

CHARACTERISTICS OF BANKING RISK MANAGEMENT / AMOUNTING OF TERRORISM AND DIRECTION OF ITS IMPROVEMENT

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Abstract. *The article discusses the main theoretical approaches to the definition of the essence of the process of money laundering and terrorist financing risk management (risk of ML/FT) in bank. The main disadvantages of these interpretations are highlighted. A number of risk management principles of ML/FT to fully understand this process are given. A proprietary definition of the concept of “money laundering and terrorist financing risk management in bank” and ways to improve one of the management stages — monitoring are proposed.*

Key words: *risk of money laundering and terrorist financing, banking institution, monitoring of suspicious financial transactions*

The risk of money laundering through banking institutions has become an integral part of international financial markets, and attempts to effectively identify, control and minimize this risk have become a key vector in the development of counterfeiting of criminal proceeds and terrorist financing.

The purpose of the article is to study the theoretical approaches to the essence and principles of the bank risk management process for the “dirty” money and financing of terrorism, the development of methods for its improvement.

Integrated risk management of legalization has not yet been developed, without taking into account the need for involvement of all bank units, their interconnection. The understanding that the risk management system should take into account not only narrowly directed

information, but also evaluate all processes occurring in the bank, and the ultimate goal of risk management is to reduce the bank's financial loss, improve its efficiency and maintain an adequate level of reliability.

A critical analysis of scientific approaches to understanding the essence of risk management made it possible to systematize the principles of bank risk management of money laundering and terrorist financing, among which the importance of adaptability, efficiency and information content, continuity and complexity, prudence and continuous improvement are justified.

The proposed VC / FT risk monitoring technique allows to limit the possible financial consequences of manifesting these risks, contributing to the stability and reliability of the banking institution, as well as preventing criminal proceeds

and funds intended to support terrorism in the financial sector, thereby ensuring economic security. Such a system is responsible for monitoring and detecting any transaction that may violate one or more established rules, or record certain suspicious behavior manifested in other legitimate transactions. In addition, it allows you to "acquire" a risky client for each financial transaction and risky for the suspected transaction. The

proprietary approach focuses on identifying risk customer.

The introduction of this approach allows you to limit the possible financial consequences of the manifestation these risks, increasing stability and reliability of banking institutions, as well as to prevent the ingress of criminal proceeds and funds intended to support terrorism in the financial sector, thereby ensuring the economic security of the state.

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