SECOND SUPPLEMENT TO THE GIBRALTAR GAZETTE

No. 5320 GIBRALTAR Friday 3rd July 2026

LEGAL NOTICE NO. 147 OF 2026

PROCEEDS OF CRIME ACT 2015

PROCEEDS OF CRIME (AMENDMENT) REGULATIONS 2026

In exercise of the powers conferred on the Government by sections 184, 184ZA and 184ZB of the Proceeds of Crime Act 2015, the Government has made these Regulations–

Title.

1. These Regulations may be cited as the Proceeds of Crime (Amendment) Regulations 2026.

Commencement.

2. These Regulations come into operation on 15th July 2026.

Amendment of the Proceeds of Crime Act 2015.

3.(1) The Proceeds of Crime Act 2015 is amended as follows.

(2) After section 6A(2), insert–

“(3) An employee of a relevant financial business who reports a potential or actual breach in accordance with arrangements established under this section–

(a) is not to be considered to be in breach of any restriction on disclosure of information imposed by contract or by any law and any provision in an agreement is void in so far as it purports to preclude an employee from reporting a potential or actual breach; and

(b) has the right not to be subjected to any detriment by any act, or any deliberate failure to act, by his or her employer done on the ground that the employee has reported a potential or actual breach.

(4) An employee who has been subjected to a detriment contrary to subsection (3)(b) may present a complaint to the Employment Tribunal as if the reporting of a potential or actual breach were a protected disclosure within the meaning of Part IVA of the Employment Act.”.

(3) In section 7(1)–

(a) for the definition of "correspondent relationship", substitute–

""competent authority" means a competent authority established in Gibraltar or a third country involved in combatting anti-money laundering, the financing of terrorism and proliferation financing, or a relevant government authority or supervisory authority established in Gibraltar or a third country;

"Correspondent relationship" means–

(a) the provision of banking services by one credit institution as the correspondent to another credit institution as the respondent, including providing a current or other liability account and related services, such as cash management, international funds transfers, cheque clearing, payable-through accounts and foreign exchange services;

(b) the relationships between and among credit institutions and financial institutions, including where similar services are provided by a correspondent institution to a respondent institution, and including relationships established for securities transactions or funds transfers or relationships established for transactions in virtual assets or transfers of virtual assets;";

(b) after the definition of "Savings Bank", insert–

""self-hosted address" means a distributed ledger address not linked to either–

(a) a virtual asset service provider;

(b) an entity not established in Gibraltar and providing services similar to those of a virtual asset service provider,

and for this purpose "distributed ledger address" means an alphanumeric code that identifies an address on a network using distributed ledger technology (DLT) or similar technology where virtual assets can be sent or received;";

(c) for the definition of "virtual asset", substitute–

""virtual asset" means a digital representation of value that can be digitally traded, or transferred, and can be used for payment or investment purposes, but does not include digital representations of–

(a) fiat currencies; or

(b) financial instruments specified in paragraph 46 of Schedule 2 to the Financial Services Act 2019;

"virtual asset service provider" means an undertaking which by way of business carries on–

(a) the regulated activity in paragraph 139 or 139A of Schedule 2 to the Financial Services Act 2019 (providing distributed ledger technology services or virtual asset arrangements); or

(b) the activity in regulation 4(1)(c) of the Proceeds of Crime Act 2015 (Relevant Financial Business) (Registration) Regulations 2021;".

(4) After section 19, insert–

"Self-hosted address transfers.

19A.(1) A virtual asset service provider must identify and assess the risk of money laundering, terrorist financing and proliferation financing associated with transfers of virtual assets directed to or originating from a self-hosted address.

(2) For the purposes of subsection (1), virtual asset service providers must–

(a) have appropriate internal policies, procedures and controls in place; and

(b) apply mitigating measures commensurate with the risks identified, including include one or more of the following–

(i) taking risk-based measures to identify, and verify the identity of, the originator or beneficiary of a transfer made to or from a self-hosted address or the beneficial owner of such originator or beneficiary, including through reliance on third parties;

(ii) requiring additional information on the origin and destination of the transferred virtual assets;

(iii) conducting enhanced ongoing monitoring of those transactions; or

(iv) any other measure to mitigate and manage the risks of money laundering, terrorist financing and proliferation financing as well as the risk of non-implementation and evasion of targeted financial sanctions.

Correspondent relationships: virtual assets.

