the case for the Directive 2014/42/EU of the European Parliament and of the Council of 3 April 2014 on the freezing and confiscation of instrumentalities and proceeds of crime in the European Union as well as Proposal for a Directive on asset recovery and confiscation?	the freezing and confiscation of instrumentalities and proceeds of crime in the EU?	positive impact on the existing legislative initiatives currently going on in the EU level	- authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at Financial Intelligence Units in EU Member States - Surveys targeted at Asset Recovery Offices in EU Member States - Surveys targeted at other stakeholders
	EQ21.2: In what ways can the Directive better complement and reinforce the objectives outlined in the Directive 2014/42/EU and the Proposal for a Directive on asset recovery and confiscation?	Qualitative assessment by the stakeholders on how to improve the Directive to better complement or reinforce the objectives outlined in the Directive 2014/42/EU and the Proposal for a Directive on asset recovery and confiscation	
	EQ21.3: To what extent does the Directive complement and reinforce other existing initiatives at the EU level, (e.g., Regulation (EU) 2023/1114 (MiCA), Regulation (EU) 2023/1113 for information accompanying Transfer of Funds, Directive 2019/1153 on the use of financial and other information for certain criminal offences, Directive (EU) 2023/977 on the exchange of information between law enforcement authorities of Member States)?	Qualitative assessment by the stakeholder stakeholders on the extent to which the Directive has a positive impact on the existing initiatives on EU level to strengthen the EU's AML rules	

6. EU added value

As described in Tool #47 of the Better Regulation Guidelines, the criterion of EU added value looks for changes that are due to the EU intervention, over and above what could reasonably have been expected from national actions by the Member State. As outlined within Article 5 of the Treaty on EU on the principle of subsidiarity, EU action is only desirable when the objectives of legislative action can be better achieved by the EU rather than by the Member States.

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
EU Added Value			
EQ22: To what extent has the Directive generated EU added value as opposed to what could have been achieved by Member States on their own (also taking into account	EQ22.1: To what extent have specific legal, technical, and operational advantages been realised at the EU level as a result of the implementation of the EU Directive 2018/1673, in comparison to the	Qualitative assessment by the stakeholders on the extent to which the Directive provides added value in the fight against money laundering as compared to potential outcomes from the Member States' individual approach	- Surveys targeted at national judicial authorities in EU Member States - Surveys targeted at national law enforcement authorities in EU Member States - Surveys targeted at

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
their requirements under international law and standards such as the Warsaw Convention or FATF recommendations)?	potential outcomes if Member States had acted independently?		Financial Intelligence Units in EU Member States • Surveys targeted at Asset Recovery Offices in EU Member States
	EQ22.2: To what extent has the Directive provided additional incentive to Member States in the fight against money laundering compared to what has been required under their international law obligations?	• Qualitative assessment by the stakeholders on the extent to which the Directive provided additional incentive to Member States in the fight against money laundering as compared to relevant obligations under international law	

7. Fundamental rights

According to the Better Regulation Guidelines there is the option of including additional criteria for the sake of the study, including an evaluation of fundamental rights. from the study is also based on Article 14(2) of Directive (EU) 2018/1673, which stipulates that the evaluation will also look at the instrument's impact on fundamental rights and freedoms. According to Tool#29 from the Better Regulation Toolbox 2023 policy options can have both positive and negative effects on fundamental rights. Furthermore, in the case of adverse effects, effects any limitations to fundamental rights can only be justified if they meet the requirement of necessity and proportionality.

