

International and National Legislation on Counter-Terrorism and Its Financing in the Financial Monitoring System

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ANNOTATION. Increasing importance of financial security issues at global and national levels causes new challenges for professionals whose activities are related to financial management, formation of information support for decision-making in the investment sphere, accounting, auditing, taxation, etc. Most of such specialists are involved in primary financial monitoring, their professional duties are becoming wider. This factor encourages the development of higher economic education, taking into account new tasks that arise in practice. A problematic issue in the formation of educational programs and certain disciplines within their framework is the coverage of specific aspects regarding the areas in which "dirty" income is formed, and international and national legislation aimed at countering such processes, in particular, terrorism and its countermeasures. Basing on retrospective analysis of formation and functioning of the system of normative and legal regulation of combating terrorism and its functioning at the global and national level, conceptual approaches to the coverage of the specified issues in the course of the discipline "Financial Monitoring" for students who master this specialty within the framework of economic specialties have been determined. Formation and development of international legal system for combating terrorism and its financing have been studied; the key normative legal acts in this area, adopted during the XX and XXI centuries, have been considered; organizational principles of law-making work on combating international terrorism at the global level, in particular by the governments of the world and the UN have been considered. The main provisions of the FATF Standards on combating the financing of terrorism and the introduction of targeted financial sanctions have been highlighted. The analysis of the legislation of Ukraine in the field of prevention and countermeasures against terrorism and targeted financial sanctions related to terrorism and its financing has been carried out, as well as the influence of international legal acts on its development has been revealed. The structure of international and national legislation on combating terrorism and its financing in the subject of the discipline "Financial monitoring" has been proposed for students of economic specialties within the framework of educational programs, where an in-depth study of financial monitoring is carried out.

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Introduction

Aggravation of financial security issues at both global and national levels is one of the negative consequences of globalization. The spread of transnational economic crime and international terrorism generates illegal financial flows, which are partially converted into legal capital circulation through money laundering mechanisms, and partially directed to financing of new crimes and terrorist acts. The system of combating such phenomena poses new challenges to specialists whose activities are related to financial management, formation of information support for decision-making in the investment sphere, accounting, auditing, taxation, etc. Most of such specialists are involved in primary financial monitoring, their professional duties are becoming wider.

For Ukraine, the importance of combating money laundering is enhanced by two factors. Firstly, Russia's military aggression against Ukraine poses the task of increasing vigilance on the detection, movement and use of assets owned by residents of the Russian Federation, compliance with international and national sanctions against the Russian Federation and its citizens. Secondly, the success of overcoming the path to Ukraine's accession to the EU depends on implementation of international legislation on countering the legalization of proceeds of crime, the financing of terrorism and the spread of weapons of mass destruction into the legal field of Ukraine. Therefore, it is critically important to have specialists who will implement this legislation into practice. This fact causes that the training of specialists in financial monitoring, who possess the most modern knowledge of methodology and organization of financial monitoring and provisions of international and national legislation regulating the specified sphere, acquires special importance. This factor encourages the development of higher economic education, taking into account new tasks that arise in practice.

The paradigm of formation of educational programs that prepare specialists in financial monitoring has become the postulate at Kyiv National Economic University named after Vadym Hetman that primary financial monitoring is always implemented in a certain field of activity: accounting, auditing, banking, insurance, real estate trade, notary, lottery activity, gambling industry, etc., and state financial monitoring is also focused on industry professional activity, over which it supervises and regulates primary financial monitoring⁴. Thus, the logic of such an approach is based on

⁴ Lovinska L. H. Development of financial monitoring as a science in the context of the European integration of Ukraine. *Finances of Ukraine*. 2022. No 11. P. 49-63.

the fact that a responsible employee of financial monitoring or a financial intelligence officer is required to have a deep understanding and knowledge of professional specifics of the activity of the subject, whether primary or state financial monitoring, and not only the actual procedural aspect of financial monitoring. This causes the idea that it is important to train specialists in a certain specialty, within the framework of which financial monitoring is carried out. In this aspect, the choice of the field of knowledge 07 "Management and administration" of the specialty 071 "Accounting and taxation", in our opinion, turned out to be successful, because accounting information about financial transactions is a key source for financial monitoring, and the problem of the shadow economy is, on the one hand, the issue of compliance with tax legislation, and, on the other hand, the presence, absence or distortion of the reflection of economic transactions in accounting. Thus, among all the variety of professions involved in financial monitoring, accounting and taxation are the most universal in relation to this area, since accountants, auditors, employees of the state tax service, tax consultants work in each or with each company that is the subject of primary financial monitoring⁵.

The basic mandatory discipline of the educational and professional program of the first (bachelor's level) of higher education "Financial Monitoring and Analysis", opened at Kyiv National Economic University named after Vadym Hetman in 2021, is the discipline "Financial Monitoring". The developers of the program and the authors of this course faced the problematic issue of defining the subject of the discipline. It was obvious that the theoretical and methodological aspects of financial monitoring and its procedural aspect should be comprehensively covered in the course.

Regarding theoretical and methodological foundations of financial monitoring, it should be noted that they have not been covered in depth in scientific literature. The scientific school of financial monitoring is still in its infancy in Ukraine, so the developers had to focus on creating a scientific basis for the course, in particular on studying the essence of the subject and the method of financial monitoring, using the ontological approach⁶.

As for the definition of the range of issues and disclosure of their essence in terms of procedural aspects of financial monitoring, namely methodological support and organization, the course developers did not have any

⁵ Lovinska L. H. Development of financial monitoring as a science in the context of the European integration of Ukraine. *Finances of Ukraine*. 2022. No 11. P. 49-63.

⁶ Lovinska L. H. The task of the development of financial monitoring as a science. Accounting, analysis, audit, taxation and financial monitoring in the conditions of globalization changes: collection of materials. VIII international scientific and practical conference; 08 December 2022. K.: KNEU, 2022. P. 187 — 190.; Lovinska L. H. Definition of the subject of financial monitoring as a type of financial control / Accounting, analysis, audit, taxation and financial monitoring in conditions of post-war recovery of Ukraine [Electronic resource]: collection of materials of IX International Scientific and Practical Conference; December 8, 2023 — K.: KNEU, 2023. — 258 P., P. 19 — 22. URL: https://drive.google.com/file/d/15s_4NxsfjBMqleAD2V0NorW7XAonlX_K/view

obstacles, relying on the defined algorithm, procedure and institutional mechanisms established by the FATF⁷ standards and the Law of Ukraine "On Prevention and combating the legalization (laundering) of criminal proceeds, the financing of terrorism and the financing of the proliferation of weapons of mass destruction" dated December 06, 2019 № 361-IX⁸ and a number of by-laws of ministries and agencies — regulators in the field of financial monitoring.

The problem of the development of the program of the discipline "Financial monitoring" is the fact that students need to learn a whole set of knowledge not only from financial monitoring itself, but also from international and national legislation that regulates the spheres of activity that fall under financial monitoring, in particular from countermeasures terrorism and its financing.

At the same time, it should be noted that, as a rule, such aspect is not traditional for training of specialists within the framework of economic specialties, in particular specialty 071 "Accounting and taxation", and is inherent in law enforcement and legal fields of education.

Thus, taking into account the need for the formation of a comprehensive knowledge system of future specialists in financial monitoring and financial intelligence, the discipline program included issues of transnational organized crime, international terrorism, new types of crime in cyberspace, which generate dirty income and at the expense of which criminal activity is financed, including terrorism.

The concept of formation of the program of the discipline "Financial Monitoring" is presented in Appendix A.

It should be noted that the authors have already investigated meaningful approaches to disclosure of genesis of international terrorism, its manifestations in Ukraine, modern trends in its spread, and proposed thematic content of the specified direction for students studying the course of financial monitoring in frames of educational and professional program "Financial Monitoring and Analysis" of the specialty 071 "Accounting and taxation"⁹. At the same time, a separate discourse requires a range of questions regarding the selection and analysis of international and national legal acts, which are key in this aspect and require careful study by students.

The purpose: on the basis of a retrospective analysis of formation and functioning of the system of regulatory and legal regulation of combating

⁷ FATF (2012-2023), International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation, FATF, Paris, France, URL: www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatfrecommendations.html

⁸ On prevention and combating legalization (laundering) of criminal proceeds, financing of terrorism and financing of proliferation of weapons of mass destruction: The Law of Ukraine of 06.12 2019 No. 361-IX. URL: <https://zakon.rada.gov.ua/laws/show/361-20#Text>

⁹ Lovinska L. H., Hrabovyi V. V. Highlighting the problems of terrorism and its financing in the process of training specialists in financial monitoring. *Finances of Ukraine*, 2024, No. 5, P. 111—128

terrorism and its functioning at the global and national level, to determine conceptual approaches to the coverage of the specified issues of the course of the discipline "Financial Monitoring" for students who master this specialty within the framework of economic specialties, in particular specialty 071 "Accounting and taxation".

To achieve the goal, the following tasks were defined:

- to investigate formation and development of international legal system of combating terrorism and its financing;
- to consider key legal acts in this area, adopted during the XX and XXI centuries;
- to investigate organizational basics of legislative work on combating international terrorism on the global level;
- to highlight the main provisions of the FATF Standards on combating financing of terrorism and the introduction of targeted financial sanctions;
- to conduct analysis of legislation of Ukraine in the field of prevention and countermeasures against terrorism and targeted financial sanctions related to terrorism and its financing, as well as to identify the influence of international legal acts on its development;
- to present the results of solving the above-mentioned tasks in the form of a construct of presenting international and national legislation on combating terrorism and its financing in the course of the discipline "Financial Monitoring" for students of economic specialties within the framework of educational programs, where an in-depth study of financial monitoring is carried out.

