



CABINET OF MINISTERS OF UKRAINE RESOLUTION

of July 29, 2015 No. 537

Kyiv

**On Approving the Regulation on the State Financial
Monitoring Service of Ukraine**

{Amended by the Cabinet of Ministers of Ukraine
Resolution of July 29, 2020 No. 653}

The Cabinet of Ministers of Ukraine **resolves:**

1. To approve the Regulation on the State Financial Monitoring Service of Ukraine attached.
1. To declare null and void the [Cabinet of Ministers of Ukraine Resolution of September 17, 2014, No. 455 “On Approving the Provision on the State Financial Monitoring Service of Ukraine”](#) (Official Journal of Ukraine, 2014, No. 77, Art. 2180).

Prime Minister of Ukraine

A. YATSENIUK

Ind. 72

APPROVED
by the Cabinet of Ministers of
Ukraine Resolution of July 29, 2015
No. 537

REGULATION
on the State Financial Monitoring Service of Ukraine

1. The State Financial Monitoring Service of Ukraine (the SFMS) is a central executive authority, the operation of which is guided and coordinated by the Cabinet of Ministers of Ukraine through the Minister of Finance and which implements the state policy on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction.

2. In its operation, the SFMS shall be governed by the [Constitution](#) and laws of Ukraine, President of Ukraine Decrees and Verkhovna Rada of Ukraine Resolutions adopted under the Constitution of Ukraine and laws of Ukraine, Cabinet of Ministers of Ukraine Acts, and other legislative acts.

3. The SFMS main objectives shall be:

1) implementation of the state policy on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

2) submitting proposals for the Minister of Finance review proposals related to ensuring development of the state policy on preventing and countering legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

3) gathering, processing, and analysis (operational and strategic) of information on the financial transactions subject to financial monitoring, other financial transactions, or information which may be related to legalization (laundering) of the proceeds from crime or financing of terrorism, or financing of proliferation of weapons of mass destruction;

4) ensuring operation and development of a unified state information system on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

5) performing national risk assessment;

6) establishing cooperation, interaction and information exchange with state authorities, National Bank, competent foreign authorities and international organizations

on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

7) duly ensuring representation of Ukraine in international organizations on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

4. In accordance with its responsibilities, the SFMS shall:

1) summarize the practices of applying legislation on the issues within the Service competence, develop proposals on improvement of legislative acts, President of Ukraine and Cabinet of Ministers of Ukraine acts, regulatory and legal acts of ministries, and duly submit them to the Minister of Finance;

2) submit to officials, state authorities (except for the National Bank), including law enforcement agencies, public prosecution authorities and courts, local government agencies, State Executive Service agencies, enterprises, institutions, organizations requests on obtaining of information (including copies of documents) required, under the law, to discharge the SFMS tasks;

3) cooperate with executive authorities, National Bank, other state authorities, included in the system of preventing and countering to legalization (laundering) of the proceeds from crime or financing of terrorism, or financing of proliferation of weapons of mass destruction;

4) where there are sufficient grounds to believe that a financial transaction or a combination of related financial transactions may be related to legalization (laundering) of the proceeds from crime or financing of terrorism, or financing of proliferation of weapons of mass destruction, submit case referrals (additional case referrals) to the law enforcement and intelligence agencies and obtain from them information on the status of their review;

5) where there are sufficient grounds to suspect that a financial transaction or a client is related to committing a socially dangerous act defined in the [Criminal Procedure Code of Ukraine](#) as a crime unrelated to legalization (laundering) of the proceeds from crime or financing of terrorism, submit information to the relevant law enforcement or intelligence agency as case referrals or additional case referrals;

6) take part in international cooperation on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction, in particular:

take part, upon the Cabinet of Ministers of Ukraine instruction, in drafting of the relevant international treaties of Ukraine;

pursue international cooperation with the relevant foreign authorities in terms of exchange of experience and information on preventing and countering to legalization

(laundering) of the proceeds of crime, financing of terrorism, and financing of proliferation of weapons of mass destruction.

