



## **EU releases updated blacklist**

The European Commission has issued a revised 'blacklist' of 23 jurisdictions that pose a heightened risk of money laundering. The list contains 'third-countries' such as Saudi Arabia, Panama and Nigeria along with four US territories. The action will require EU traders doing business over €10,000 in blacklisted jurisdictions to undertake intensified due diligence procedures.

Blacklisting is a central part of the EU's Anti-Money Laundering Directive, currently under ratification, and will lead to the EU Commission undertaking enhanced scrutiny of the highlighted jurisdictions.

Washington has vigorously condemned the new EU blacklist. The US Treasury rejected the decision to “name and shame” Puerto Rico, Guam, American Samoa and the US Virgin Islands. The blistering US reaction is the latest incident in growing transatlantic disunity on issues ranging from trade tariffs to the international Iran nuclear treaty.

While the US blacklisting does not represent a direct action by the EU against the United States, “naming and shaming” highlights some of the dubious practices of American protectorates. In the Tax Justice Network’s Financial Secrecy Index, the US comes in second place after top-ranked Switzerland.