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
Fundamental Rights			
EQ25: What has been the impact of the implementation of the Directive on fundamental rights and freedoms as enshrined in the Charter of Fundamental Rights of the European Union, including those set out in Titles II, III, V and VI which encompass, inter alia, the right to respect for private and family life and the right to protection of personal data, the right to freedom of association, the right to property, the principles of legality and	EQ25.1: How has the implementation of the Directive affected the protection of private and family life, as well as the safeguarding of personal data, in accordance with the Charter of Fundamental Rights of the European Union?	• Qualitative assessment by the stakeholders on the impact of the Directive on fundamental rights and freedoms as enshrined in the Charter of Fundamental Rights of the European Union	• Surveys targeted at think-thanks, academic institutions • Surveys targeted at national judicial authorities in EU Member States • Surveys targeted at national law enforcement authorities in EU Member States • Surveys targeted at Financial Intelligence Units • Surveys targeted at Asset Recovery Offices in EU Member States • Survey targeted at EU bodies and agencies (e.g., FRA)
	EQ25.2: To what extent has the Directive impacted the freedom of association among individuals and organisations, considering the provisions outlined in the relevant sections of the Charter of Fundamental Rights of the European Union?	• Qualitative assessment by the stakeholders on the extent to which the directive impacted the freedom of association among individuals and organisations	
	EQ25.3: In what ways has the Directive impacted the respect of principles such as legality and	• Qualitative assessment by the stakeholders on the ways in which the Directive impacted the principles of legality and proportionality of criminal	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
proportionality of criminal offences and penalties, covering also the requirement of precision, clarity and foreseeability in criminal law, the presumption of innocence, as well as the rights of suspects and accused persons to have access to a lawyer, the right not to incriminate oneself and the right to a fair trial?	proportionality of criminal offences and penalties, including aspects related to precision, clarity, and foreseeability in criminal law, as stipulated in the Charter of Fundamental Rights of the European Union?	offences and penalties	
	EQ25.4: What effects has the implementation of the Directive had on upholding the presumption of innocence and ensuring the rights of suspects and accused persons, such as the right to access legal representation, the right not to self-incriminate, and the right to a fair trial, in accordance with the Charter of Fundamental Rights of the European Union?	- Qualitative assessment by the stakeholders on the effects of the Directive in upholding the presumption of innocence - Qualitative assessment by the stakeholders on the effects of the Directive in upholding the rights of suspects and accused persons - Qualitative assessment by the stakeholders on the effects of the Directive in upholding the right to access legal representation - Qualitative assessment by the stakeholders on the effects of the Directive in upholding the right not to self-incriminate - Qualitative assessment by the stakeholders on the effects of the Directive in upholding the right to a fair trial	
	EQ25.5: In what ways could the Directive be further improved to ensure or enhance the protection of these rights?	Qualitative input by stakeholders on the way the Directive can be further improved to safeguard the fundamental rights and freedoms as enshrined in the Charter of Fundamental Rights of the EU	
	EQ26.1: To what extent does the implementation of the Directive align with the provisions outlined in the Charter of Fundamental Rights of the European Union, specifically concerning the rights and principles related to the Directive's scope and application?	Qualitative assessment by the stakeholders on the extent to which the Directive has been implemented in accordance with human rights obligations under European law	- Survey targeting think-tanks/academic institutions - Survey targeted at other stakeholders (e.g., ECBA) - Survey targeted at EU bodies and agencies (e.g., EPPO, FRA, Eurojust, Europol)
	EQ26.2: How effectively has the implementation of the Directive adhered to the standards and principles set forth in the European Convention for the Protection of Human Rights and Fundamental Freedoms, particularly in the context of the protection of	Qualitative assessment by the stakeholders on whether the Directive has been implemented in accordance with human rights obligations under the European Convention for the Protection of Human Rights and Fundamental Freedoms	

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
	fundamental rights during the enforcement and implementation of the Directive?		
	EQ26.3: In what ways has the implementation of the Directive demonstrated compliance with the provisions stipulated in the International Covenant on Civil and Political Rights, considering the obligations under this international human rights instrument and their impact on the Directive's enforcement?	Qualitative assessment by the stakeholders on whether the Directive has been implemented in accordance with human rights obligations under the International Covenant on Civil and Political Rights	
	EQ26.4: What measures have been taken to ensure that the implementation of the Directive aligns with other human rights obligations under international law, and how has this affected the Directive's overall application and enforcement across Member States of the European Union?	- List of measures adopted to ensure alignment with other human rights obligations under international law - Qualitative assessment by stakeholders on the impact of these measures on the Directive's overall application and enforcement across EU Member States	
	EQ26.5: In what ways could the Directive be further enhanced to ensure that its legal provisions and implementation align more effectively with international human rights obligations and standards, promoting a balanced approach to combating criminal activities while safeguarding individual rights?	Qualitative assessment by the stakeholders on how to improve the Directive to enhance its alignment with international human rights obligations and promote a balanced approach while combating criminal activities	
EQ27: To what extent and why can any observed impact on fundamental rights and freedoms be directly attributed to the Directive (and specific provisions) or to	EQ27.1: Which provisions of the Directive lead to direct impact on the fundamental rights and freedoms?	- List of provisions of the Directive that have a direct impact on fundamental rights and freedoms - Qualitative assessment by the stakeholders on the extent of the Directive's impact on the fundamental rights and freedoms	- Survey targeted at other stakeholders (e.g., ECBA) - Survey targeted at EU bodies and agencies (e.g., EPPO, FRA, Eurojust, Europol)