International legislation on combating terrorism and its financing

The world community is trying to combat terrorism, in particular, through the mechanism of international sanctions and refusal to grant political asylum to emigrants who have direct or indirect ties with terrorist organizations.

One of the first attempts at such countermeasures took place in 1934 after the assassinations in Marseilles of the King of Yugoslavia Oleksandr I Karaheorhiovych and the French Minister of Foreign Affairs Lui-Zhan Bartu and the Minister of internal affairs of Poland Bronislav Peratsky in Warsaw.

Poland spoke at the League of Nations with a demand to apply international sanctions against terrorism¹⁰. It was primarily about not granting political asylum to emigrants.

¹⁰ The mystery of the Marseille murder. World history. Internet publication "Argument", 2019. 10. 15. 07:22 — URL: <https://argumentua.com/stati/zagadka-marselskogo-ubiistva>

In the future, after the Second World War, work on the creation of international legislation on combating terrorism was started. One of the first global documents aimed at defining the principles of international law in the high seas was the multilateral Geneva Convention on the High Seas, signed on April 29, 1958¹¹. In the Geneva Convention, the UN Conference on Maritime Affairs, which took place from February 24 to April 27, 1958, declared that such principles are freedom of navigation, freedom of fishing, freedom to lay submarine cables and pipelines, and freedom to fly over the high seas. In addition, it contained a number of articles that define the general principles of combating terrorism on the high seas – piracy.

The next epoch-making document was the Convention for the suppression of unlawful seizure of aircraft¹², concluded by the participating states of the international conference on air law, which took place on December 16, 1970 in The Hague (Netherlands). It defines the concept of the crime of hijacking aircraft and the legal actions of the states on whose territory the persons who committed the crimes are located. The Convention obliges the state to either extradite the criminal or punish him.

The Montreal Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation¹³, concluded on September 23, 1971, establishes what actions fall under the crime against civil aviation and the principles of cooperation between states in the fight against terrorist acts in this area.

On December 14, 1973, the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, was adopted¹⁴. This document defines the range of persons enjoying international protection, in particular, heads of state, including each member of a collegial body that performs the functions of the head of the state in accordance with the constitution of the respective state, heads of government or ministers of foreign affairs, any representatives or officials states, or other agents of an intergovernmental international organization, as well as family members living with the mentioned categories of persons, when a crime was committed against them, their official premises or residential premises or vehicles; types of crimes that can be committed against such persons (murder, violent attack, threat or attempted attack, etc.), measures to prevent and counter such crimes and mechanisms of international cooperation in this area.

¹¹ Convention on the high seas. 24.02.1958 — 27.04.1958. United Nations Conference on the Law of the Sea — URL: <https://treaties.un.org/doc/Publication/MTDSG/Volume%20II/Chapter%20XXI/xxi-2.en.pdf>

¹² Convention for the suppression of unlawful seizure of aircraft. The Hague, December 16, 1970 poky — URL: <https://treaties.un.org/doc/db/Terrorism/Conv2-english.pdf>

¹³ Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation. Montreal, September 23, 1971 URL: <https://treaties.un.org/doc/Publication/UNTS/Volume%20974/volume-974-I-14118-English.pdf>

¹⁴ Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents. December 14, 1973. — URL: https://legal.un.org/ilc/texts/instruments/english/conventions/9_4_1973.pdf

On January 26, 1977, in Strasbourg, after a detailed discussion of the issue in the bodies of the Council of Europe, Convention on the prevention of terrorism¹⁵ was signed, according to which each participating country takes measures that may be necessary to improve and develop cooperation between national authorities in order to prevent terrorist crimes and their negative consequences, in particular, by means of:

- a) exchange of information;
- b) improvement of physical protection of persons and objects;
- c) improvement of training and coordination plans for public emergency situations.

The convention introduces the concepts of "public incitement to commit a terrorist crime", "involvement in terrorism", "teaching terrorism" and interprets the actions marked by these terms as such that responsibility for them should occur regardless of the actual commission of a terrorist crime. Responsibility for such actions should be provided by national legislation. In addition, states must take measures that may be necessary to protect and support victims of terrorism committed on their territory, in particular, providing financial assistance and compensation to victims of terrorism and their close family members.

In 1999, the International Convention for the Suppression of the Financing of Terrorism was adopted¹⁶. According to Art. 8 of the Convention each State shall take, for the purposes of possible confiscation, in accordance with the principles of domestic law, measures to identify, detect, freeze or seize any funds used or appropriated for the purpose of committing crimes within the scope of the Convention, as well as funds obtained as a result of such crimes.

Each relevant state may consider entering into agreements with other states on the distribution of confiscated funds on a regular basis or on a case-by-case basis, and shall consider the possibility of establishing mechanisms by which the funds obtained as a result of confiscations would be used to pay compensation to crime victims or their family members.

Within the frameworks of the Convention, practical measures were developed to create an effective system of control over financial flows both at the international and domestic levels. Resolution 1373¹⁷, adopted by the UN Security Council on September 28, 2001 at the 4385th meeting, which, among the main measures to counter terrorism, identified joint actions to eliminate its financial flows, testifies to the priority of this direction of in-

¹⁵ Convention on the prevention of terrorism. Strasbourg, January 26, 1977. — URL: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A22018A0622%2801%29>

¹⁶ International Convention for the Suppression of the Financing of Terrorism. Adopted by General Assembly of the United Nations, December 15, 1997 (995 374). Convention was ratified with a declaration by the Law of Ukraine No. 149-IV (149-15) dated September 12, 2002. — URL: <https://treaties.un.org/doc/db/terrorism/english-18-11.pdf>

¹⁷ On measures to implement the Resolution of the UN Security Council dated September 28, 2001 No. 1373. Adopted by the UN Security Council at its 4385th meeting on September 28, 2001, approved by the resolution of the Cabinet of Ministers of Ukraine dated December 28, 2001 No. 1800 — URL: <https://zakon.rada.gov.ua/laws/show/1800-2001-%D0%BF/print>

ternational cooperation in the fight against terrorism. It provides that all states must:

- a) warn [prevent] and stop the financing of terrorist acts;
- b) introduce criminal liability for the intentional transfer or collection of funds by means of any methods, directly or indirectly, by their citizens or on their territory for use (or with the intention of use) for the commission of terrorist acts;
- c) immediately block funds and other financial assets or economic resources of persons who commit or attempt to commit terrorist acts, or participate in the commission of terrorist acts, or contribute to their commission; organizations that are directly or indirectly owned or controlled by such persons, as well as persons and organizations acting on behalf of or at the behest of such persons and organizations, including funds received or acquired with the help of property that is directly or indirectly owned or under the control of such persons and related individuals and legal entities;
- d) prohibit its citizens or any persons and organizations on its territory from providing any funds, financial assets, economic resources or financial and other relevant services, directly or indirectly, for use in the interests of persons who commit or attempt to commit terrorist acts, or participate in the commission of terrorist acts, or contribute to their commission; organizations that are directly or indirectly owned or controlled by such persons, as well as persons and organizations acting on behalf of or at the behest of such persons.

The UN is one of the key centers of the global fight against terrorism. In 1973, a special committee on terrorism was established at the UN, which works in three directions:

- development and coordination of legal norms;
- preparation of international treaties and conventions on terrorism;
- establishing and researching the causes of terrorism;
- development of measures to prevent terrorism.

Thus, within the framework of the UN system, eighteen universal documents on the fight against international terrorism were prepared, relating to specific types of terrorist activities.

In September 2006, UN member states adopted the UN Global Counter-Terrorism Strategy, which represents a general strategic and operational approach to combating terrorism¹⁸.

The UN Global Counter-Terrorism Strategy, as set out in the resolution and its accompanying Plan of Action (A/RES/60/288), consists of four components, namely:

¹⁸ The United Nations Global Counter-Terrorism Strategy (A/RES/60/288) — URL: <https://www.un.org/counterterrorism/un-global-counter-terrorism-strategy>

Component I: measures to eliminate conditions conducive to the spread of terrorism

Component II: measures to prevent and combat terrorism

Component III: measures to strengthen the state's potential to prevent and fight terrorism and strengthen the role of the UN in this area

Component IV: measures to ensure comprehensive respect for human rights and the rule of law as a fundamental basis for the fight against terrorism

Every two years, the UN General Assembly reviews the Global Counter-Terrorism Strategy, trying to take into account the challenges and priorities of member states in the fight against terrorism. The review of the Strategy provides an opportunity for Member States to renew international commitments to multilateral efforts in the fight against terrorism, assess progress in implementing the Strategy over the past two years, and identify further areas that require attention over the next two years.

In June 2023, member states conducted the eighth review of the Strategy. In his report, the Secretary General of the UN noted that countering the financing of terrorism remains a top priority for member states and the UN. "Terrorist groups – the report states – continue to use legal and illegal methods to finance their activities, including the malicious use of legitimate commercial enterprises and non-profit organizations, fundraising, crowdfunding and obtaining proceeds from criminal activities, including extortion, kidnapping, illegal trade and smuggling. They seek innovative ways, use new financial instruments and exploit online gaming platforms to raise funds through virtual assets and irreplaceable tokens. Social networks and other technologies are increasingly being used as platforms for terrorist financing, which may include the use of encrypted messages and the dark web"¹⁹.

"Crowdfunding" is a way to attract funds for the growth and development of a project, initiative, enterprise or program due to contributions from a large number of third parties, which may not be related either to the project itself or to professional business investment. For the founder, these are risk-free funds, as they are raised on a charitable basis from people who are interested in the possible project²⁰.

