

THE CONTRIBUTION AND IMPACT OF THE ACCOUNTING CHAMBER IN THE SYSTEM FOR FIGHTING MONEY LAUNDERING AND TERRORISM FINANCING

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FIGHTING MONEY LAUNDERING AND TERRORIST FINANCING IN THE ERA OF DIGITALIZATION AND CRYPTOCURRENCIES: CHALLENGES

DIGITAL TECHNOLOGIES

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OPPORTUNITIES

- **development** of business, education, medicine, culture and other areas
- **creation** of innovative products and services
- **improving** communications expanding access to information
- **expanding** access to information

CHALLENGES

- **'concealing'** the illegal origin of funds
- **circumvention** of financial supervision and sanctions
- **financing** corruption schemes
- **use** of cryptocurrencies for money laundering and terrorist financing

RESPONDING TO CHALLENGES

- ✓ New approaches to audits
- ✓ Modern monitoring tools
- ✓ Effectiveness of control

READINESS OF THE SUPREME AUDIT INSTITUTION (SAI) TO TAKE ACTION

1

Legal and regulatory framework for the system of fighting money laundering and terrorist financing

2

Elements of the system for fighting money laundering and terrorist financing

3

Powers and mandate of the SAI

4

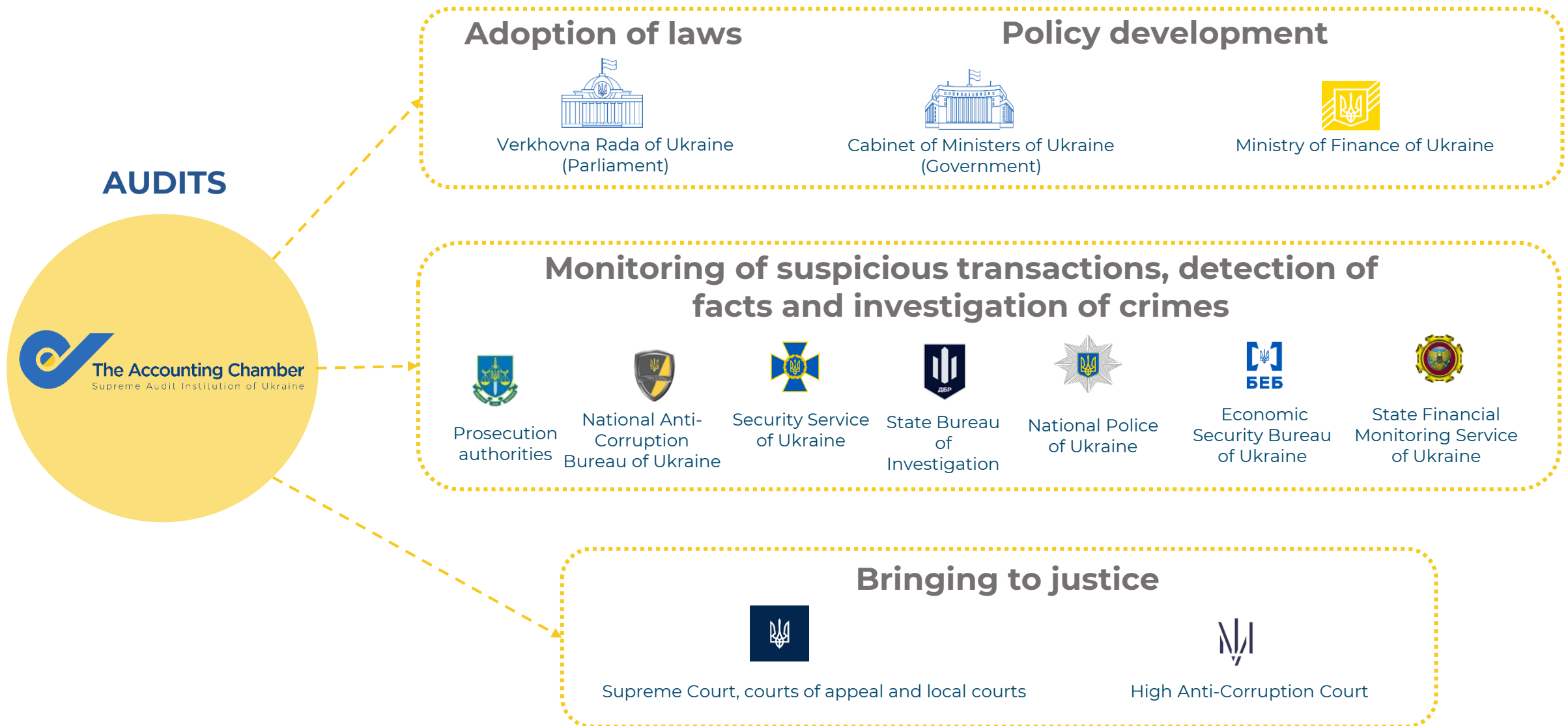
Institutional capacity (resource provision) of the SAI