Evaluation question	Sub-questions	Indicators	Data collection methods & sources
other developments?	EQ27.2: Has the punishable conduct enumerated in Article 3 and 4 of the Directive as criminal offence been defined in a clear, precise and foreseeable way so as not to jeopardise the principles of legality of criminal offences?	Qualitative assessment by stakeholders on the clarity, precision and foreseeability of the punishable conducts in the Directive	
	EQ27.3: Are the penalties envisaged for the punishable offences in Article 5 of the Directive proportionate given the nature and severity of the conduct?	Qualitative assessment by the stakeholders on the proportionality of the penalties for the punishable offence of the Directive in relation to the nature and severity of the conduct	
	EQ27.4: Are there other developments leading to impact on fundamental rights and freedoms resulting from the implementation of the Directive?	Qualitative assessment by the stakeholders on whether there are other developments resulting in impact on fundamental rights and freedoms while implementing the Directive	

ANNEX IV. OVERVIEW OF BENEFITS AND COSTS

		Citizens/Consumers		Businesses		Administrations	
		Quantitative	Comment	Quantitative	Comment	Quantitative	Comment
		N/A	N/A	N/A	N/A	N/A	
Costs: Direct compliance costs (adjustment costs, administrative costs, regulatory charges)		N/A	N/A	N/A	N/A	N/A	The main administrative costs relate to the transposition of the Directive, in terms of amending national legislation as needed.
Enforcement costs: (costs associated with activities linked to the implementation of an initiative such as monitoring, inspections and adjudication/litigation) Indirect costs (indirect compliance costs or other indirect costs such as transaction costs)		N/A	N/A	N/A	N/A	N/A	Costs related to acquiring / developing specific expertise reported by a small number of administrations / authorities (e.g., costs for FTEs, in order to cover specific areas of expertise in combatting money laundering (e.g., virtual currencies)). Costs associated with heavier workload reported by a small number of administrations / authorities, although it is unclear whether this can be attributed to the Directive or also accounts for other usual activity of the stakeholder
Benefits: Direct benefits (such as improved wellbeing: changes in pollution levels, safety, health, employment; market efficiency)	N/A	N/A	Harmonising money laundering offences and penalties across Member States	N/A	N/A	N/A	Legal clarity and effectiveness stemming from harmonisation of definitions Enhanced investigative capabilities for law

							enforcement
Indirect benefits (such as wider economic benefits, macroeconomic benefits, social impacts, environmental impacts)	N/A	N/A	None reported	N/A	N/A	N/A	Enhanced deterrence Improved cooperation Confiscation of laundered goods adding to the state treasury

ANNEX V. STAKEHOLDERS CONSULTATION - SYNOPSIS REPORT

Continuous stakeholder engagement was crucial for the success of the study supporting the evaluation, since the input by stakeholders in the process was key to gathering the required data and formulating findings.

The data-collection tools selected for this supporting study included: desk research, interviews, online survey, meetings and tertiary experts – of which the interviews and online survey are the stakeholder consultation tools of most importance for this synopsis report.

Desk research

A fundamental component of the study, desk research was ongoing from the inception of the project until its conclusion. This encompasses the review of existing legal AML frameworks, international AML standards, specialised reports, relevant initiatives, updates and current trends.

