

MONEYVAL: Fifth Round Evaluation Report on the Czech Republic



András Csúri

News

On 11 February 2019, MONEYVAL published its fifth round evaluation report on the Czech Republic.

The fifth evaluation round builds on previous MONEYVAL assessments by strengthening the examination of how effectively Member States prevent and combat ML and terrorism financing (TF). For background information, see euclid 1/2018, pp. 40–41; 2/2018, p. 111, and 3/2018, pp. 208-210 for further references.

The report acknowledges the accuracy of the risk assessments by Czech authorities. Correspondingly, ML occurs mostly in conjunction with tax crimes, fraud, corruption, phishing, and subvention fraud. The probability of FT occurring remains low. That said, MONEYVAL calls for more explicit analysis.

Although banks have an appropriate understanding of ML/FT risks, the awareness is lower at other financial institutions.

MONEYVAL acknowledges the legislative reforms and progress made in pursuing ML investigations. The report casts doubt, however, on the efficiency of the existing supervisory model in a view of limited resources. Though some large-scale ML cases led to convictions, the report recommends pursuing more investigative opportunities with regard to serious third party and stand-alone ML. The prevalent practice within the Czech justice system of sanctioning multiple offences simultaneously makes it difficult to measure the precise impact of a sentence solely related to ML.

The report emphasizes improvements within the legislative and institutional framework on seizure and confiscation. Financial investigations resulted in significant amounts being seized and confiscated. Additionally, financial investigations carried out in relation to terrorism offences also brought to light the possibility of FT activities occurring in the Czech Republic. In response, law enforcement managed to plausibly identify the respective roles of suspects in FT-related schemes.

The Commercial Register in the Czech Republic is accessible directly and free of charge, but the quality and accuracy of the information varies.

In conclusion, the report praises the Czech authorities for their active cooperation with foreign colleagues. This is also demonstrated by the fact that, in addition to mutual legal assistance, other forms of international cooperation are routinely used both spontaneously and upon request.

AUTHOR

András Csúri

Vienna University of Economics and Business

ISSN: 1862-6947

<https://euclid.eu>



About eucrim

eucrim is the leading journal which regularly informs about current developments in European criminal and “criministrative” law.

All news items are freely accessible at: <https://eucrim.eu/news/>

Stay informed by emailing to eucrim-subscribe@csl.mpg.de to receive alerts for new releases of issues.

The project is co-financed by the [Union Anti-Fraud Programme \(UAFP\)](#), managed by the [European Anti-Fraud Office \(OLAF\)](#).



**Co-funded by
the European Union**