



EUROPEAN COMMISSION

Commissioner Mairead McGuinness
Financial Services, Financial Stability and Capital Markets Union

Brussels, 5th May 2021
Ares(2021)2027787

Dear Ms Gomes,

Thank you for your correspondence of 22 March 2021 addressed also to the President of the Commission and Commissioners Reynders, Jourová, and Ferreira drawing attention to the alleged lack of Anti-Money Laundering and other controls over investments in media groups in Portugal.

The EU Anti-Money Laundering (AML) legal framework does in fact put in place safeguards against the use of investments to launder the profits of crimes. If there is any suspicion that investments (including investments in media groups) are being made using funds of criminal origin, with the intention of laundering those funds, then the financial institutions which handle the payment of those funds (Obligated Entities under the EU Anti-Money Laundering Directive) should notify the transactions as suspicious transactions to the Portuguese Financial Intelligence Unit, which should analyse them and decide whether to forward them for investigation by law enforcement authorities. Professionals such as lawyers or accountants who also deal with such transactions (also Obligated Entities under the AML Directive) should also notify any suspicions to the national FIU. Thus, AML controls do exist, but the first line of protection is the financial institutions and professionals who handle the transaction.

As regards the ownership of media groups, they themselves and the entities which invest in them should notify their Beneficial Owners to the Portuguese register of beneficial ownership (another requirement under the AML Directive), in order to facilitate any controls on the origins or beneficiaries of investments. Obligated entities, law enforcement authorities (as well as other competent authorities under the AML Directive), and to some extent the general public have access to the beneficial ownership register, which makes it harder for the real owners of legal entities or arrangements to disguise their activities and hide their assets and the financial trail using complex corporate structures.

I cannot comment on any specific cases, as the Commission itself is not an investigatory body, and does not oversee national bodies. The creation of an EU AML Authority will feature in the Commission's forthcoming package of legislative proposals on AML. Such EU AML Authority would exercise indirect oversight over national AML supervisors, thus enhancing controls in this area. In addition, the Commission will also propose a harmonised EU AML rulebook, which would further strengthen the already advanced beneficial ownership transparency requirements within the EU AML framework.

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Because of their reach and capacity to shape public opinion, the media can play an essential role in the functioning of a modern democratic societies based on the rule of law. However, because of these same characteristics they may also play a dangerous part in the spreading of disinformation and instability if controlled by spurious interests. Thus, it is of the utmost importance that full transparency be made about the ultimate ownership of media companies. To that end, the recently updated Audiovisual Media Services Directive (Directive (EU) 2018/1808) also encourages Member States to improve measures to guarantee such transparency.

In conclusion, I would emphasise the importance that the Commission attaches to AML enforcement and to transparency of beneficial ownership, which will be reinforced in the upcoming legislative proposals that the Commission is preparing.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Mairead McGuinness', with a large, stylized flourish extending to the right.

Mairead McGuinness