The "dark web" is a closed area of the Internet that cannot be accessed by network applications. You can't just go to the darkest corner of the Internet by opening a new tab in your browser. It requires special software such as "Tor" or "I2P". Although the principle of operation of these pro-

¹⁹ G. Countering the financing of terrorism and its nexus with organized crime/ Activities of the United Nations system in implementing the United Nations Global Counter-Terrorism Strategy Report of the Secretary-General Seventy-seventh session Agenda item 121 The United Nations Global Counter-Terrorism Strategy 2 February 2023/ A/77/718 /p. 14/46 — 14/47 — URL:

<https://documents.un.org/doc/undoc/gen/n23/033/29/pdf/n2303329.pdf?token=hb8kIwQJ6xseoOcpIy&fe=true>

²⁰ Crowdfunding: what it is and how it works in Ukraine. URL: <https://buduysvoe.com/publications/kraudfandyng-shcho-ce-take-i-yak-vin-pracyuye-v-ukrayini>

grams is different, the essence is the same — to mask the user from prying eyes and at the same time open access to what was already masked²¹.

In the context of the strengthening of the terrorist threat in recent years and changes in the typologies of terrorist financing, the UN Security Council adopted a number of resolutions aimed at countering new ways of financing terrorism, including by establishing links between terrorists and organized criminal groups for the purpose of obtaining benefits.

In particular, the UN resolution 2133 (2014) emphasizes the need to develop and implement measures at the international level to prevent kidnapping and hostage-taking by terrorists for the purpose of mobilizing financial resources obtained as a ransom and using them for bribery for the purpose of political concessions²².

Resolution 2178 (2014) emphasizes the need for ending the flow of foreign terrorist fighters, financing and support to terrorist groups in Iraq and considers measures to prevent terrorists from profiting from transnational organized crime²³.

Resolution 2199 (2015), on taking measures to end oil trade by the Islamic State of Iraq and the Levant (ISIL, also known as Daesh), the Al-Nusrah Front (ANF) and other individuals, groups, enterprises and organizations associated with Al-Qaeda. Income from such trade is one of the sources of financing terrorism. Oil fields and related infrastructure, as well as other infrastructure such as dams and power plants, are said to be under the control of ISIS, ANF, and possibly other individuals, groups, businesses, and organizations associated with Al-Qaeda, along with extortion, private foreign donations, kidnapping for ransom and theft of money in the territory they control are the source of a significant share of income for these groups, which finance their recruitment activities and organization terrorist acts. In addition, the resolution emphasizes that terrorist groups in Iraq and Syria are directly or indirectly involved in the looting of cultural heritage items and their illegal removal from archaeological sites, museums, libraries, archives and other objects in these countries. Such subjects receive income, at the expense of which their activities are also financed. Thus, in order to stop their criminal activities, it is necessary to develop and implement measures aimed at preventing terrorist groups in Iraq and Syria from receiving benefits from the trade in oil, antiques and hostages²⁴.

²¹ "Dark Web": what happens there and how to get there. URL: <https://glavred.net/techno/temnyy-internet-chtotam-proishodit-i-kak-tuda-popast-10216661.html>

²² Threats to international peace and security caused by terrorist acts. S/RES/2133 (2014)/27 January 2014/ URL: <https://www.un.org/securitycouncil/content/resolutions-adopted-security-council-2014>

²³ Threats to international peace and security caused by terrorist acts. / S/RES/2178 (2014)/24 September 2014/ URL: <https://www.un.org/securitycouncil/content/resolutions-adopted-security-council-2014>

²⁴ Threats to international peace and security caused by terrorist acts. /S/RES/2199 (2015)/12 February 2015 — URL: <https://www.un.org/securitycouncil/content/resolutions-adopted-security-council-2015>

Security Council resolution 2253 (2015) expanded the range of sanctions and provided for tougher sanctions against Al-Qaeda, with a special emphasis on ISIL, and outlined efforts to eliminate its financing and support channels²⁵.

The changing nature of the threat posed by ISIL was further reflected in resolution 2331 (2016), which aims to end the use of proceeds from human trafficking and acts of sexual and gender-based violence²⁶ as a source of financing terrorism, in resolution 2347 (2017) — to prevent trafficking and illegal circulation of cultural values that appeared in circulation in the context of armed conflicts, especially through the mediation of terrorist groups, including by prohibiting cross-border trade in such illegally obtained items²⁷.

In Resolution 2462 (2019), the UN Security Council expressed concern about the flow of financial funds directed to terrorists and indicated the need for ending all forms of terrorist financing²⁸.

In fulfillment of the UN Resolution 2462 (2019), work is being carried out on a wide range of topical issues related to the fight against terrorist financing, such as the protection of the sector of non-profit organizations, the exchange of financial intelligence data, the strengthening of partnership relations between the public and private sectors, conducting sectoral risk assessments and others priority areas identified by FATF and regional bodies created like FATF.

European legislation standardizing the fight against terrorism is also significant. In addition to the above-mentioned European Convention on the suppression of terrorism dated January 27, 1977²⁹ and the International convention for the suppression of the financing of terrorism dated December 9, 1999³⁰, one of the most important European documents should also be mentioned — the Council of Europe Convention on the Prevention of Terrorism dated May 16, 2005³¹. According to its annex, the provisions of the following documents are included:

²⁵ Threats to international peace and security caused by terrorist acts. / S/RES/2253 (2015)/17 December 2015/ — URL: <https://www.un.org/securitycouncil/content/resolutions-adopted-security-council-2015>

²⁶ Resolution 2331 (2016) Adopted by the Security Council at its 7847th meeting, on 20 December 2016, S/RES/2331(2016) URL: <https://digitallibrary.un.org/>

²⁷ Resolution 2347 (2017) Adopted by the Security Council at its 7907th meeting, on 24 March 2017. S/RES/2347 (2017) — URL: <https://unesdoc.unesco.org/ark:/48223/pf0000249838>

²⁸ Resolution 2462 (2019) Adopted by the Security Council at its 8496th meeting, on 28 March 2019. S/RES/2462 (2019) — URL: <https://main.un.org/securitycouncil/en/content/sres24622019>

²⁹ European Convention on the Suppression of Terrorism (ETS No. 90) dated January 27, 1977. URL: <https://rm.coe.int/16800771b2>

³⁰ International Convention for the Suppression of the Financing of Terrorism. Adopted by General Assembly of the United Nations, December 15, 1997 (995 374). URL:

<https://www.unodc.org/documents/treaties/Special/1999%20International%20Convention%20for%20the%20Suppression%20of%20the%20Financing%20of%20Terrorism.pdf>

³¹ Council of Europe Convention on the Prevention of Terrorism. Adapted on May 16, 2005. URL: <https://rm.coe.int/16808c3f55>

1. Convention for the suppression of unlawful seizure of aircraft, signed in The Hague on December 16, 1970.

2. Convention for the suppression of unlawful acts against the safety of civil aviation, Concluded at Montreal on September 23, 1971.

3. Convention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents, adopted in New York on December 14, 1973.

4. The international convention against the taking of hostages, adopted in New York on December 17, 1979.

5. Convention on the Physical Protection of Nuclear Material, adopted in Vienna on March 3, 1980.

6. Protocol for the suppression of unlawful acts of violence at airports serving international civil aviation, signed at Montreal on February 24, 1988.

7. Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation, adopted in Rome on March 10, 1988.

8. Protocol for the suppression of unlawful acts against the safety of fixed platforms located on the continental shelf, adopted in Rome on March 10, 1988.

9. Convention for the suppression of terrorist bombings, adopted in New-York on December 15, 1997.

10. International convention for the suppression of the financing of terrorism, adopted in New York on December 9, 1999.

On March 25-26, 2004, the European Council, based on the results of the EU summit, adopted a number of programmatic documents: Declaration on combating terrorism (The United Nations Security Council (2004)³², Strategic goals of the European Union in the fight against terrorism (updated Action Plan)³³ and others). Among the main measures aimed at the development of existing cooperation in the field of combating terrorism, the Declaration provides for the activation of cooperation between Europol, Eurojust, intelligence structures of EU member states and the Council of Heads of Police Units of EU countries.

Issues of countering the financing of terrorism and the financing of the proliferation of weapons of mass destruction in the FATF standards

Financial Action Task Force on Money Laundering (FATF) was created by the decision of the Big Seven in 1989. The purpose of its activity is the

³² European Convention on the Suppression of Terrorism (ETS No. 90) dated January 27, 1977. URL: <https://rm.coe.int/16800771b2>

³³ On ratification of the Additional Protocol to the Council of Europe Convention on the Prevention of Terrorism. The Law of Ukraine dated September 20, 2022 No. 2589-IX. URL: <https://zakon.rada.gov.ua/laws/show/2589-20#Text>

coordination and organization at the global level of combating money laundering.

In 2001, the FATF expanded its mandate to combat the financing of terrorism and issued eight special recommendations in October of that year to counter the financing of terrorism.

The development and modification of money laundering methods led to a comprehensive review by the FATF of its Recommendations in June 2003.

In October 2004, the FATF issued the Ninth special recommendation on combating the financing of terrorism.

In February 2012, the FATF revised the Recommendations to include the issue of countering the financing of weapons of mass destruction, bringing together 9 specific recommendations on countering the financing of terrorism with anti-money laundering measures, resulting in a comprehensive set of the FATF Recommendations.

The FATF recommendations (standards) pay considerable attention to measures on countering the financing of terrorism and the financing of proliferation of weapons of mass destruction, aimed at organizing international opposition and countering threats of terrorist activities.

In particular, FATF recommendations lay the foundation for the development of legislation in the field of combating terrorism and its financing. First of all, a number of terms and definitions have been introduced that characterize subjects in this field.