Discovery interviews

A total of 11 discovery interviews were conducted between staff of the European Commission and the Evaluation Team, comprising 5 interviews with representatives from Directorate-General Migration and Home Affairs (DG HOME) and 6 interviews with the Directorate-General for Justice and Consumers (DG JUST), the Directorate-General for Taxation and Customs Union (DG TAXUD), the Directorate-General for Financial Stability, Financial Services and Capital Markets Union (DG FISMA), the Directorate-General for Neighbourhood and Enlargement Negotiations (DG NEAR), the European Anti-Fraud Office (OLAF), and the European External Action Service (EEAS). These interviews were organised to gain a deeper understanding of expectations regarding the evaluation process and to glean insights into the perspectives of the staff regarding the implementation of the Directive.

Ad hoc interviews:

The aim of these ad hoc interviews was to collect further qualitative evidence from key stakeholders and fill in any information gaps (e.g. online survey).

Overview of interviews conducted (discovery interviews and *ad hoc* interviews)

Stakeholder	Stakeholder Type	# of Interviews	Interview type	Date(s)
DG HOME	EU institutions	5	Discovery interviews	12/1/2024 (2), 15/1/2024 16/1/2024, 19/1/2024
DG JUST	EU institutions	1	Discovery interview	17/1/2024
DG FISMA	EU institutions	1	Discovery interview	17/1/2024
DG TAXUD	EU institutions	1	Discovery interview	10/1/2024
DG NEAR	EU institutions	1	Discovery interview	19/1/2024
OLAF	EU institutions	1	Case study Interview	4/6/2024
EEAS	EU institutions	1	Discovery interview	16/1/2024
European Tax Federation	EU business association	1	Discovery interview	31/1/2024
Accountancy Europe	EU business association	1	Ad hoc interview	12/2/2024
Tax Advisors Europe	EU business association	1	Ad hoc interview	15/2/2024
European Public Prosecutor Office (EPPO)	EU institutions	1	Ad hoc interview	6/3/2024
European Union Agency for Law Enforcement Cooperation (Europol)	EU institutions	1	Ad hoc interview	13/3/2024
The European Union Agency for Fundamental Rights (FRA)	EU institutions	1	Case study interview	28/5/2024
EU Delegations	EU institutions	1	Case study interview	5/6/2024
EMPACT network (representative of FR)	National authorities	1	Case study interview	4/6/2024
				28/5/2024

Interviews (and written contributions) for case studies

The purpose of these interviews was to hold in-depth discussions on specific topics identified for the three case studies with stakeholders with practical, operational / field experience in the fields covered by the case studies. These interviews included representatives of national authorities identified through the EMPACT network (e.g., DE, EE, FR, LV, IS), representatives of the European Union Agency for Law Enforcement Cooperation (Europol) and representatives of DG NEAR and EU delegations in accession countries.

Online surveys

Twelve online surveys were developed to gather insights for the evaluation of Directive (EU) 2018/1673, targeting four distinct groups. Four surveys were specifically tailored to national authorities of the Member States, including judicial authorities, law enforcement authorities, Asset Recovery Offices, and Financial Intelligence Units. Additionally, six surveys were designed for various EU bodies such as the European Union Agency for Law Enforcement Cooperation (Europol), the European Union Agency for Criminal Justice Cooperation (Eurojust), the European Multidisciplinary Platform Against Criminal Threats (EMPACT), the European Public Prosecutor's Office (EPPO), the European Banking Authority, and the European Union Agency for Fundamental Rights (FRA). One survey was targeted at key international stakeholders in AML, including the United Nations Office on Drugs and Crime (UNODC), the Financial Action Task Force (FATF), the Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (Moneyval), and the International Criminal Police Organisation (INTERPOL), while another survey was aimed at specialised European associations, think tanks, and non-governmental organisations (NGOs).

The surveys were distributed online to each stakeholder category via the EU Survey platform. The response rate was low, but feedback indicated that stakeholders require additional time to gather pertinent information or could be unable to address all survey questions, so adjustments were made. Following consultation with DG HOME, survey questions were switched from mandatory to optional for several stakeholder categories, allowing for partial input where feasible. Moreover, recognising the time constraints and difficulties faced by stakeholders in responding comprehensively, dedicated individual consultations were put in place to accommodate stakeholders' needs (ad hoc interviews).

