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RISKS OF USING VIRTUAL CURRENCIES FOR THE PURPOSE OF LEGALIZATION (LAUNDERING) OF MONEY OBTAINED

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Abstract. *The article deals with the positions of international organizations and governments of the countries to the legal status of virtual currencies; a study of the conceptual provisions of the FATF and the Council of Europe to understand and reduce the risks associated with virtual currencies related to PV / FT. The possibility of using virtual currencies for the purposes of money laundering, terrorist financing, cyber fraud, tax evasion due to the uncertainty of their economic nature and legal status, lack of control by financial monitoring entities and public authorities, as well as such features as accessibility, speed of circulation, anonymity. The characteristic features of the set of possible risks of the use of virtual currencies are revealed, the approaches of the organization of financial monitoring and supervision of operations with the use of virtual currencies to minimize risks, threats and negative influences are outlined.*

Keywords: *virtual currencies, financial monitoring, risks, money laundering, terrorist financing, cybercrime.*

Recent years have been characterized by the rapid development of innovative technologies, the most influential of which are observed in the economic sphere and financial intermediation. Along with the positive effects of ICT and financial innovation, including virtual currencies, the intense increase in cash flows threatens the stability and security of the financial system against attempts to use it to legalize (launder) proceeds of crime or finance terrorism. Therefore, there is a need to further develop and improve the effectiveness of national systems to counter the legalization (laundering) of proceeds of crime or terrorist financing (PV / FT), to develop modern approaches to respond to new methods and schemes in a timely manner, to elim-

inate the imperfection of the regulatory framework, to strengthen the regulatory framework. ensuring and interagency coordination, etc.

Assessing the totality of risks inherent in virtual currencies, it should be noted that regulators and all financial market participants need to improve their risk management, compliance and financial monitoring systems. The author determined the following: 1) an understanding of the nature and features of the risks posed by the use of virtual currencies; 2) preventing the reduction of investment in innovative Fintech developments; 3) the need to ensure the adaptability of legislative and regulatory changes to the economic realities of expanding virtual currency business schemes; 4) the focus of

regulatory policy not only on the market behavior of participants, but also with the mandatory observance of JHA / FT principles; 5) the transnational nature of virtual currencies (regulation should be based on generally accepted international norms, practices and practices in this field); 6) the obligation of continuous

monitoring and analysis by the supervisory and law enforcement agencies of the potential impact of virtual currencies on economic and social processes; 7) expediency of forecasting perspective directions of development of innovations and potential consequences that will be generated by such development.

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