According to the FATF Standards, the term "terrorist" means any person who commits, attempts to commit terrorist acts by any means, directly or indirectly, unlawfully and intentionally, participates as an accomplice in terrorist acts, organizes or directs the commission of terrorist acts ; or contributes to the commission of terrorist acts by a group of persons acting with a common goal, if the contribution is made intentionally and with the purpose of facilitating the commission of a terrorist act, or with the knowledge that the mentioned group of persons intends to commit a terrorist act.

According to the FATF standards, the act of terrorism is a crime, it is an act designed to cause death or serious body injury to civilians or any other person not actively participating in hostilities during an armed conflict, when such an act by its nature or in a certain environment, aims to intimidate the population, or to force the Government or an international organization to commit or refuse to commit certain actions³⁴.

A terrorist organization is defined as a group of terrorists that commits or seeks to commit a terrorist act by any means, directly or indirectly, unlawfully and intentionally, participates as an accomplice in a terrorist act, organizes or otherwise directs the commission of a terrorist act, con-

³⁴FATF (2012-2023), International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation, FATF, Paris, France, URL: www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatfrecommendations.html, P. 283

tributes to committing a terrorist act by a group of persons acting with a common goal, if the contribution was made intentionally and with the purpose of facilitating the commission of a terrorist act, or with the knowledge that the said group of persons intends to commit a terrorist act³⁵.

Terrorist financing is the financing of terrorist acts, as well as terrorists and terrorist organizations³⁶.

The term "targeted financial sanctions" means the freezing of assets and the prohibition of the provision of funds or other assets, directly or indirectly, to the benefit of specified natural or legal persons³⁷.

Freezing means the prohibition of transfer, conversion, placement or movement of any funds or other assets owned or controlled by specified persons or institutions on the basis of, and for the duration of, initiated by the United Nations Security Council or in accordance with applicable Security Council resolutions competent authority or court. In all cases, the frozen property, equipment, facilities, funds or other assets remain the property of the individual or legal entity that has an interest in them at the time of freezing and may be subject to further management by third parties or agreements entered into by such legal or natural person in advance of initiation actions according to the mechanism³⁸.

Thus, FATF standards recommendation 5 "The crime of terrorist financing" defines that countries should criminalize the financing of terrorism in accordance with the Convention for the suppression of the financing of terrorism and should criminalize not only the financing of terrorist acts, but also the financing of terrorist organizations and terrorists, even in the absence of a connection with by a certain terrorist act or acts³⁹. Countries should ensure that these crimes are defined as predicate to money laundering.

Recommendation 5 was developed in order to provide states with legal capacity to prosecute and apply criminal penalties to persons who carry out financing of terrorism, taking into account the close relationship that exists between international terrorism and, in particular, money laundering, other financial criminal offenses.

These standards establish the elements of the crime of terrorist financing, which include the following actions: a person by any means intentionally provides or collects funds or other assets, directly or indirectly, with the unlawful intent to use them or with the knowledge that they will be used, in whole or in part, for committing a terrorist act by a terrorist organization or an individual terrorist, planning or preparing for or participating in terrorist acts, or providing or receiving terrorist training.

³⁵ The same source, P. 284

³⁶ Ibid, pp. 48 — 49.

³⁷ Ibid, pp. 51 — 52

³⁸ Ibid, pp. 52 — 53

³⁹ Ibid, pp. 48 — 49

The financing of terrorism includes any assets obtained from both legal and illegal sources, which are directed to organization and conduction of terrorist activities.

Strict requirements of the FATF Standards are the extension of criminal liability to legal entities and the application of sanctions to both individuals and legal entities, including civil or administrative confiscation, seizure and freezing of assets.

Mentioned above illustrates which provisions of the FATF Standards form the legal framework for combating terrorist financing and should be included in the development of national legislation in this area.

Legislation of Ukraine in the field of preventing and countering terrorism

The basis of Ukrainian legislation in the field of preventing and countering terrorism is:

the Constitution of Ukraine,
the Criminal Code of Ukraine,
the Law of Ukraine "On Combating Terrorism" and other laws of Ukraine,

international treaties of Ukraine whose binding consent was given by the Verkhovna Rada of Ukraine, namely the European Convention on the Suppression of Terrorism, 1977, the International Convention for the Suppression of Terrorist Bombings, 1997, the International Convention for the Suppression of the Financing of Terrorism, 1999, resolutions of the UN Security Council and other international security organizations,

decrees and orders of the President of Ukraine,

resolutions and orders of the Cabinet of Ministers of Ukraine,

other regulatory legal acts adopted to implement the laws of Ukraine.

The requirements of FATF standards in the field of combating terrorist activities are reflected in the definitions of the Law of Ukraine "On Combating Terrorism" of March 20, 2003 № 638-IV⁴⁰, which defined and significantly expanded the concept of terrorism; assets related to financing of terrorism and related to financial operations stopped in accordance with the decision adopted on the basis of the resolutions of the UN Security Council; technological terrorism; terrorist activity; terrorist financing; international terrorism; terrorist; terrorist group; terrorist organization; fight against terrorism.

The Criminal Code of Ukraine establishes responsibility for committing terrorist acts, and gives an interpretation of such acts, namely in accordance with

⁴⁰ On Combating Terrorism. The Law of Ukraine dated March 20, 2003 No. 638-IV (amended). URL: <https://zakon.rada.gov.ua/laws/show/638-15#Text>

Art. 258 forms the definition of the concepts terrorist act, other terrorist acts, involvement in the commission of a terrorist act; public calls to commit a terrorist act; creation of a terrorist group or terrorist organization; facilitating the commission of a terrorist act; terrorism training; terrorist financing; crossing the state border of Ukraine with a terrorist purpose⁴¹.

The Criminal Code of Ukraine classifies next acts as terroristic: receiving instructions by a person, including acquiring knowledge or practical skills, from another person regarding the manufacture or use of explosives, firearms or other weapons or harmful or dangerous substances, or regarding other specific methods or means for the purpose of carrying out activities which, according to the law, are terrorist.

The Criminal Code of Ukraine classifies next acts as teaching terrorism: receiving instructions by a person, including acquiring knowledge or practical skills, from another person regarding the manufacture or use of explosives, firearms or other weapons or harmful or dangerous substances, or regarding other specific methods or means for the purpose of carrying out activities which, according to the law, are terrorist.

The criminal law (Article 436-2 of the Code) includes as a separate component of the crime such terrorist acts as:

justification, recognition as legitimate, denial of the armed aggression of the russian federation against Ukraine, which began in 2014, including by means of presenting the armed aggression of the Russian Federation against Ukraine as an internal civil conflict,

justification, recognition as legitimate, denial of the temporary occupation of the part of the territory of Ukraine,

glorification of persons who carried out the armed aggression of the russian federation against Ukraine, which began in 2014, representatives of the armed forces of the russian federation, irregular illegal armed forces, armed gangs and groups of mercenaries created, subordinated, managed and financed by the russian federation, and also representatives of the occupation administration of the russian federation, which consists of its state bodies and structures, functionally responsible for the management of the temporarily occupied territories of Ukraine, and representatives of self-proclaimed bodies under the control of the russian federation, which usurped the exercise of authority in the temporarily occupied territories of Ukraine,

production, distribution of materials containing justification, recognition as legitimate, denial of the armed aggression of the russian federation against Ukraine, which began in 2014, including by means of presenting the armed aggression of the russian federation against Ukraine as an internal civil conflict,

⁴¹ Criminal Code of Ukraine. The Law of Ukraine dated April 5, 2001 p. No. 2341-III — URL: <https://zakon.rada.gov.ua/laws/show/2341-14#n372>

justification, recognition as legitimate, denial of the temporary occupation of part of the Ukrainian territory.

A certain novelty in the standardization of subjects of terrorist activity, which characterizes the Russian aggressive war against Ukraine and the Russian Federation's support of close relations with terrorist states and organizations (Iran, North Korea, the Taliban, the Hamas and others), is the definition in the Law of Ukraine "On combating terrorism" of the term "terrorist state" and attribution to terrorist activity of propaganda of the Russian Nazi totalitarian regime, armed aggression of the Russian Federation as a terrorist state against Ukraine⁴².

According to this law, a state is a terrorist state, which openly, using its own armed forces, other armed formations, or covertly, using armed formations acting on behalf and (or) in the interests of such a state, commits acts of terrorism, acts of international terrorism.

The term "terrorist state" is not defined by international law, but international organizations paid considerable attention to the inadmissibility of the policy of state terrorism and any actions of states aimed at undermining the socio-political order in other sovereign states.

The definition of the term "terrorist state" was made at the Geneva Conference on Terrorism in 1987⁴³.

Therefore, state terrorism has both an internal nature, directed against society, the state, its individual groups, individuals, and an external one – committing crimes against other states, organizations, nations, nationalities, religious groups, and individuals.

State terrorism directed and carried out both by the state as a whole and by individual state bodies. By means of repressing, intimidating, destroying, curtailing rights and freedoms, conducting distorted, anti-human information and propaganda activities, state terrorism involves the judiciary, internal and control bodies, military institutions and other military organizations, extremist reactionary religious and social organizations, etc.

The legislation of Ukraine in the field of preventing and countering terrorism is constantly being improved, introducing new methods and tools based on European experience. The latest legal norms are the additional protocol dated October 22, 2015, ratified by Ukraine in accordance with the Law dated September 20, 2022 № 2589-IX, which entered into force for Ukraine on January 1, 2024⁴⁴.

