MONEYVAL: Updated Typologies Report on Use of Virtual Assets

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Joscha Kanstinger

AUTHOR
Joscha Kanstinger

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On 10 February 2026, MONEYVAL published an updated typologies report on the misuse of virtual assets (VAs) and virtual asset service providers (VASPs) for money laundering, terrorist financing, proliferation financing, and sanctions evasion. Drawing on information from 25 jurisdictions, the report follows up on MONEYVAL's 2023 review (→ eucrim 3/2023, 272). It reflects the rapid technological developments in crypto-assets and the wider virtual-asset sector, with a particular focus on the circumvention of targeted financial sanctions.

MONEYVAL records substantial progress since the 2023 review, finding that many of the regulatory and supervisory gaps identified at that time have narrowed considerably. Within the EU, this development has been reinforced by the Markets in Crypto-Assets Regulation (EU) 2023/1114 and the recast Transfer of Funds Regulation (EU) 2023/1113 in particular. Nevertheless, MONEYVAL finds that stronger regulatory frameworks have not yet translated into equally effective implementation and enforcement. The report highlights the following:

- Of the jurisdictions reviewed, 81% now require VASPs to be licensed or registered, and more than 90% have designated a competent supervisory authority. However, enforcement remains weak, particularly against unlicensed and offshore providers operating across borders.
- Only 46% of the reviewed jurisdictions had operationalised the FATF "travel rule", which requires VASPs to obtain and transmit identifying information on the originator and beneficiary of virtual asset transfers. Although the necessary legal frameworks are often in place, supervision, enforcement, and cross-border implementation remain underdeveloped.
- The circumvention of targeted financial sanctions has become a particular concern. Although VASPs are generally subject to the same sanctions obligations as other financial institutions, few jurisdictions have robust mechanisms for detecting and penalising violations. These shortcomings are compounded by national risk assessments that frequently pay insufficient attention to sanctions evasion and proliferation financing and by the limited availability of systematic data on cross-border virtual asset flows.
- Criminal uses of virtual assets are becoming more diverse and sophisticated, as is seen with investment and romance fraud, child exploitation, online-recruited money-mule networks, and proliferation financing by state-sponsored actors. Anonymity-enhancing services and complex transaction structures can obscure the movement of virtual assets and make criminal investigations more difficult.
- Reporting by VASPs has increased markedly, but its practical value remains limited. Among jurisdictions providing comparable data, 80% recorded an increase between 2022 and 2024. Reports are often generated automatically or filed defensively without adequate human assessment. MONEYVAL believes that fewer, more targeted reports would produce better financial intelligence and it identifies

public-private cooperation as a means of improving reporting quality. Yet only 40% of jurisdictions currently have active initiatives involving VASPs.
- International cooperation appears to function well, with extensive exchanges taking place through FIUs, law-enforcement and supervisory networks. No jurisdiction reported legal barriers to providing assistance. Domestic operational capabilities, remain uneven, however. Some authorities still lack specialist expertise, blockchain-analysis tools, or established procedures for tracing and securing virtual assets, while foreign VASPs and decentralised platforms can hinder timely access to information and assets.

Overall, MONEYVAL calls on its members to sharpen national risk assessments, improve the quality of VASP reporting, and strengthen the expertise and tools needed to investigate and secure virtual assets. It also recommends clearer guidance for the sector and continued reliance on existing cross-border cooperation mechanisms.

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