Responses were received from various national authorities: 6 judicial authorities, 13 law enforcement authorities, 11 Financial Intelligence Units, and 8 Asset Recovery Offices. External stakeholders also contributed, with submissions from three EU bodies, two NGOs/Think-tanks/professional associations, and one International Organisation. Additionally, we have conducted individual consultations with three professional associations and one EU body (ad hoc interviews).

Overview of surveys and responses

Stakeholder Type	Stakeholders	# Responses (Received by 24/05/2024)
National Authorities	National judicial authorities *	8
	National law enforcement authorities *	14
	Financial Intelligence Units *	11
	Asset Recovery Offices *	8
NGOs, think-tanks,	Royal United Services Institute, Global Initiative against	6

academic institutions and European associations *	Transnational Organised Crime, Transcrime, Basel Institute of Governance, Transparency International, Global Initiative to Fight Financial Crime, Institute for Financial Crime – University of Groningen, Centre for European Policy Studies, Tax Justice Network, European Criminal Bar Association, The Council of Bars and Law Society of Europe, European Banking Federation, Tax Advisors Europe, European Tax Advisors Federation, Accountancy Europe	
International organisations *	UNODC, Council of Europe, Financial Action Task Force, INTERPOL	1
European Union Bodies and Agencies	European Banking Authority *	1
	EMPACT *	4
	EPPO *	1
	Eurojust*	1
	Europol – Anti-Money Laundering Operational Network (AMON) – European Financial and Economic Crime Centre (EFECC) *	1
	FRA *	-

* *Unique surveys*

Participation in meetings and workshops

Participation in the Meeting of the Expert Group of the Commission on EU Criminal Policy (March 1, 2024) provided a unique opportunity to gather expert input and relevant insights to complement initial observations from surveys and interviews. The Horizontal Expert group gathered Prosecutors, Criminal lawyers and Criminal Law Professors from Member States.

Tertiary experts

Generally, stakeholder participation can be considered relatively low, especially with regard to participation in the survey. In view of this, the team in charge of the supporting study also relied on input from tertiary experts, who provided information about the implementation of the Directive across the Member States. In total, 14 legal experts provided their input in this regard, covering the following Member States: Bulgaria, Germany, Greece, France, Cyprus, Latvia, Luxembourg, Malta, the Netherlands, Austria, Poland, Portugal, Romania and Sweden.

Results of the stakeholder consultation activities

The results of the stakeholder consultations are reflected in the assessment of the evaluation of the Directive in Section 4. The consultation activities were tailored towards and targeted at specific stakeholder groups, providing the necessary input for assessing of the performance of the Directive.

In light of this, contacting different groups of stakeholders made it possible to obtain varied input for the study with regard to the evaluation of the Directive.

The **European Commission's DGs** provided information on the inputs and outputs of the Directive, and on the interplay with other policies and legislation in the area of anti-money laundering, financial crime prevention in the EU, and other policies. The DGs were primarily involved during the inception phase of the study supporting the evaluation, providing guidance on the assessment of the CMLD, and in the context of the ISG. Meanwhile, the EU agencies and bodies provided input on the practical implementation of the study, on best practices and on challenges seen at EU level.

Furthermore, stakeholders from the EU institutions contributed to the assessment of the evaluation criteria for the CMLD. For effectiveness, the EU institutions generally underlined the harmonisation established by the CMLD, whilst also highlighting the limiting factors in this regard, such as a degree of ambiguity in the definitions (e.g. regarding property or predicate offences) and the differences in transposition across various Member States. Moreover, the Commission recommended that alignment be ensured between the Directive and newly adopted criminal-law instruments in the EU – in particular regarding the approach towards sanctions. The EU added value stemming from the contributions to harmonisation was also underscored by the stakeholder group. For the assessment of the relevance criterion, the stakeholder group generally indicated that the Directive consistently addressed current and future threats. Finally, the EU institutions and bodies indicated that the CMLD Directive complied with the key fundamental rights principles.

The **international stakeholders** provided insights into the positioning and application of the Directive in the broader international context of the fight against financial crime, which is of particular relevance for the external coherence dimension. Given the low response rate of this stakeholder group, it is difficult to extrapolate the insights from the consultation activities without potentially breaching the anonymity principle ensured by the study team during the consultation activities. In view of this, a detailed assessment of their input is not included here.