19B.(1) A virtual asset service provider ("the correspondent") which has or proposes to have a correspondent relationship involving the execution of virtual asset services with a respondent entity and providing similar services, including transfers of virtual assets, outside Gibraltar must, in addition to the customer due diligence requirements under sections 10 to 13–

(a) determine whether the respondent is appropriately licensed or registered (however described);

(b) gather sufficient information about the respondent to understand fully the nature of its business;

(c) determine from publicly available information the reputation of the respondent and the quality of its supervision;

(d) assess the respondent's anti-money laundering, terrorist financing and proliferation financing controls;

(e) obtain approval from senior management before establishing a new correspondent relationship;

(f) understand and document the respective responsibilities of the respondent and the correspondent;

(g) be satisfied, with respect to payable-through virtual asset accounts, that the respondent–

(i) has verified the identity of, and conducts ongoing due diligence on, customers who have direct access to the accounts of the correspondent; and

(ii) is able to provide relevant customer due diligence data to the correspondent upon request.

(2) A virtual asset service provider must–

(a) update the due diligence information for any correspondent relationship on a regular basis or when new risks emerge in relation to the respondent; and

(b) take account of the information referred to in subsection (1) in order to determine, on a risk-sensitive basis, the appropriate measures to be taken to mitigate the risks associated with the respondent.

(3) If a virtual asset service provider decides to terminate a correspondent relationship for reasons relating to the prevention of money laundering, terrorist financing or proliferation financing, it must document and record that decision.".

(5) After section 34A, insert–

"Information about real estate.

34B.(1) The Minister may, by regulations, introduce such measures as the Minister considers appropriate in order to assist the GFIU and competent authorities to obtain access to information which enables them to identify, in a timely manner, the owners of real estate in Gibraltar.

Action in cases of supervisory failure.

34C.(1) Where it appears to the Minister that a supervisory authority is failing to discharge its functions, the Minister may appoint a suitable person to–

(a) review the supervisory authority's discharge of its functions; and

(b) report and, as appropriate, make recommendations to the Minister.

(2) The supervisory authority that is the subject of an investigation under subsection (1) must, without delay–

(a) cooperate with the appointed person; and

(b) provide the appointed person with any information that the person requests for the purposes of the investigation.

(3) The appointed person must submit a report the Minister which sets out any supervisory failures identified by the investigation and includes recommendations as to any steps which the supervisory authority must take in order to address those failures.

(4) Before making any recommendations to the Minister, the appointed person may engage with the supervisory authority and seek to reach an agreement on the steps which the authority must take in order to address the identified failures.

(5) The Minister, having considered the appointed person's report and any representations made by the supervisory authority, may by notice direct the supervisory authority to take the steps specified in the notice, within the time specified in the notice, in order to address the identified failures.

(6) If the supervisory authority fails to comply with a direction under subsection (5), for the purpose of giving effect to the direction, the Minister may exercise any power of the supervisory authority or do any act or other thing authorised to be done by the supervisory authority.

(7) The Minister's powers under subsection (6) may be exercised by a person appointed by the Minister for that purpose.".

(6) After section 184ZB, insert–

"Corresponding provisions regulations.

184ZC.(1) The Government may by regulations make provision for the purposes of or in connection with preventing and combatting money laundering, terrorist financing and proliferation financing in Gibraltar, which corresponds, or is similar, to a provision of–

(a) the EU legislative acts specified in Annex 17 to the Treaty on Gibraltar and the European Union; or

(b) any EU regulations, EU directives, EU tertiary legislation or EU decisions based on those EU legislative acts.

(2) In this section "EU decision", "EU directive", "EU regulation" and "EU tertiary legislation" have the meaning given in section 3(1) of the European Union (Withdrawal) Act 2019.

(3) Regulations made under subsection (1) may, among other things–

(a) amend or modify any provision made by or under an enactment, including this Act; or

(b) make consequential, supplementary, incidental, saving and transitional provisions.

(4) The limitation in section 23(b) of the Interpretation and General Clauses Act does not apply to any regulations made under this section.".

Amendment of the Register of Ultimate Beneficial Owners, Nominators and Appointors Regulations 2017.

4.(1) The Register of Ultimate Beneficial Owners, Nominators and Appointors Regulations 2017 are amended as follows.

(2) In regulation 3(1)–

(a) after the definition of "Act", insert–

""AML/CFT/CPF" means anti-money laundering, countering the financing of terrorism and countering proliferation financing;";

(b) after the definition of "provider of safe custody services", insert–

""Register" means the register established in accordance with regulation 4;".

(3) *Omitted*

(4) *Omitted*

Amendment of the Supervisory Bodies (Powers etc.) Regulations 2017.

5.(1) The Supervisory Bodies (Powers etc.) Regulations 2017 are amended as follows.

(2) In regulation 3, after the definition of "information", insert–

""National Coordinator" means the person appointed under regulation 4 of the National Coordinator for Anti-Money Laundering and Combatting Terrorist Financing Regulations 2016;".

(3) After regulation 8, insert–

"*Supervisory arrangements*

Supervisory methodology.

8A.(1) The supervisory authorities, working jointly, may develop and maintain a harmonised, risk-based methodology for the supervision of relevant financial businesses.

