

Strengthening AML framework

Background

Anti-money laundering legislation in Ukraine needs to be brought into line with the FATF recommendations and the EU AML directives. In December 2019, the Parliament adopted the law implementing the 4th EU AML Directive.

The 5th EU AML Directive is yet to be implemented.

Timeline

New AML law adopted

14.10.2014

The Parliament adopted the Law "On prevention and combating of legalization (laundering) of proceeds of crime, terrorist financing and the financing of proliferation of weapons of mass destruction" which complies with FATF and EU requirements

Documents

IMF

The NBU will continue to conduct at least four quarterly inspections of banks at higher risk of laundering of the proceeds of corruption, focused on regulatory requirements related to customer due diligence and PEPs, including with regard to requirements to identify PEPs, to verify their source of wealth and beneficial ownership information. By end-January 2019, the NBU, with technical assistance from the IMF, will also prepare a roadmap to focus AML/CFT supervision on ensuring the adequacy of financial institutions' AML/CFT framework, and discontinue investigative functions.

Full doc: https://bank.gov.ua/en/file/download?file=ENG_SBA%2005122018%20LOI_MEFPM_TMU.pdf

IMF

"Submit to Parliament by September 1, 2014 (structural benchmark) and adopt by end-October, 2014 (structural benchmark) amendments to the AML law and the criminal code that will introduce key elements of the FATF standard to support the government's anti-corruption effort" para 24

Full doc: <https://www.imf.org/external/np/loi/2014/ukr/042214.pdf>

IMF

“Strengthen our AML framework. In this respect, relevant laws, will be revised in line with international standards by end-September 2014, in consultation with IMF staff as needed, to ensure that: (i) banks are required to conduct enhanced due diligence on business relationships with domestic politically exposed persons; (ii) the laundering of the proceeds of tax crimes is criminalized; and (iii) financial secrecy laws do not inhibit AML implementation.” para 26

Full doc: <https://www.imf.org/external/np/loi/2014/ukr/081814.pdf>