5

Access to information



THE POSITION OF THE ACCOUNTING CHAMBER IN THE SYSTEM FOR FIGHTING MONEY LAUNDERING AND TERRORIST FINANCING



The Accounting Chamber is the highest state collegial body of financial control (audit) in Ukraine

Constitution of Ukraine, Article 98

The Accounting Chamber exercises control on behalf of the Verkhovna Rada of Ukraine (Parliament) over the receipt of funds to the State Budget of Ukraine and their use.

CONDUCTS ALL TYPES OF AUDITS:

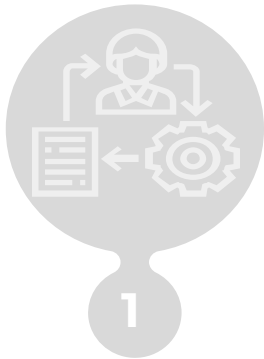
- Financial Audit
- Performance Audit (Efficiency)
- Compliance Audit
- expertise, analysis and other control measures

AREAS OF EXTERNAL FINANCIAL CONTROL:

- Funds from the of State Budget, Local budgets, and various public funds
- Corporate rights
- Assets and property (state-owned and municipal)
- Funds received from international partners

THE ROLE OF THE ACCOUNTING CHAMBER IN THE SYSTEM FOR FIGHTING MONEY LAUNDERING AND TERRORIST FINANCING

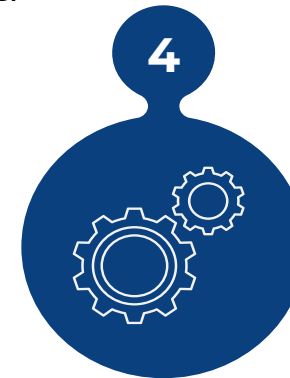
analysis of the sphere (system for fighting money laundering and terrorist financing)



conducting audits, assessing the efficiency and effectiveness of system elements (specially authorized bodies)



detecting signs of fraud and informing competent authorities



the analysis of causal relationships

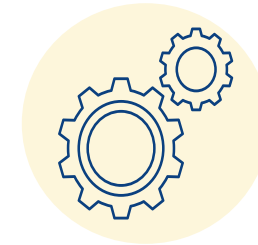


providing recommendations to improve the system

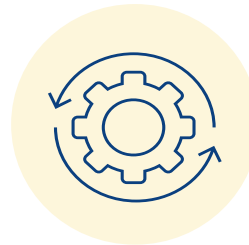
DIRECTIONS OF ACTIVITY (FOCUS) OF THE ACCOUNTING CHAMBER IN THE FIGHTING MONEY LAUNDERING AND TERRORIST FINANCING



assessment of the system for fighting
money laundering and terrorist
financing



investigation of the
functioning of system
elements



testing of the audit objects for the subject
risks (corruption, fraud)

GOAL: so that the system does not remain formal, but performs its proper functions

1

the availability of relevant legislation

2

whether the system has been created and how it functions

3

powers of state authorities in the system for fighting money laundering and terrorist financing