ensure cooperation with international, intergovernmental organizations, which operation aims at ensuring international cooperation on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction, including with the Financial Action Task Force (FATF), Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL), EU, World Bank, International Monetary Fund, Egmont Group of Financial Intelligence Units, UN;

7) analyze methods and financial schemes used for legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

8) annually summarize the information on the status of preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction in the country;

9) duly concur the state financial monitoring entities' draft regulatory-legal acts on preventing and counteracting to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

10) provides reporting entities registration and deregistration/renewal of registration in accordance with the established procedure;

11) require from the reporting entities compliance with the requirements of the legislation governing relations on preventing and countering to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction and, where violations of the legislative requirements are identified, take law-stipulated actions and notify the relevant state financial monitoring entities which under the [Law of Ukraine "On Preventing and Counteracting to Legalization \(Laundering\) of the Proceeds from Crime, Financing of Terrorist and Financing of Proliferation of Weapons of Mass Destruction"](#) (hereinafter - "the Law") discharge the functions of state regulation and supervision over the reporting entities;

12) undertake typological research on counteracting to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

13) ensure coordination of the state authorities' activities on preventing and counteracting to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

14) duly ensure organization and coordination of the work on advanced training and professional development of the state agencies specialists on financial monitoring

and compliant officers of the reporting entities, as well as the staff involved in the financial monitoring related to counteracting to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destructions at the relevant educational institution which belongs to the SFMS management sphere;

15) provide, pursuant to legislation, to the state financial monitoring entities information to enhance the efficiency of supervising the reporting entities compliance with the requirements of the legislation on preventing and counteracting to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

16) inform the reporting entity, after receiving information from the courts and law enforcement agencies authorized to make decisions in accordance with the [Criminal Procedure Code of Ukraine](#), on serving a suspicion note to a person on committing of a criminal offense, dismissal of the criminal proceedings launched on such a reporting entity's notification submitted to the SFMS pursuant to the requirements of [Articles 8, 14, 15, 16, 23 of the Law](#), and submit information to it on the decisions passed by courts on such criminal proceedings with a simultaneous submittal of a notification to the relevant state financial monitoring entity;

17) ensure record keeping of the following:

information on the financial transactions that became the object of financial monitoring;

case refferals and additional case refferals submitted to the law enforcement or intelligence agencies, as well as procedural decisions resulting from their review;

information on the results of the pre-trial investigation and court decisions passed in the criminal proceedings which submitted case refferals which used (use) and on the number of individuals who committed criminal offenses or are suspected of their committing, as well as individuals convicted for committing of offenses;

information on the confiscated assets and assets arrested in the criminal proceedings which used (use) submitted case refferals and on the number of individuals in relation to which the court passed a decision on confiscation of assets and whose assets were arrested;

submitted and executed international requests for cooperation on preventing and counteracting to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

reporting entities;

18) communicate the list of persons related to terrorist activity or persons to whom international sanctions were applied to the reporting entities, and publishes on the

official website of the SFMS the list of states (jurisdictions) that do not implement or improperly implement the recommendations of international, intergovernmental organizations involved in the area of combating the legalization (laundering) of the proceeds from crime, or financing of terrorism or financing of proliferation of weapons of mass destruction;

19) ensure, within the powers envisaged by law, the provision of the reporting entities with methodological and other assistance in the area of preventing and counteracting to legalization (laundering) of the proceeds from crime, terrorist financing and financing of proliferation of weapons of mass destruction (including the provision of recommendations and clarifications on the application of legislation in this area);

19¹ provides protection and storage of information received from the reporting entities and state financial monitoring entities and other state agencies, relevant authorities of foreign states;

20) exercise management of state-owned objects belonging to the management of the Service;

21) review citizens' applications related to the operation of the SFMS, enterprises, institutions and organizations belonging to the management of the Service;

22) ensure interaction with the mass media and the public;

23) exercise other powers provided for in the law.

