



**Electronic Money Association**

Crescent House

5 The Crescent

Surbiton, Surrey

KT6 4BN

United Kingdom

Telephone: +44 (0) 20 8399 2066

[www.e-ma.org](http://www.e-ma.org)

José Manuel Campa  
Chairman  
European Banking Authority  
EUROPLAZA  
20 Avenue André Prothin  
92927 Paris La Défense  
France

4 February 2025

Dear Jose

**Re: EMA response to [Consultation on Regulatory Technical Standards on CCP to strengthen fight against financial crime: Consultation on Regulatory Technical Standards on CCP to strengthen fight against financial crime form](#)**

The EMA is the EU trade body representing electronic money issuers and alternative payment service providers. Our members include leading payments and e-commerce businesses worldwide, providing online payments, card-based products, electronic vouchers, and mobile payment instruments. Most members operate across the EU, most frequently on a cross-border basis. A list of current EMA members is provided at the end of this document.

I would be grateful for your consideration of our comments and proposals.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Thaer Sabri', with a long horizontal flourish extending to the right.

Dr Thaer Sabri  
Chief Executive Officer  
Electronic Money Association

## EMA Response

The appointment of a central contact point (**CCP**), as required by Recital 50 and Article 45(9) of the fourth money laundering Directive (EU) 2015/849 (**4MLD**), is explicitly linked to the presence of an “establishment” in the host Member State. The purpose of the CCP is to help the host member state CA communicate and coordinate compliance related matters with the passporting firm.

Members of the EMA have had experience of the implementation of the CCP regime under 4MLD, and this response to the present consultation reflects issues that have arisen in this context. The response also addresses further matters that arise in relation to the regime’s application to crypto asset service providers (**CASPS**).

### Summary:

- The EMA believes that the CCP regime is appropriate in only a limited set of circumstances when physical presence in the host member state is essential, and where the scale of the host member state business justifies the dedicated resource.
- The businesses of electronic money issuers and payment service providers (**EMIs** and **PSPs** respectively) seldom give rise to significant physical presence in a host member states, where such establishments carry on regulated payment business. This suggests that the criteria for triggering a requirement to appoint a CCP can be better calibrated to reflect the likely risk of money laundering in commercial practice, and the most appropriate means of mitigation. This is particularly the case when the business operates under freedom to offer services.
- In our view the businesses of CASPs under current business models do not give rise to conditions that would reasonably be regarded as triggering a requirement to appoint a TPP. The RTS can better give credit to alternative means of mitigating ML/TF risks and to the risk-based needs of EMI/PI/CASP businesses.

### General comments

The revision of the CCP Guidance is an opportunity to address the requirements for a CCP for all three types of financial institutions; EMIs/ PSPs and CASPs.

The requirement to appoint a CCP should be an issue of last resort and not a matter that is triggered at the slightest risk of financial crime. There are alternative means of dealing with such risks including by appointing a person as a contact point at the firm’s home member state offices. This will usually be closer to systems and personnel and will better serve to address the risks.

Furthermore, the firm can provide personnel in the host member states on a periodic visiting basis, should this be required; enabling the firm to provide on-site presence should this be required, whilst maintaining an efficient use of its resources.

This means that the criteria that are proposed in the draft EBA RTS would benefit from amendment to provide a better outcome, that is provides for a risk-based approach to allocation of resources.

### **Specifically**

1. The first limb of the requirement for turnover of a PSP or issued e-money to exceed EUR 3m per financial year and similarly for the activity of the CASP to exceed this threshold is overly narrow and does not offer a significant threshold for application. A business with such a turnover of customer funds is not likely to generate much more than EUR 30,000-45,000 annually in total (based on revenue of 1-1.5% of turnover). This is obviously insufficient to support an entire business, and a better threshold may be EUR 100m where the business might generate EUR 1m annually and this could better support an additional compliance function.
2. The second and third criteria in relation to (Article 3(2) of the draft RTS) the extent of the risk of financial crime and the exceptionally high risk of financial crime (Article 3(4) of the draft RTS), both need to consider alternative means of addressing such a risk. This may be through a dedicated resource at the head quarters of the firm, perhaps with specific language skills, closer to the systems and controls that are deployed for this purpose.
3. Alternatively, a person or a team of compliance specialists could provide periodic visits to the host member state to assess and oversee compliance and to meet with the host member state NCA or FIU should this be necessary. Taking account of this mitigation strategy and that set out at paragraph 2 above would assist in making the RTS more aligned to firm's risk-based approach, and would give credit to mitigation strategies of this type.
4. The arguments made above are further strengthened by the nature of the objectives of a CCP as set out in 4MLD, namely of ensuring compliance by the establishment, effective supervision by the NCA and of communication with the host member state NCA and FIU. These are equally well managed remotely by the firm, and will rarely necessitate a host member state presence, let alone a dedicated resource for this purpose.
5. Furthermore, in light of the pan-European coverage that AMLA will provide, the need for establishing CCPs will be vastly diminished.
6. It is EMA members' experience that a CCP rarely provides a meaningful contribution to combating financial crime that could not have been provided equally well remotely, and more directly. In practice a CCP often results in a degradation of the compliance function overall, through a non-risk based allocation of resources.