4

system elements of fighting money laundering and terrorist financing

5

mechanisms and tools of fighting money laundering and terrorist financing

6

resource provision of system organs

7

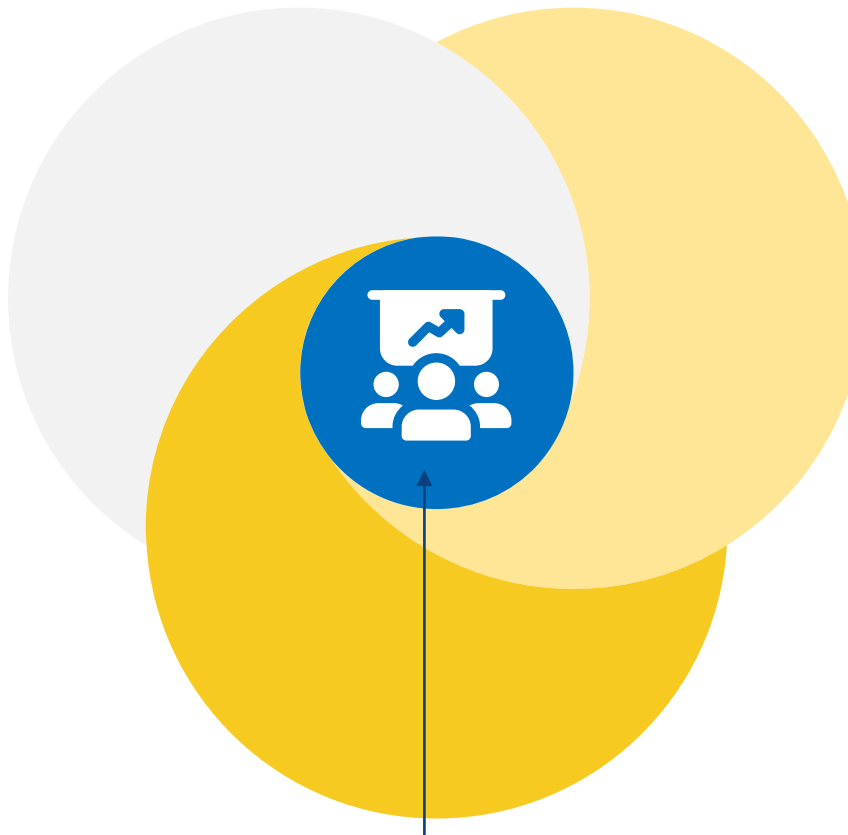
impact on society

EFFICIENCY

EFFECTIVENESS

reasons

consequences



IMPACT ON SOCIETY

THE CONTRIBUTION OF THE ACCOUNTING CHAMBER TO THE FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING



THE INFLUENCE OF THE ACCOUNTING CHAMBER ON THE SYSTEM OF FIGHTING MONEY LAUNDERING AND TERRORIST FINANCING



INSTITUTIONAL CAPACITY



CONDUCT

measures of state external financial control (audit)



DETECT

facts with signs of corruption offenses



INTERACT

with law enforcement and anti-corruption bodies (memorandums)



DEVELOP

recommendations based on the results of audits conducted



INFORM

the Verkhovna Rada of Ukraine (Parliament), people's deputies, the President of Ukraine, the Cabinet of Ministers of Ukraine (Government), law enforcement and anti-corruption agencies, society



CONTROL

implementation of recommendations provided by the Accounting Chamber



CONTRIBUTE

- improving the system and regulatory framework
- improving the efficiency of management decision-making
- increasing trust in the use of public funds



IMPACT

improving the quality of public services

HAS NO MANDATE TO IMPLEMENT:

- judicial functions
- application of sanctions and blocking of assets
- access to banking and tax secrecy
- operational monitoring of financial transactions
- operational and investigative functions

UNSCHEDULED AUDIT (OPERATIONAL AUDIT / FOCUS-RESEARCH)

quick response to problems in the system

KEY FEATURES:



emphasis on current challenges



speed of conduction



the ability to provide conclusions and recommendations



economic effect



factuality



compact report

GOAL: fast, objective and independent analysis of important aspects of the system of fighting money laundering and terrorist financing

THE EFFECT OF AUDITS – IMPACT ON THE SYSTEM



FINANCIAL IMPACT

(cash flow analysis, effectiveness of activity, asset management)



REGULATORY IMPACT

(changes to legislation)



MANAGEMENT IMPACT

(management of system elements)



IMPACT ON SOCIETY

(improving the general public good, safety, quality of services)

In 2024, the Accounting Chamber introduced an analysis and assessment of the impact of recommendations made based on audit results on systemic changes. In particular, in the field of law enforcement and anti-corruption activities

COOPERATION PROPOSALS



As part of the implementation of Objective 1 of the WGFACML, it is proposed to include the Accounting Chamber among the members of the sub-group for the development of the guidelines:

“The Audit of National System of Prevention and Fight Against Corruption”

“Auditing Anti Corruption Risk Management”



The Accounting Chamber
Supreme Audit Institution of Ukraine

THE CONTRIBUTION AND IMPACT OF THE ACCOUNTING CHAMBER IN
THE SYSTEM FOR FIGHTING MONEY LAUNDERING AND TERRORISM
FINANCING

THANK YOU FOR YOUR ATTENTION!



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