⁴² On combating terrorism. The Law of Ukraine dated March 20, 2003 No. 638-IV (amended) URL: <https://zakon.rada.gov.ua/laws/show/638-15#Text>

⁴³ General declaration on terrorism. Geneva 21 March 1987. URL: <https://i-p-o.org/GDT.HTM>; Kyzmin A. Eleven signs of a terrorist country. Russia meets all of them. March 11, 2022. URL: <https://glavcom.ua/publications/odinadcyat-oznak-krajini-terorista-rosiya-jim-povnistyu-vidpovidaje-828282.html>

⁴⁴ On ratification of the Additional Protocol to the Council of Europe Convention on the Prevention of Terrorism. The Law of Ukraine dated September 20, 2022 No. 2589-IX. URL: <https://zakon.rada.gov.ua/laws/show/2589-20#Text>

In order to strengthen efforts to prevent and counter terrorism in all its forms, both in Europe and at the global level, the Convention of the Council of Europe "On the Prevention of Terrorism" is supplemented by this protocol, according to which Articles 1-6 of the Annex to the Convention provide definitions with the aim of criminalization of acts of the following categories⁴⁵:

- "participation in a terrorist organization or group" means participation in the activities of organization or group with the purpose of committing or facilitating the commission of one or more terrorist crimes by this organization or group;

- "terrorist training" means receiving instructions, including the acquisition of knowledge or practical skills, from another person regarding the manufacture or use of explosives, firearms or other weapons or harmful or dangerous substances or other specific methods or means for the purpose of committing or facilitating the commission of a terrorist act crime;

- "traveling abroad with a terrorist purpose" means the departure of a person to a state of which he is not a citizen and which is not the place of permanent residence of such a person, for the purpose of committing, assisting or participating in a terrorist crime or carrying out or receiving training in terrorism;

- "financing of travel abroad for terrorist purposes" means providing or collecting funds in any way, directly or indirectly, in whole or in part, which enables any person to travel abroad for terrorist purposes, with the knowledge that these funds fully or partially intended for use for this purpose;

- "organizing or otherwise facilitating travelling abroad for terrorist purposes" means any action aimed at organizing or facilitating that helps any person travel abroad for terrorist purposes, with the knowledge that such assistance serves terrorist purposes.

Taking into account the threat of terrorist activity, Ukraine's policy on preventing and countering terrorism and its financing is formed on the basis of preventing the occurrence of terrorist acts and other dangerous factors at early stage, using the latest methods and tools.

The main purpose of committing a terrorist act is spreading or inciting general fear, panic, provocation, repression, organized or individual violence from the side of authorities, organizations, individuals, has a political, social or economic negative impact on functioning of the state, community, is accompanied by oppression and restrictions of freedoms, has a strong psychological, physical or emotional influence aimed at changing behavior, organization, rules of existence.

⁴⁵ Council of Europe Convention on the Prevention of Terrorism. Adopted on May 16, 2005. URL: <https://rm.coe.int/16808c3f55>

Thus, the purpose of improving the current legislation is the need for changing social legal relations, internal policy, strengthen the interaction of state bodies in the system of both internal and external legal relations, focus special attention on issues of international cooperation of the state in new directions of countering manifestations of terrorism, coordination of actions, taking into account the fact that the subjects of terrorism are certain individuals, specialized terrorist organizations, states, and interstate entities.

In compliance with the 5th and 6th FATF Recommendations, the Law of Ukraine "On Combating Terrorism"⁴⁶ establishes responsibility for facilitating terrorist activities.

In particular, managers and officials of enterprises, institutions and organizations, as well as citizens who contributed to terrorist activities, are responsible for:

- ❖ financing of terrorists, terrorist groups (terrorist organizations),
- ❖ providing or collecting funds directly or indirectly with the intention of using them to commit terrorist acts or criminal offenses of a terrorist nature,
- ❖ carrying out operations with funds and other financial assets.

Such funds and financial assets include assets received or purchased using property that is directly or indirectly owned or controlled by legal entities and individuals who:

- promote terrorism, or are associated with such persons
- provided funds, other financial assets or economic resources, relevant services directly or indirectly for use in the interests
 - natural persons who commit terrorist acts or facilitate or participate in their commission,
 - legal entities whose property is directly or indirectly owned or controlled by terrorists or persons who facilitate terrorism
- committed or attempted to commit terrorist acts or criminal offenses of terrorist orientation or participated in their commission or contributed to their commission
- have property that is directly or indirectly owned or controlled by terrorists or persons who facilitate terrorism
- act on behalf of or at the direction of terrorists or persons facilitating terrorism.

Persons acting on behalf of or at the direction of terrorists or persons facilitating terrorism include persons who:

- ✓ participated in the commission of terrorist acts,
- ✓ recruited individuals to engage in terrorist activities,
- ✓ contributed to the establishment of channels for the supply of weapons to terrorists and the movement of terrorists across the state border of Ukraine,

⁴⁶ On Combating Terrorism. The Law of Ukraine dated March 20, 2003 No. 638-IV (amended). URL: <https://zakon.rada.gov.ua/laws/show/638-15#Text>

- ✓ hid persons who financed, planned, supported or committed terrorist acts or criminal offenses of terrorist orientation,
- ✓ used the territory of Ukraine for the purpose of preparing or committing terrorist acts or criminal offenses of terrorist orientation against other states or foreigners.

The national legislation of Ukraine in the field of combating terrorism introduces the legal norms of the FATF Standards, taking into account new challenges of today, directs Ukraine's efforts to the development of public legal relations regulating this sphere.

Targeted financial sanctions related to terrorism and terrorist financing

Sanctions are an important means of combating terrorism and its financing. The FATF Recommendation 6 "Targeted Financial Sanctions Related to Terrorism and Terrorist Financing" establishes the obligation of countries to introduce a regime of targeted financial sanctions in order to implement the UN Security Council Resolutions on preventing and countering terrorism and terrorist financing⁴⁷. The resolutions require countries to freeze funds or other assets immediately and to ensure that no funds or assets are provided, directly or indirectly, for the benefit of any individual or entity designated by the UN Security Council under Chapter VII of the UN Charter⁴⁸, including Resolution of the UN Security Council 1267 (1999)⁴⁹ and subsequent resolutions determined in accordance with the UN Security Council Resolution 1373 (2001)⁵⁰.

In accordance with the UN Security Council Resolution 1267 (1999) and subsequent resolutions, the inclusion in the list of persons associated with the terrorist organization "Al-Qaeda" is carried out by the 1267 Committee, and the inclusion in the list of persons associated with the "Taliban" movement and threats of the Republic of Afghanistan is carried out by the 1988 Committee. At the same time, both Committees act in accordance with the Chapter VII of the UN Charter. Pursuant to Resolution 1373 (2001), listing of persons at the national and supranational levels is carried out by a country or coun-

⁴⁷ On the implementation of the UN Security Council resolutions 1267 (1999) regarding the Taliban movement (Afghanistan). Resolution of the Cabinet of Ministers of Ukraine dated April 11, 2001 N 351 (amended) P. 45 — 48 URL: <https://zakon.rada.gov.ua/laws/show/351-2001-%D0%BF/print>

⁴⁸ United Nations Charter. URL: <https://www.un.org/en/about-us/un-charter/full-text>

⁴⁹ On the implementation of the UN Security Council resolutions 1267 (1999) regarding the Taliban movement (Afghanistan). Resolution of the Cabinet of Ministers of Ukraine dated April 11, 2001 N 351 (amended) P. 45 — 48 URL: <https://zakon.rada.gov.ua/laws/show/351-2001-%D0%BF/print>

⁵⁰ On measures on implementation of the resolution of the UN Security Council dated September 28, 2001 No. 1373. Adopted by the UN Security Council at its 4385th meeting, on September 28, 2001, adopted by the resolution of the Cabinet of Ministers of Ukraine on December 28, 2001 p. No. 1800 — URL: <https://zakon.rada.gov.ua/laws/show/1800-2001-%D0%BF/print>

tries acting on its own initiative or at the request of another country, if the requesting country agrees that, in accordance with relevant legal principles, the requirement for the inclusion is based on sufficient grounds or there is a reasonable suspicion that the person proposed for inclusion meets the criteria for inclusion in Resolution 1373 (2001).

The FATF Recommendation 6 applies to all current and subsequent resolutions after Resolution 1267 (1999) and any future UN Security Council Resolutions that impose targeted financial sanctions for the financing of terrorism. The following resolutions after resolution 1267 (1999) are: 1333 (2000), 1363 (2001), 1390 (2002), 1452 (2002), 1455 (2003), 1526 (2004), 1617 (2005), 1730 (2006), 1735 (2006), 1822 (2008), 1904 (2009), 1988 (2011), 1989 (2011).

At the same time, the FATF Standards provide for the application of the requirements of other conventions, which contain requirements for the seizure or confiscation of assets obtained from the commission of other crimes that are related to or derived from the requirements of the UN Conventions. For example, the UN Convention against illicit traffic in narcotic drugs and psychotropic substances (1998) (Vienna Convention) and the UN Convention against transnational organized crime (2000) (Palermo Convention), the International convention for the suppression of the financing of terrorism (1999), which contain requirements for the freezing, seizure and confiscation of assets in the framework of combating transnational crime.

UN Security Council Resolution 1267 (1999) defines the conditions for applying sanctions to any individual or legal entity that participates in financing, planning, facilitating, preparing or committing acts or activities, together with, under the name of, on behalf of, with the support of; supplying, selling or transporting weapons and related materials, recruiting, or otherwise providing support for the activities or activities of Al-Qaeda and the Taliban, or any cell, affiliate, splinter group, or derivative thereof, or which act on their behalf or on their behalf⁵¹.

