

# Press Release

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## MONEYVAL publishes its 3<sup>rd</sup> Round Evaluation Report on Ukraine

Strasbourg, 25.05.2009 -The Council of Europe's MONEYVAL Committee (Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism) today published the [third round Evaluation report on Ukraine](#).

This report analyses the implementation of international and European standards to combat money laundering and terrorist financing, assesses levels of compliance with the Financial Action Task Force (FATF) 40+9 Recommendations and includes a recommended action plan to improve Ukraine's anti money laundering and combating the financing of terrorism (AML/CFT) system.

The main findings of the evaluation report are:

- Ukraine has made progress in developing its system for combating money laundering and terrorist financing since its last assessment by MONEYVAL in 2005. In particular, Ukraine has achieved numerous convictions for money laundering and drug related money laundering;
- The anti-terrorist financing legal framework does not presently meet international standards and needs to be reviewed;
- The framework in place for provisional measures and confiscation still has deficiencies and needs to be modernised;
- A number of steps were taken by Ukraine to ensure compliance with the United Nations (UN) Security Council resolutions; however the legal framework for the implementation of the UN sanctions remains incomplete;
- The State Committee for Financial Monitoring, which is an administrative type of financial intelligence unit, substantially meets the international standards and appears to be generally effective;
- Though the preventive system includes some of the basic elements of customer due diligence, there remain a number of gaps. These include beneficial ownership for customers who are natural persons, conduct of ongoing and enhanced due diligence, measures dealing with politically exposed persons, correspondent banking, new technologies and non face-to-face business;
- The low level of reporting by obliged entities other than banks indicates a clear need for further outreach to the reporting entities on how to detect suspicious transactions;
- AML/CFT supervision is carried out by three financial supervisors. The report highlighted a number of issues in relation to these supervisory bodies which need to be addressed, namely their enforcement powers, their autonomy, resourcing and training;
- AML/CFT obligations have been extended to casinos. However significant gaps are identified in the report in respect of customer due diligence requirements,

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supervision and sanctioning of casinos which require action;

- AML/CFT requirements have not yet been extended to real estate agents, dealers in precious metals and stones, lawyers, notaries, other independent legal professionals, company service providers and accountants. This gap needs urgently addressing, together with the creation of appropriate arrangements for their AML/CFT monitoring;
- Ukrainian authorities have established effective mechanisms to co-operate on operational matters to combat ML and FT and at the policy level. Ukraine can also provide a wide range of international co-operation to foreign counterparts.

The report was adopted at MONEYVAL's 29<sup>th</sup> Plenary meeting (Strasbourg, 16-20 March 2009). MONEYVAL will follow up implementation of the recommendations through its progress report procedure, under which MONEYVAL countries are required to update the Committee on action taken on the mutual evaluation report, one year after its adoption.

The report is available at <http://www.coe.int/moneyval>.