The **national authorities** – covering the judicial authorities, law enforcement agencies, Financial Intelligence Units and Asset Recovery Offices – gave their views on the practical implementation of the Directive at national level, shared best practices and pointed out possible challenges associated with the Directive's transposition and implementation. As highlighted above, the national authorities were primarily consulted via the use of surveys.

In terms of effectiveness, they contributed, for example, to the assessment of the harmonisation of offences and penalties (indicating that the national regulatory frameworks are aligned with the provisions of the Directive), cross-border and international cooperation, the use of investigative tools and money laundering prevention. Generally, national authorities were aligned on most elements linked to effectiveness, but they diverged, for example, diverged when it came to facilitating

investigation and prosecution, with LEAs reporting a higher level of support than the Financial Intelligence Units of the Member States.

In terms of efficiency, all branches of the national authorities which were consulted in the surveys reported no significant costs or additional administrative burden associated with indicated that this aspect should be further assessed, as the timing of the external study meant that limited data were available on this subject.

When it came to coherence, all national authorities' stakeholders indicated no significant regulatory gaps linked to the CMLD beyond some minor points requiring improvement, in particular, the monitoring by Asset Recovery Offices of the current balance of bank accounts. The national authorities assessed internal coherence positively. Regarding external coherence, all branches of the national authorities were generally aligned: the JAs, LEAs and Asset Recovery Offices all indicated that the CMLD Directive did not affect international cooperation given its sole European focus, contributing only moderately given pre-existing national provisions on the matter. Nevertheless, some elements of the CMLD affect its external coherence of the Directive, in particular the provisions on the scope of predicate offences.

Mirroring the aforementioned availability of pre-existing provisions, national authorities had different views on the EU added value of the CMLD. Whilst some national authorities highlighted further harmonisation across the EU, other stakeholders reported that given the pre-existing regulatory framework, the added value of the CMLD was limited. The same split holds true for the assessment of additional reforms sparked by the Directive, with all JAs reporting no additional reforms, whilst 62% of the LEAs stated that the transposition of the CMLD prompted reforms in the area of AML and the contrast to terrorism financing.

Finally, regarding relevance, national authorities generally indicated not only that the CMLD addressed current and future threats sufficiently, but was also future-proof given recent development and anticipated trends such as AI, virtual currencies and crypto. Nonetheless, some significant potential issues were raised. For example, LEAs highlighted the lack of clear provisions on what constitutes a predicate offence or self-laundering.

The **European associations** gave insights into the views of the private sector, which was also impacted by the Directive's provisions. In particular, they contributed important insights regarding coherence, flagging up the importance of improving the wording regarding the link between the CMLD and Directive 2014/42/EU on the freezing and confiscation of proceeds of crime in the European Union.

The final stakeholder group consulted in the context of the study supporting the evaluation consisted of **NGOs, think-tanks and academic institutions**. This stakeholder group contributed to the academic analysis of the Directive and its potential impact and challenges. Regarding effectiveness, NGOs and academic institutions indicated a diverging situation across the EU in terms of implementation of the CMLD within

national regulatory frameworks. Though they recognised the harmonisation prompted by the Directive, they pointed out that this was a limiting factor. Furthermore, the stakeholder group also noted the challenges faced regarding the predicate offences described in the CMLD. Finally, academics also raised concerns about the proportionality of the CMLD, given the plans to use investigative tools designed for organised crime to investigate all forms of money laundering. They indicated that this would potentially divert resources away from the fight against terrorism and organised crime.

In terms of efficiency, a subset of the stakeholder group was the only one to indicate potential costs associated with the implementation of the Directive given the additional requirements and rules. Given that this particular subset of the stakeholder group was the sole one to express this position and given the lack of available data, it was difficult to verify the statement, but it was nevertheless important to include it in the qualitative assessment on the efficiency criterion.

The final set of key contributions made by NGOs, think-tanks and academic institutions focused on the assessment of fundamental rights. Key observations include (i) the possible impact on the presumption of innocence given the implementation of the Directive; (ii) potential issues with the principle of proportionality based on a potential conflict when transposing the Directive in Member States that do not recognise corporate criminal liability and (iii) the potential need to include specific provisions to guarantee each individual fundamental right in the Directive.