UN Security Council Resolution 1373 (2001) defines a wider range of sanctions, extending to an unspecified range of persons related to terrorist activities or terrorist financing⁵². FATF standards define that the subject to the application of financial sanctions are⁵³:

⁵¹ On the implementation of the UN Security Council resolutions 1267 (1999) regarding the Taliban movement (Afghanistan). Resolution of the Cabinet of Ministers of Ukraine dated April 11, 2001 N 351 (amended) P. 45 — 48 URL: <https://zakon.rada.gov.ua/laws/show/351-2001-%D0%BF/print>

⁵² On measures to implement the UN Security Council resolution dated September 28, 2001 N 1373. Adopted by the UN Security Council at its 4385th meeting on September 28, 2001, approved by the resolution of the Cabinet of Ministers of Ukraine dated December 28, 2001 N 1800 — URL: <https://zakon.rada.gov.ua/laws/show/1800-2001-%D0%BF/print>

⁵³ FATF (2012-2023), International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation, FATF, Paris, France, URL: www.fatf-gafi.org/en/publications/Fatfrecommendations/Fatfrecommendations.html

- any individual or legal entity that commits or attempts to commit terrorist acts, or participates in or facilitates the commission of terrorist acts,

- any institution that is owned or controlled, directly or indirectly, by any individual or legal person engaged in terrorist activities,

- any individual or legal entity who acts on behalf of or on behalf of any individual or legal entity who carries out terrorist activities.

According to the countries, the following requirements are established:

- to prevent and stop the financing of terrorist acts;

- to introduce criminal liability for the intentional provision or collection of funds, by any methods, directly or indirectly, by their citizens, or on their territory with the intention of using the funds, or with the knowledge that they will be used to commit terrorist acts;

- immediately block funds and other financial assets or economic resources, including funds received or acquired through property that is directly or indirectly owned or controlled by persons who -

- commit or attempt to commit terrorist acts,

- participate in the commission of terrorist acts, or contribute to their commission;

- organizations that -

- directly or indirectly owned or controlled by such persons;

- persons and organizations that -

- act on behalf of or at the direction of such persons and organizations;

- to prohibit its citizens or any persons and organizations on its territory from providing any funds, financial assets, or economic resources, or financial or other relevant services, directly or indirectly, for use in the interests of persons who:

- commit or attempt to commit terrorist acts,

- contribute to, or participate in their commission, organizations,

- directly or indirectly owned or controlled by such persons,

- act on behalf of or on behalf of such persons;

- to refrain from providing any form of support — active or passive — to organizations or persons involved in terrorist acts, including by means of stopping the recruitment of members of terrorist groups and eliminating channels for supplying weapons to terrorists;

- to take the necessary measures to prevent the commission of terrorist acts, including through early warning of other countries through the exchange of information;

- to deny asylum to those who finance, plan, support or carry out terrorist acts, or grant asylum;

- to prevent those who finance, plan, facilitate or carry out terrorist acts from using their territory for these purposes against other countries or their citizens;

➤ to ensure that any person who takes part in financing, planning, preparation or commission of terrorist acts, or in the support of terrorist acts, is prosecuted and to ensure that, in addition to any other action against such persons, terrorist acts are defined as substantive criminal offenses in domestic legislation, and the punishment adequately reflects the seriousness of such terrorist acts;

➤ to provide each other with comprehensive assistance in connection with criminal investigations or prosecutions of persons involved in the financing or support of terrorist acts, including assistance in obtaining evidence in their possession that is necessary for such prosecutions

➤ to prevent the movement of terrorists or terrorist groups through effective border control and control over the issuance of identity documents and travel documents, as well as by preventing falsification, forgery, or illegal use of identity documents and travel documents.

The Law of Ukraine "On prevention and combating the legalization (laundering) of criminal proceeds, the financing of terrorism and the financing of the proliferation of weapons of mass destruction" as of December 6, 2019 defines terrorist financing as the provision or collection of any assets directly or indirectly for the purpose of their use or with the awareness of the possibility that they will be used in whole or partly for any purposes by an individual terrorist or terrorist group (organization), for the organization, preparation or commission of a terrorist act, involvement in the commission of a terrorist act, public calls for the commission of a terrorist act, creation of a terrorist group (organization), facilitating the commission of a terrorist act, undergoing terrorism training, crossing the state border of Ukraine with a terrorist purpose, carrying out any other terrorist activity, as well as attempts to commit such actions⁵⁴.

This law introduces such key concepts as freezing assets related to terrorism and its financing, stopping financial transactions, information generated by international organizations or their authorized bodies about organizations, legal entities and individuals associated with terrorist organizations or terrorists, as well as about persons against whom international sanctions have been applied; the procedure for the implementation of the specified measures and the procedure for formation and inclusion in the list of individuals, legal entities and organizations that meet the criteria determined by the resolutions of the UN Security Council are established.

The mentioned above law interacts with legal norms of the Law of Ukraine "On sanctions", the Criminal and Criminal procedure Codes of Ukraine, resolutions of the Cabinet of Ministers of Ukraine dated December 28, 2001 № 1800 "On measures to implement the UN Security Council Resolution № 1373

⁵⁴ On prevention and combating the legalization (laundering) of criminal proceeds, the financing of terrorism and the financing of the proliferation of weapons of mass destruction: the law of Ukraine as of December 6, 2019 No. 361-IX. URL: <https://zakon.rada.gov.ua/laws/show/361-20#Text>

dated September 28, 2001", other legislation, create a single area of special legislation of Ukraine on combating terrorism and its financing.

An essential tool for combating terrorism is introduction of European Union sanctions, which are adopted by the European Council. US sanctions are implemented by the Office of foreign assets control (OFAC). UK sanctions are imposed by the Ministry of Finance and controlled by the Office for financial sanctions implementation (OFSI). Australia's sanctions are implemented by the Department of Foreign Affairs and Trade (DFAT).

To increase control over compliance with sanctions, on November 28, 2022, the Council of Europe decided to recognize the violation of sanctions as a criminal offense.

Formation of registers of persons associated with terrorist activities makes it possible to prevent and prevent the commission of crimes, to reduce their high latency.

Resolution of the Cabinet of Ministers of Ukraine dated July 22, 2020 № 622 "On approval of the Procedure for the formation of a list of persons associated with the conduct of terrorist activities or in respect of whom international sanctions have been applied"⁵⁵ determines the conditions for maintaining the register. Such conditions include the presence of an administrative court decision on inclusion of individuals, legal entities and organizations that meet the criteria defined by the UN Security Council resolutions, information generated by international organizations or bodies authorized by them, about individuals, legal entities and organizations that related to terrorist organizations or terrorists, as well as persons that were subject to international sanctions.

The autonomous exchange of information and formation of databases regarding subjects of terrorist activity are organized on the basis of the following legal acts:

Joint Order of the Ministry of Justice of Ukraine and the Ministry of Finance of Ukraine dated February 1, 2021, № 370/5/50, registered by the Ministry of Justice of Ukraine on February 2, 2021, № 140/35762, "On approval of the procedure for electronic information interaction between the unified state register of legal entities, individual entrepreneurs, and public associations and the unified state information system in the field of prevention and counteraction to legalization (laundering) of proceeds of crime, financing of terrorism, and financing of the proliferation of weapons of mass destruction"⁵⁶;

⁵⁵ On approval of the Procedure for the formation of a list of persons associated with the conduct of terrorist activities or in respect of whom international sanctions have been applied. Resolution of the Cabinet of Ministers of Ukraine dated July 22, 2020 No. 622 — URL: <https://zakon.rada.gov.ua/laws/show/622-2020-%D0%BF#Text>

⁵⁶ On approval of the procedure for electronic information interaction between the unified state register of legal entities, individual entrepreneurs, and public associations and the unified state information system in the field of prevention and counteraction to legalization (laundering) of proceeds of crime, financing of terrorism, and financing of the proliferation of weapons of mass destruction. Joint Order of the Ministry of Justice of Ukraine and the Ministry of Finance of Ukraine dated February 1, 2021, No. 370/5/50, registered by the Ministry of Justice of Ukraine on February 2, 2021, No. 140/35762 URL: <https://zakon.rada.gov.ua/laws/show/z0140-21#Text>

Order of the Ministry of Finance of Ukraine dated 09.02.2021 № 68, registered in the Ministry of Justice of Ukraine on March 25, 2021 under № 389/36011, "On approval of the Procedure for bringing to the attention of subjects of primary financial monitoring the list of persons associated with the conduct of terrorist activities or in respect of which international sanctions have been applied, and Instructions for entering information into such a list"⁵⁷.

In accordance with the specified normative legal acts, lists of persons are formed in Ukraine, which, in particular, include persons subject to the UN Security Council resolution № 1373 of September 28, 2001:

- The list of persons connected with terrorist activities or against whom international sanctions have been applied, which is formed by the State Financial Monitoring Service of Ukraine on the basis of the Law of Ukraine "On prevention and counteraction of legalization (laundering) of proceeds obtained through crime, financing of terrorism and financing of arms proliferation mass destruction",

- List of persons to whom sanctions are applied in accordance with the Law of Ukraine "On Sanctions"⁵⁸.

Taking into account the requirements of the criminal legislation, there is a list of persons to whom the court has applied criminal measures for crimes related to the implementation of terrorist activities or the financing of terrorism.

Therefore, the legislation of Ukraine provides for the presence of at least two lists of persons associated with terrorist activity or terrorist financing, and this makes their application ambiguous when organizing work on prejudice and countering criminal manifestations in this area.

The Law of Ukraine dated August 14, 2014 № 1644-VII "On Sanctions" is based on Ukraine's sovereign right to protection. In order to protect national interests, national security, sovereignty and territorial integrity of Ukraine, to counter terrorist activities, as well as to prevent violations and restore violated rights, freedoms and legitimate interests of citizens of Ukraine, society and the state, special economic and other restrictive measures may be applied.

Sanctions may be applied by Ukraine in relation to a foreign state, a foreign legal entity, a legal entity that is under the control of a foreign legal entity or a non-resident individual, foreigners, stateless persons, as well as entities that carry out terrorist activities.

