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Money laundering and financing of terrorism – Council of Europe MONEYVAL Committee publishes report on the Slovak Republic

Strasbourg, 23.11.2011 – 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 its [fourth round evaluation report](#) on the Slovak Republic.

The report analyses the implementation of international and European standards to combat money laundering and terrorist financing at the time of the 4th on-site visit (October 2010), assesses levels of compliance with the Financial Action Task Force (FATF) 40+9 Recommendations and includes a recommended action plan to strengthen the anti-money laundering (AML) and combating the financing of terrorism (CFT) system of the Slovak Republic.

The main findings of the evaluation report are:

- Progress has been made since the 3rd round evaluation with the adoption of a new Act on the Prevention of Legalisation of Proceeds of Criminal Activity and Terrorist Financing incorporating the third EU Money Laundering Directive. Overall, the new law has brought the Slovak preventive anti-money laundering and counter terrorist financing system broadly into line with the FATF preventive standards. Notably it established a clear legal basis for reporting suspicions of financing of terrorism, which was missing at the time of the last evaluation.
- While the AML/CFT regime has continued to develop and be strengthened, there is still a low number of convictions for money laundering (ML) and no evidence of ML prosecutions or convictions in relation to major proceeds generating cases. The Slovak authorities need to analyse the discrepancy between the extent of organised crime in the country and the type and quality of ML cases being brought forward.
- The Financial Intelligence Unit (FIU) shows a very high level of dedication to its responsibilities and its employees are professional and motivated. Nonetheless the responsibilities of the FIU to analyse and disseminate information on all criminal offences equally do not allow it to concentrate sufficiently on money laundering and terrorist financing.
- Significant improvements were noted in the reporting regime. The reporting level from the banking and, to some extent, insurance sectors appear to be satisfactory. Other financial institutions show however a significantly lower level of reporting.
- Overall the supervisory system works properly in the financial sector. The range of sanctions that may be imposed is wide and the sanctions are effective, proportionate and dissuasive. There still remains, however, a lack of understanding of the reporting obligations by designated non-financial businesses and more outreach to this sector is needed.
- The Slovak authorities appear to have sufficient powers to enable them to provide different forms of assistance, information and co-operation without undue delay or hindrance.

MONEYVAL will continue to monitor implementation of the recommendations by the Slovak Republic through its regular follow-up procedures, which require the country to submit a follow up report by September 2013 and encourages it to seek removal from the follow-up process within three years after the adoption of the evaluation report.

Further information on the report on MONEYVAL's website: www.coe.int/moneyval

The Council of Europe Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) was established in 1997. It is a monitoring body of the Council of Europe which has been with the task of assessing compliance with the relevant international and European standards to counter money laundering and terrorist financing, as well as of making recommendations to national authorities in respect of necessary improvements in their AML/CFT systems. 28 Council of Europe member States, Israel and the Holy See (including the Vatican City State) are currently subject to MONEYVAL's evaluation procedures.