In conclusion, we recognise the provisions of level 1 text gives member states the right to appoint a CCP where an establishment is present. We urge the EBA however to recognise

alternative means of achieving the same objective, and of mitigating strategies for risks that can be deployed, and therefore of the need to calibrate the criteria for having a CCP accordingly. Finally, to recognise the value of enabling a risk based approach to be deployed by firms.

We are available to discuss our submission or to provide further information.

## Members of the EMA, as of January 2024

<a href="#">Airbnb Inc</a>	<a href="#">First Rate Exchange Services</a>
<a href="#">Aircash</a>	<a href="#">Fiserv</a>
<a href="#">Airwallex (UK) Limited</a>	<a href="#">Flywire</a>
<a href="#">Amazon</a>	<a href="#">Gemini</a>
<a href="#">Ambr</a>	<a href="#">Globepay Limited</a>
<a href="#">American Express</a>	<a href="#">GoCardless Ltd</a>
<a href="#">Banked</a>	<a href="#">Google Payment Ltd</a>
<a href="#">Benjamin Finance Ltd.</a>	<a href="#">IDT Financial Services Limited</a>
<a href="#">Bitstamp</a>	<a href="#">iFAST Global Bank Limited</a>
<a href="#">Blackhawk Network EMEA Limited</a>	<a href="#">Imagor SA</a>
<a href="#">Boku Inc</a>	<a href="#">Ixaris Systems Ltd</a>
<a href="#">Booking Holdings Financial Services International Limited</a>	J. P. Morgan Mobility Payments Solutions S. A.
<a href="#">BVNK</a>	<a href="#">Kraken</a>
<a href="#">CashFlows</a>	<a href="#">Lightspark Group, Inc.</a>
<a href="#">Circle</a>	<a href="#">Modulr Finance B.V.</a>
<a href="#">Coinbase</a>	<a href="#">MONAVATE</a>
<a href="#">Contis</a>	<a href="#">MONETLEY LTD</a>
<a href="#">Crypto.com</a>	<a href="#">Moneyhub Financial Technology Ltd</a>
<a href="#">Currenxie Technologies Limited</a>	<a href="#">Moorwand Ltd</a>
<a href="#">Curve UK LTD</a>	<a href="#">MuchBetter</a>
<a href="#">Deca Limited</a>	<a href="#">myPOS Payments Ltd</a>
<a href="#">Deel</a>	<a href="#">Navro Group Limited</a>
<a href="#">eBay Sarl</a>	<a href="#">Nuvei Financial Services Ltd</a>
<a href="#">ECOMMPAY Limited</a>	<a href="#">OFX</a>
<a href="#">Em@ney Plc</a>	<a href="#">OKG Payment Services Ltd</a>
<a href="#">emerchantpay Group Ltd</a>	<a href="#">OKTO</a>
<a href="#">EPG Financial Services Limited</a>	<a href="#">OpenPayd</a>
<a href="#">eToro Money</a>	<a href="#">Own.Solutions</a>
<a href="#">Etsy Ireland UC</a>	<a href="#">Papaya Global / Azimo</a>
<a href="#">Euronet Worldwide Inc</a>	<a href="#">Park Card Services Limited</a>
<a href="#">Facebook Payments International Ltd</a>	<a href="#">Payhawk Financial Services Limited</a>
<a href="#">Finance Incorporated Limited</a>	<a href="#">Paymentsense Limited</a>
<a href="#">Financial House Limited</a>	<a href="#">Paynt</a>
<a href="#">FinXP</a>	<a href="#">Payoneer Europe Limited</a>

[PayPal](#)  
[Paysafe Group](#)  
[Paysend EU DAC](#)  
[PayU](#)  
[Plaid B.V.](#)  
[Pleo Financial Services A/S](#)  
[PPS](#)  
[Push Labs Limited](#)  
[Remitly](#)  
[Revolut](#)  
[Ripple](#)  
[Satispay Europe S.A.](#)  
[Securiclick Limited](#)  
[Segpay](#)  
[Soldo Financial Services Ireland DAC](#)  
[Square](#)  
[Stripe](#)

[SumUp Limited](#)  
[Syspay Ltd](#)  
[TransactPay](#)  
[TransferGo Ltd](#)  
[TransferMate Global Payments](#)  
[TrueLayer Limited](#)  
[Uber BV](#)  
[Unzer Luxembourg SA](#)  
[VallettaPay](#)  
[Vitesse PSP Ltd](#)  
[Viva Payments SA](#)  
[Weavr Limited](#)  
[WEX Europe UK Limited](#)  
[Wise](#)  
[WorldFirst](#)  
[Worldpay](#)