⁵⁷ On approval of the Procedure for bringing to the attention of subjects of primary financial monitoring the list of persons associated with the conduct of terrorist activities or in respect of which international sanctions have been applied, and Instructions for entering information into such a list dated 09.02.2021 No. 68 Registered in the Ministry of Justice of Ukraine on March 25, 2021 No. 389/36011 — URL: <https://zakon.rada.gov.ua/laws/show/z0389-21#Text>

⁵⁸ On sanctions. The Law of Ukraine dated August 14, 2014 No. 1644-VII. URL: <https://zakon.rada.gov.ua/laws/show/1644-18/print>

The application of sanctions does not exclude the application of other measures to protect national interests, national security, sovereignty and territorial integrity of Ukraine, its economic independence, rights, freedoms and legitimate interests of citizens of Ukraine, society and the state.

The legal basis for the application of sanctions is the Constitution of Ukraine, international treaties of Ukraine, the binding consent of which was given by the Verkhovna Rada of Ukraine, laws of Ukraine, normative acts of the President of Ukraine, the Cabinet of Ministers of Ukraine, decisions of the National Security and Defense Council of Ukraine, relevant principles and norms of international law.

There are several types of sanctions in international law regarding the nature and means of influencing terrorist activity:

- criminal
- legal,
- economic,
- tax,
- customs,
- administrative,
- diplomatic,
- military,
- sanctions operating within the framework of cultural or sports relations,
- combination of sanctions or simultaneous full application.

Types of sanctions in accordance with the Law of Ukraine "On Sanctions" are listed in Appendix B.

Proposals for applying, canceling and amending sanctions are submitted to the National Security and Defense Council of Ukraine by the Verkhovna Rada of Ukraine, the President of Ukraine, the Cabinet of Ministers of Ukraine, the National Bank of Ukraine, and the Security Service of Ukraine.

The decision on applying, canceling and amending sanctions against a foreign state or an unspecified group of persons of a certain type of activity (sectoral sanctions) is adopted by the National Security and Defense Council of Ukraine, put into effect by a decree of the President of Ukraine and approved within 48 hours from the date of issuance of the decree of the President of Ukraine by resolution of the Verkhovna Rada of Ukraine. The corresponding decision enters into force from the moment of adoption of the resolution of the Verkhovna Rada of Ukraine and is binding.

The grounds for the application of the sanction are the task of significant damage to the national security, sovereignty or territorial integrity of Ukraine, in particular, but not exclusively, by:

- a) adoption of a decision regarding armed aggression against Ukraine;
- b) taking part in the adoption of a decision (with the support of such a decision) regarding armed aggression against Ukraine, if such a decision

was adopted collegially or by several bodies of the aggressor state in cooperation;

c) participation in the preparation, submission, and approval of proposals regarding the adoption of a decision on armed aggression against Ukraine;

d) participation in state financing and material and technical provision of measures related to the decision to start armed aggression against Ukraine;

e) taking part in organization (including planning, management and coordination, state financing and logistical support) of preparation of armed aggression against Ukraine, as well as in organization of direct armed aggression against Ukraine;

f) personal participation in armed aggression against Ukraine;

g) taking part in decision-making on creation of occupation administration on the territory of Ukraine captured as a result of armed aggression, in actual creation of occupation administrations, as well as in state financing and logistical support for creation and functioning of such administrations;

h) adopting or taking part in the adoption of a decision (with the support of such a decision with one's vote) on expanding the jurisdiction of the aggressor state or any other state on the territory that, according to the Constitution of Ukraine, is part of Ukraine;

i) taking part in making decisions on the creation, as well as in the creation, state financing and logistical support by the aggressor state of self-proclaimed bodies under its control, which usurped the performance of power functions in temporarily occupied territories of Ukraine;

j) participation in the organization and holding of illegal elections and/or referenda in temporarily occupied territory of Ukraine;

The law establishes the criteria for facilitating armed aggression against Ukraine, namely:

- occupation/annexation of the territory that, according to the Constitution of Ukraine, is part of Ukraine, in particular by means of expressing the intention and readiness to use in the future (in particular, under certain circumstances) legal armed formations for the specified purpose,

- providing the aggressor state with the use of territory, civilian or military infrastructure (communication routes, military and civilian airfields, etc.), premises and territories for the placement of armed formations and equipment (barracks, dormitories, military ranges, bases, combat training centers, camps, etc.), civil, military or special equipment, other movable or immovable property,

- failure to ensure compliance with the established rules of movement and/or crossing the state border of Ukraine,

- supply/provision, storage of weapons, ammunition, explosives, military or special equipment, other means and tools for carrying out armed aggression against Ukraine, ensuring repair of such tools.

Also, the criteria for applying the sanctions policy are:

- financing or material and technical support of the activities of the aggressor state related to armed aggression against Ukraine or occupation/annexation of its territories, in particular by paying taxes, fees to the state budget of the aggressor state, if the total amount of such payments (except customs) for the last four consecutive tax (reporting) quarters exceeds the equivalent of 40 million hryvnias for a legal entity and 3 million hryvnias for an individual, determined by the weighted average official exchange rate of the National Bank of Ukraine for the same period,

- making donations, charitable, sponsorship assistance, other free transfer of funds or other property for the benefit of state authorities or military administration of the aggressor state, legal entities and individuals who commit actions or make decisions, or finance such activities, if cumulative during the year the amount of such funds or the value of the property is at least 750,000 hryvnias at the official exchange rate of the National Bank of Ukraine,

- investing in government bonds of the aggressor state, if the total investment amount during the year is at least 3 million hryvnias at the official exchange rate of the National Bank of Ukraine;

Information assistance in taking actions or making decisions, in particular by:

- organization, financing and direct implementation of public actions aimed at inciting armed aggression against Ukraine, genocide of Ukrainians, discrimination on the basis of Ukrainian citizenship, committing acts that, according to the norms of international law and/or legislation of Ukraine, have the characteristics of war crimes or crimes against humanity,

- justification, recognition as legitimate, denial of armed aggression against Ukraine, occupation of the territories of Ukraine, committing acts that, according to the norms of international law and/or the legislation of Ukraine, have the characteristics of war crimes, genocide or crimes against humanity,

- glorification of persons who carried out armed aggression against Ukraine, representatives of armed formations of the aggressor state, irregular illegal armed formations, armed gangs and groups of mercenaries created, subordinated, managed and financed by the aggressor state, as well as representatives of the occupation administration of the aggressor state and representatives of controlled to the aggressor state of self-proclaimed bodies that usurped the performance of power functions in the temporarily occupied territories of Ukraine,

- maintaining the policy of the aggressor state regarding non-recognition of the right of Ukrainians to self-identification and self-determination,

- distortion of the idea of identity of Ukrainian people and their desire for independence, which is realized through the spread of false ideologues,

which are based on the notoriously false and manipulative identification of Ukrainian patriotism with "Nazism" or other misanthropic ideologies, inciting hatred of the Ukrainian people, its culture, state language, national identity.

The law provides for the creation of the Unified state register of sanctions, which is an information and communication system that ensures the collection, accumulation, protection, accounting, display, processing and provision of information on all entities that are subject to sanctions. The register is created for the purpose of providing free public access to up-to-date and reliable information about all entities subject to sanctions⁵⁹. The data of the Register are open and publicly available, except for cases provided by law.

A special law regarding the application of sanctions is the Law of Ukraine dated March 03, 2022 № 2116-IX "On the basic principles of forcible expropriation in Ukraine of objects of property rights of the russian federation and its residents", which defines that in order to protect the sovereignty and territorial integrity of Ukraine, national interests, national security, ensuring its economic independence, rights, freedoms and legitimate interests of citizens of Ukraine, society and the state, in connection with the waging of an aggressive war by the russian federation against Ukraine with violation of norms of international law, committing crimes against humanity⁶⁰.

According to this Law, the russian federation is a state that, by the decision of the Verkhovna Rada of Ukraine, in accordance with the UN General Assembly Resolution 3314 "Definition of aggression" of December 14, 1974, is recognized as an aggressor state that carries out armed aggression against Ukraine;

In accordance with the provisions of the Law, the objects of property rights of the russian federation and its residents are forcibly expropriated in Ukraine in favor of the state of Ukraine without any compensation (reimbursement) of their value, taking into account the full-scale aggressive war that the russian federation has unleashed and is waging against Ukraine and Ukrainian people.

The decision on the forced seizure in Ukraine of objects of property rights of the russian federation and its residents is adopted by the Council of National Security and Defense of Ukraine, is put into effect by the Decree of the President of Ukraine, is transmitted to:

⁵⁹ On the approval of the Regulation on the State Register of Sanctions, approved by the decision of the National Security and Defense Council of Ukraine dated January 29, 2024, entered into force by the Decree of the President of Ukraine dated January 29, 2024 No. 36/2024. URL: <https://zakon.rada.gov.ua/laws/show/n0002525-24#Text>

⁶⁰ On the main principles of forced seizure of property rights of the russian federation and its residents in Ukraine. The Law of Ukraine dated March 03, 2022 No. 2116-IX URL: <https://zakon.rada.gov.ua/laws/show/2116-20#Text>

1) temporary economic assignment to specialized state enterprises, institutions, organizations and/or economic partnerships, in the authorized capital of which more than 50 percent of shares belong to the state;

2) management of economic entities, 50 percent or more of shares of which belong to the state, by means of conclusion of a property management agreement in accordance with the procedure determined by the Cabinet of Ministers of Ukraine.

Objects of property rights of the Russian Federation and its residents forcibly seized in accordance with this Law in the form of funds are credited to the State Budget of Ukraine and directed to the fund for liquidation of the consequences of armed aggression.