5. The SFMS in order to organize its activities:

1) provides, within the powers provided by law, the implementation of measures to prevent corruption and control over their implementation in the SFMS, enterprises, institutions and organizations belonging to the management of the Service;

2) selects personnel for the SFMS staff and management positions at enterprises, institutions and organizations belonging to the management of the Service, organizes training, retraining and advanced training of civil servants and employees of the SFMS staff;

3) organizes planning and financial work in the SFMS, at enterprises, institutions and organizations belonging to the management of the Service, monitors the use of financial and material resources, ensures the organization and improvement of accounting in the manner prescribed by law;

4) ensures, within the powers provided by law, the implementation of tasks on mobilization training and mobilization readiness of the state;

5) organizes record keeping and archival storage of documents in accordance with the established rules.

6. To fulfill its tasks, the SFMS shall have the right to:

- 1) duly involve researchers and specialists, employees of the central and local executive agencies, local self-government agencies, enterprises, institutions, and organizations (subject to their executives' consent) in certain activities and research to review issues within the SFMS competence;
- 2) duly obtain free-of-charge information (statements, copies of documents), including restricted information required by the SFMS to discharge its functions, from state authorities, law enforcement agencies, courts, the National Bank, local self-government agencies, business entities, enterprises, institutions and organizations;
- 3) obtain from the reporting entities, as required and based on the analysis performed, information on the monitoring of financial transactions which may be related to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;
- 4) duly obtain information on decease of individuals from the Ministry of Justice;
- 5) duly provide access, including automated, to the state agencies information and reference systems, registers and data banks (except for the National Bank) and other state information resources;
- 6) obtain additional requested information from reporting entities;
- 7) develop and submit draft regulatory-legal acts required for discharge of the tasks and functions provided for in [Article 25 of the Law](#) for the Ministry of Finance review;
- 8) duly obtain from the law enforcement and intelligence agencies to which case referrals (additional case refferals) were submitted under the Law information on the status of review and relevant actions based on the referrals received;
- 9) duly conclude international interagency agreements on cooperation with the relevant authorities of other countries;
- 10) make decisions, in the cases envisaged by the Law, on suspension (further suspension, continued suspension) of financial transaction(s) for the law-stipulated duration;
- 11) participate, subject to consent of the relevant state financial monitoring entities, which, under the Law, discharge functions on the state regulation and supervision over the reporting entities, in preparation and/or performing of audits of the reporting entities (except for the audits of the reporting entities performed by the National Bank) for compliance with the legislation in the atrea of preventing and counteracting to legalization (laundering) of the proceeds from crime, financing of terrorism, and financing of proliferation of weapons of mass destruction;

12) inform the state financial monitoring entities, which, under the Law, discharge functions on the state regulation and supervision over the reporting entities, on the possible violations by such reporting entities of the requirements of the Law;

13) provide information to the state financial monitoring entities in accordance with the legislation within the scope specified in [part 3 of Article 25 of the Law](#);

14) summon meetings, establish commissions and working groups, conduct research conferences, workshops on the issues within the SFMS competence;

15) use the state government communication system and other technical means.

7. The SFMS during the performance of the tasks assigned to the Service interacts in the prescribed manner with other state agencies, subsidiary bodies and services established by the President of Ukraine, temporary advisory, consultative and other subsidiary bodies established by the Cabinet of Ministers of Ukraine, local self-governments, associations of citizens, public unions, trade unions and employers' organizations, relevant bodies of foreign states and international organizations, as well as enterprises, institutions and organizations.

8. The SFMS within the powers provided by law, on the basis of and pursuant to the Constitution and laws of Ukraine, acts of the President of Ukraine and resolutions of the Verkhovna Rada of Ukraine adopted in accordance with the Constitution and laws of Ukraine, acts of the Cabinet of Ministers of Ukraine, issues orders of the Ministry of Finance of organizational and administrative nature, organizes and monitors their implementation.

9. The SFMS is headed by the Head, who is appointed and dismissed by the Cabinet of Ministers of Ukraine in accordance with the legislation on civil service.

