

# MONEYVAL: Fifth Round Evaluation Report on Slovakia



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**News**

On 29 October 2020, MONEYVAL published its [fifth round evaluation report](#) on the effectiveness of the Slovak anti-money laundering (AML) and countering the financing of terrorism (CFT) regime and on its level of compliance with FATF Recommendations. MONEYVAL points out that Slovak authorities have a moderate understanding of the national ML and CFT risks, which include organised crime, corruption, and cybercrime. While some prosecutors have a good understanding of the attendant risks, other actors rely on the results of the said not entirely correct national risk assessment.

The Slovak Republic scores poorly on the use of financial and other relevant information to gather evidence and detect criminal assets. The outcome of ML investigations and prosecutions only partially reflects the country's response to these risks. While the number of convictions for ML has increased since the last assessment, a large proportion of them relates to simple property offences, e.g. car theft.

The lack of a central bank account register and useful beneficial ownership information are considered the main challenges when carrying out financial analysis. The officials at the Financial Intelligence Unit (FIU) are knowledgeable, but there is a lack of coherent management guiding their activities. There are significant deficiencies in the mechanism for transmitting their analyses to the relevant agencies, as most of them are only forwarded to the fiscal authorities and not to law enforcement agencies.

Preventive measures are seriously affected by the lack of proceeds-oriented operative analysis, logistical and procedural constraints, the limitations to seizing assets from third parties, and the high burden of proof required for certain provisional measures. Confiscation is rarely imposed, if at all, in criminal cases and only a fragment of the secured assets is ultimately recovered.

There were no convictions for TF in the period assessed, with three relatively complex investigations still underway. Slovak banks have demonstrated a good understanding of the ML/TF risks, but some non-banking financial institutions and designated non-financial businesses and professions were unable to clearly articulate how ML might occur in their institution or sector. The private sector has generally demonstrated an understanding of the procedures for reporting suspicious transactions to the FIU and is submitting an adequate number of reports. In turn, the FIU has recently begun to improve its feedback to reporting entities.

Slovakia created the "Register of Legal Entities, Entrepreneurs and Public Authorities" in 2018. At the time of MONEYVAL's evaluation visit in 2019, the process of filling in the register had just started; it is progressing gradually. There are no mechanisms, however, to verify information on the actual beneficial owners at the time of registration, except for some ex-post control mechanisms by state authorities. Based on the results of the evaluation, MONEYVAL is applying its enhanced follow-up procedure to Slovakia.

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