The implementation of state policy in the field of collection of assets of persons subject to sanctions is entrusted to the central body of executive power – the Asset Recovery and Management Agency (ARMA).

ARMA takes measures to identify and trace the assets of individuals and legal entities specified in the relevant decisions of the National Security and Defense Council of Ukraine.

Regarding the impossibility of counteracting the sanctions adopted by Ukraine and other states in relation to entities carrying out terrorist activities, or avoiding the actions of such sanctions at the international level, it is worth noting that the rapid introduction of criminal liability for violation of sanctions in national legislation of the international community and rapid freezing, arrest and seizure of assets of terrorist states will create the necessary conditions for this.

Conclusions

The analysis of formation and functioning of the system of normative and legal regulation of combating terrorism and its functioning at the global and national level made it possible to propose the following conceptual approaches to the coverage of specified issues in the course of the discipline "Financial Monitoring" for students who master this specialty within the framework of economic specialties, in particular 071 "Accounting and taxation".

For students to master the methodology, organization, and institutional mechanisms of combating terrorism, it is important to form a certain system of knowledge regarding historical aspects, philosophy of formation, objects, subjects, and organizational foundations of international regulation and interaction between countries in this area. The study of international legal acts proves that the key factor in the successful fight against terrorism is not only law enforcement activities, but also countering its financing and international cooperation in this area. The study of the FATF Standards on

combating the financing of terrorism and the introduction of targeted financial sanctions and the analysis of the relevant legislation of Ukraine made it possible to reveal the influence of international legal acts on the development of national legislation, which gives a holistic view of integration of Ukraine into the international legal field.

The conducted research made it possible to develop a sequence and determine the depth of consideration of issues related to international and national legislation on combating terrorism and its financing in the discipline "Financial Monitoring", which are outlined in this article.

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Appendix A

The concept of forming the content of the discipline "Financial monitoring" for bachelors

Topic 1. International and national systems of financial monitoring

1. Globalization as a prerequisite for the spread of transnational organized crime
2. Causes and trends in the spread of transnational organized crime
3. International cooperation in countering the spread of transnational organized crime
4. FATF (Financial Action Task Force on Money Laundering), history of creation, purpose of activity, functions
5. FATF standards, substance and general description
6. MONEYVAL – Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism
7. Egmont Group – union of financial intelligence units of countries
8. Development and formation of the financial monitoring system in Ukraine
9. The structure of the financial monitoring system in Ukraine
10. Subject and objects of financial monitoring
11. Method of financial monitoring
12. Principles of preventing and countering the legalization (laundering) of assets obtained by crime, the financing of terrorism and the proliferation of weapons of mass destruction.

Topic 2. Terrorism and its financing as crimes at international and national level

1. Historical and socio-political origins of terrorism
2. Manifestations of terrorism in Ukraine. russian terrorism against the civilian population of Ukraine
3. Cybercrime, information and other new types of modern terrorism
4. Global Terrorism Index
5. International legislation on countering terrorism and its financing
6. The issue of countering financing of terrorism and financing of proliferation of weapons of mass destruction in FATF Standards
7. Legislation of Ukraine in the field of preventing and countering terrorism
8. Targeted financial sanctions related to terrorism and terrorist financing

Topic 3. Risk-oriented approach in financial monitoring

1. Concept of risk in financial monitoring and risk-oriented approach
2. Application of a risk-oriented approach by specially identified subjects of primary financial monitoring in accordance with the FATF Recommendations
3. Application of a risk-oriented approach by specially defined subjects of primary financial monitoring in accordance with the fourth EU anti-money laundering Directive 2015/849

4. Application of a risk-oriented approach by subjects of primary financial monitoring in accordance with the legislation of Ukraine
5. Assessment of risks by criteria and development of risk criteria. Types, signs of risk

Topic 4. Establishing the final beneficial owner of the client or its absence

1. Identification and verification of the final beneficial owners of clients of the subjects of primary financial monitoring
2. Determining whether the client or the client's ultimate beneficial owner belongs to politically exposed persons, their family members or persons related to them and taking measures against such clients.
3. Sources of information about the ultimate beneficial owner
4. Schematic representation of the client's property structure

Topic 5. Organization of primary financial monitoring

1. Authority and legal status of the responsible employee of the subject of primary financial monitoring
2. Development of rules and programs for financial monitoring
3. Carrying out due diligence of the client by the subject of primary financial monitoring
4. Registration and submission of information on financial transactions that are subject to financial monitoring
5. Freezing of assets related to terrorism and its financing, proliferation of weapons of mass destruction and its financing
6. Termination of financial transactions
7. Reporting of subjects of primary financial monitoring

Topic 6. Typologies of "dirty" money laundering at international and national levels

1. The essence of the typology of "dirty" money laundering
2. The main schemes of money laundering
3. Methods of income legalization
4. Financial pyramids.
5. Offshore areas
6. Corporate fraud
7. Transfer of funds into cash
8. Cyber fraud
9. Typical money laundering schemes in international practice

Topic 7. National risk assessment in the state financial monitoring system

1. The essence of national risk assessment, its purpose and sources of information
2. Measures carried out based on the results of the national risk assessment
3. Methodologies of NRA
4. Sectoral risks in the area of AML/CFT. Risk areas by sector
5. Assessment of risks of using the NGO sector for AML/CFT purposes
6. Risk assessment of various organizational and legal forms of legal entities

Topic 8. Implementation of international and European standards of financial monitoring in the field of legalization of the virtual assets market

1. Virtual assets: essence, taxonomy and economic and legal regimes
2. Risks of using virtual assets in criminal proceedings
3. Modernization of FATF recommendations on the latest technologies
4. Prospects for legalization of virtual assets on a global and regional scale
5. Risk-oriented approach in financial monitoring of virtual assets
6. The European integration vector of the development of national system of financial monitoring of virtual assets in Ukraine: prevention and countermeasures against money laundering
7. National risk assessment (NRA) of the activity of the virtual asset market and related sectors of the financial market

Appendix B

Types of sanctions in accordance with the Law of Ukraine "On Sanctions" dated August 14, 2014 № 1644-VI

1) blocking of assets – temporary deprivation of the right to use and dispose of assets that belong to individual or legal entity, as well as assets with respect to which such individual can directly or indirectly (through other individuals or legal entities) perform actions identical in content to the exercise of the right to dispose of them;

2) collection into state income of assets belonging to an individual or legal entity, as well as assets in respect of which such an individual can directly or indirectly (through other individuals or legal entities) perform actions identical in content to the exercise of the right to dispose of them;

3) restrictions on trade transactions;

4) restriction, partial or complete cessation of transit of resources, flights and transportation through the territory of Ukraine;

5) prevention of withdrawal of capital outside Ukraine;

6) suspension of economic and financial obligations;

7) cancellation or suspension of licenses and other permits, the receipt (availability) of which is a condition for carrying out a certain type of activity, in particular, cancellation or suspension of special permits for subsoil use;

8) prohibition of media distribution on the territory of Ukraine;

9) prohibition of participation in privatization, lease of state property by residents of a foreign state and persons directly or indirectly controlled by residents of a foreign state or acting in their interests;

10) ban on using the radio frequency spectrum of Ukraine;

11) restriction or termination of the provision of electronic communication services and the use of electronic communication networks;

12) prohibition of public and defense procurement of goods, works and services from legal entities-residents of a foreign state of state ownership and legal entities, the share of the authorized capital of which is owned by a foreign state, as well as public and defense procurement from other business entities, that carry out the sale of goods, works, services originating from a foreign country to which sanctions have been applied;

13) prohibition or restriction of entry of foreign non-military vessels and warships into the territorial sea of Ukraine, its internal waters, ports and aircraft into the airspace of Ukraine or landing on the territory of Ukraine;

14) full or partial prohibition of transactions with respect to securities, the issuers of which are persons to whom sanctions have been applied in accordance with this Law;

15) prohibition of issuing permits and licenses of the National Bank of Ukraine for investment in a foreign country, placement of currency values in accounts and deposits in the territory of a foreign country;

16) suspension of issuance of permits, licenses for import into Ukraine from a foreign state or export of currency values from Ukraine and restriction of cash issuance for payment cards issued by residents of a foreign state;

17) prohibition of registration by the National Bank of Ukraine of a participant in an international payment system whose payment organization is a resident of a foreign state;

18) prohibition of increasing the size of the authorized capital of economic companies, enterprises in which a resident of a foreign state, a foreign state, a legal entity, the participant of which is a non-resident or a foreign state, owns 10 percent or more of the authorized capital or has influence on the management of the legal entity or its activities;

19) introduction of additional measures into the field of environmental, sanitary, phytosanitary and veterinary control;

20) termination of trade agreements, joint projects and industrial programs in certain areas, in particular in the field of security and defense;

21) prohibition of transfer of technologies, rights to objects of intellectual property;

22) termination of cultural exchanges, scientific cooperation, educational and sports contacts, entertainment programs with foreign states and foreign legal entities;

23) refusal to issue and cancellation of visas to residents of foreign countries, application of other bans on entry the territory of Ukraine;

24) termination of international agreements, the binding consent of which was given by the Verkhovna Rada of Ukraine;

25) cancellation of official visits, meetings, negotiations on the conclusion of contracts or agreements;

26) deprivation of state awards of Ukraine, other forms of recognition;

27) prohibition on acquiring ownership of land plots;

28) prohibition of activities on the territory of Ukraine;

29) refusal to grant or cancellation of an immigration permit, validity of permits for permanent or temporary residence in Ukraine;

30) forced return or forced deportation outside Ukraine;

31) prohibition of demonstration and use of symbols of terrorist organizations and groups, promotion of ideas and program goals of such organizations (groups), blocking of access to information resources used for these purposes;

32) other sanctions that correspond to the principles of their application established by the Law.