10. The Head of the SFMS:

1) heads the SFMS, manages the activities of the Service, represents the SFMS in relations with other authorities, enterprises, institutions and organizations in Ukraine and abroad;

2) submits for consideration to the Minister of Finance proposals to ensure the formation of state policy in the area of preventing and counteracting to legalization (laundering) of the proceeds from crime, terrorist financing and financing of proliferation of weapons of mass destruction, including draft laws, acts of the President of Ukraine and the Cabinet of Ministers also a position on drafts which are developed by other ministries;

3) submits for consideration to the Minister of Finance draft regulations of the Ministry of Finance on issues within the competence of the SFMS;

4) organizes and controls, within the powers provided by law, the execution in the SFMS of the Constitution and laws of Ukraine, acts of the President of Ukraine and the Cabinet of Ministers of Ukraine, orders of the Ministry of Finance;

- 5) ensures, within the powers provided by law, the implementation of state policy regarding state secrets, exercises ongoing control over ensuring its protection in the SFMS;
- 6) submits to the Minister of Finance for approval the work plans of the SFMS;
- 7) reports to the Minister of Finance on the implementation of the work plans of the SFMS and the tasks assigned to the Service, on the elimination of violations and deficiencies identified during inspections of the SFMS, as well as on bringing to justice officials guilty of violations;
- 8) forms, liquidates, reorganizes enterprises, institutions and organizations belonging to the sphere of management of the SFMS, approves regulations on them (their statutes), in the prescribed manner appoints and dismisses their heads, performs within the powers provided by law, other functions on management of state-owned objects;
- 9) distributes responsibilities among his/her deputies;
- 10) approves regulations on independent structural subdivisions of the SFMS staff;
- 11) ensures the execution of orders and instructions of the Minister of Finance on issues within the competence of the SFMS;
- 12) ensures the interaction of the SFMS with the structural subdivision of the Ministry of Finance, assigned by the Minister of Finance responsible for the interaction with the SFMS;
- 13) ensures compliance with the procedure established by the Minister of Finance for the exchange of information between the Ministry of Finance and the SFMS and the timeliness of its submission;
- 14) appoints and dismisses in the manner prescribed by the legislation on civil service, civil servants of the SFMS apparatus (unless otherwise provided by law), enters into and terminates contracts for civil service in the manner prescribed by law;
- 14¹) appoints and dismisses heads of independent structural units of the SFMS apparatus (in agreement with the Minister of Finance), their deputies;
- 15) hires and dismisses employees of the SFMS staff in accordance with the procedure provided by the labor legislation;
- 16) decides in the prescribed manner on the promotion and disciplinary action against civil servants and employees of the SFMS staff, assigns them the ranks of civil servants (unless otherwise provided for by law);
- 17) makes in the prescribed manner a submission on the presentation of civil servants and employees of the SFMS staff to be awarded state awards;
- 18) convenes and holds meetings on issues within its competence, forms commissions, working and expert groups;
- 19) signs orders of the SFMS;

20) gives, within the powers provided by law, instructions mandatory for civil servants and employees of the SFMS staff;

20¹⁾ represents the SFMS in relations with other authorities, enterprises, institutions and organizations in Ukraine and abroad;

21) exercises other powers specified by law.

11. The Head of the SFMS has deputies, including one first deputy Head, who are appointed and dismissed by the Cabinet of Ministers of Ukraine in accordance with the legislation on civil service.

12. A board may be formed in the SFMS for the agreed solution of issues within the competence of the SFMS, discussing the most important areas of its activity.

The decisions of the board can be implemented by issuing an order of the SFMS.

Other permanent or temporary advisory, consultative and other subsidiary bodies may be established to consider scientific recommendations and conduct professional consultations on the main issues of activity in the SFMS.

The decision on the formation or liquidation of the board, other permanent or temporary advisory, consultative and other subsidiary bodies is made by the Head of the SFMS, who approves the number and personnel of such bodies, as well as regulations on them.

13. The maximum number of civil servants and employees of the SFMS staff is approved by the Cabinet of Ministers of Ukraine.

The structure of the SFMS staff is approved by its Head in agreement with the Minister of Finance.

The staff list and budget of the SFMS are approved by the Head in agreement with the Ministry of Finance.

14. The SFMS is a legal entity of public law, has a seal with the image of the State Emblem of Ukraine and its name, its own forms, accounts in the Treasury.