

### Points put forward by ESTA & ICA

- EC consultation content and process (botched CEPS meeting and follow-up)
- EC meetings and ECFIN/DG JUST positioning
- EC's conviction to move ahead regardless of lack of evidence
- Better regulation and case law (selling arrangements and reverse discrimination)
- EC's Internal market argumentation (Art 114 TFEU) and alternative legal bases (75 and 83 TFEU)
- Inconsistencies with regards to AMLD IV and V
- EU level harmonisation of CPLs
- Enforcement issues (citing Greek capital controls bypass as example)
- Need to raise awareness as to the EC's plans

### Austrian Permanent Representation

- Austrian Perm Rep was not immediately concerned about of the file due to an already heavy portfolio of issues and the longer timeframe of this particular file
  - No outreach had been carried out by the EC to the Council on CPLs at the time of the meeting
- Mr Pink reiterated Austria's central bank position on the matter – unfavourable to any action on CPLs
  - The Austrian government has however not issued as clear a message but Perm Rep very confident it would adopt an opposition to CPLs and an EU harmonisation
- On the issue of AMLD, Mr. Pink recalled CPLs were not a topic of contention during AMLD IV and V negotiations in the Council
  - The Austrian Perm Rep sees no clear link between CPLs and terrorism financing
- Mr Pink was cautious to issue any position on the EC's legal argumentation as to 114 but hinted to the Austrian Perm Rep's reluctance to consider CPLs of internal market relevance
- In the meeting Mr. Pink asked ESTA and ICA whether they had approached and received support from other member states in order to identify some sort of "coalition" with the Council
  - Austria was first Council approach for several reasons (Outspoken against CPLs & future EU presidency)
  - ESTA and ICA replied in the negative but laid out their current assessment of some member states positions (France, Italy, Portugal, Germany, etc.)  
[Future meetings with Council members should be approached with an intent to create such a coalition]
- Mr Pink also stressed that the EC had promised the Perm Rep not to issue new legislative files post May 2018. He consequently found it difficult to see how the EC would fit in an IA and an official proposal within the next 5 months.

Instinctif Partners also asked the Austrian Perm Rep to keep an eye on the file in the Council and to further raise awareness amongst fellow member states and to possibly "weigh-in" the debate before the EC's official IA process through its national finance ministry.

### **Follow-up**

- Send the Austrian Perm Rep ICA's Cash Matters report electronically
- Send Austrian Perm Rep ESTA's consultation submission & Greek Capital Controls case study
- Keep Mr. Pink in the loop as to ESTA's meetings with other Council members