(2) A supervisory methodology may be in such form as the supervisory authorities consider appropriate and may distinguish between businesses or categories of businesses based on their activities and the type and nature of the money laundering, terrorist financing or proliferation financing risks to which they are exposed.

(3) A supervisory methodology must reflect high supervisory standards and, so far as possible, take account of relevant international standards, guidance and best practice.

(4) A supervisory methodology must contain at least the following elements–

(a) benchmarks and a methodology for classifying businesses or categories of businesses into risk categories on the basis of their risk profile;

(b) approaches to supervisory review of businesses' money laundering, terrorist financing and proliferation financing risk self-assessments;

(c) approaches to supervisory review of businesses' internal policies and procedures, including their customer due diligence policies and procedures, in line with a risk-based approach to the prevention of money laundering, terrorist financing and proliferation financing; and

(d) approaches to supervisory evaluation of risk factors inherent in, or related to, customers, business relationships, transactions and delivery channels of obliged entities, as well as geographical risk factors.

(5) Any supervisory methodology developed and maintained under this regulation must be periodically reviewed and updated by the supervisory authorities, taking account of the evolution of risks.

Supervisory convergence assessments.

8B.(1) The Minister, having consulted the supervisory authorities concerned, may at any time appoint a suitable person to perform an assessment of some or all of the activities of one, several, or all supervisory authorities, to ensure that a consistent and appropriate level of supervisory standards and practices is being achieved.

(2) Any assessment under subsection (1)–

(a) must take account of the level of harmonisation of supervisory approaches and, to that end, include a review of the application of all or part of any supervisory methodology developed under regulation 8A; and

(b) may take account of evaluations, assessments or reports by international organisations and intergovernmental bodies with competence in the field of preventing money laundering, terrorist financing and proliferation financing.

(3) The appointed person must produce a report setting out the results of any assessment.

(4) A draft version of the report must be submitted to each of the supervisory authorities that is a subject of the assessment, who may submit comments to the appointed person within 28 days or such other time limit as may be agreed.

(5) The appointed person, having considered any comments from the supervisory authorities, must prepare and submit the final report to the Minister and the supervisory authorities, setting out recommendations as to any specific follow-up measures that need to be taken by any supervisory authority as a result of the assessment, which are appropriate, proportionate and necessary.

(6) The supervisory authorities must make every effort to comply with any specific follow-up measures addressed to them.

(7) In this regulation the "Minister" has the meaning given in Part 3 of the Proceeds of Crime Act 2015.

Thematic reviews.

8C.(1) One or more supervisory authorities may at any time arrange for a thematic review to be performed, in order to assess money laundering, terrorist financing and proliferation financing risks, or a specific aspect of those risks, to which multiple obliged entities are exposed.

(2) A thematic review must be carried out by the relevant supervisory authorities and coordinated by the National Coordinator, in accordance with a jointly agreed plan which sets out–

(a) the scope of the thematic review in terms of the subject matter of the review and the category and number of relevant financial businesses to be included;

(b) the timeframe of the thematic review; and

(c) the types, nature and frequency of supervisory activities to be performed in relation to the review, including any on-site inspections or other types of direct interaction with relevant financial businesses.

(3) The supervisory authorities must report the outcomes and conclusions of any thematic review to the National Coordinator who must ensure they are shared with all supervisory authorities, with the exception of confidential information relating to individual relevant financial businesses.”.

(4) After regulation 9A, insert–

“Guidance and recommendations.

9B.(1) The National Coordinator may issue guidance and recommendations to the supervisory authorities with a view to establishing consistent, efficient and effective supervisory practices and ensuring the common, uniform and consistent application of the law relating to the prevention of money laundering, terrorist financing and proliferation financing.

(2) Before issuing any guidance or recommendations under this regulation, the National Coordinator must consult the supervisory authorities and such other persons as the National Coordinator considers appropriate, having regard to the scope, nature and impact of the guidance or recommendations.

(3) The supervisory authorities must have regard to any applicable guidance or recommendations issued under this regulation.

(4) The National Coordinator may revoke any guidance or recommendations issued under this regulation by further guidance or recommendations issued under this regulation.”.

Dated: 3rd July 2026.

F R PICARDO,
Minister with responsibility for Finance,
for the Government.

EXPLANATORY MEMORANDUM

These Regulations amend the Proceeds of Crime Act 2015, the Register of Ultimate Beneficial Owners, Nominators and Appointors Regulations 2017 and the Supervisory Bodies (Powers etc.) Regulations 2017. They give effect to changes made to the Fourth Money Laundering Directive since IP completion day and make other amendments for the purposes of giving effect to the Treaty on Gibraltar and the European Union.

Copies may be purchased at 6, Convent Place, Price. £1.50