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CHARACTERISTICS OF ENTITIES, OBJECTS AND SUBJECT OF CURRENCY SUPERVISION

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Abstract. *The article explores the issue of elements of currency supervision, such as entity of currency supervision, its subjects and objects. The new risk-oriented currency supervision was introduced in Ukraine on February 7, 2019. So the author provides a description of the entities of currency supervision, their powers, objects of currency supervision, such as currency transactions and the subjects of currency supervision, such as currency values based on new legislation changes. In the article author also describes the system of state bodies in Ukraine, which have the powers in the field of currency supervision, their classification and their powers in the field of the currency supervision. The author also highlights the key differences between the entities of currency supervision based on new currency legislation introduced in Ukraine on February 7, 2019 and the currency legislation which has been operating in Ukraine since 1993.*

Keywords: *currency supervision, currency supervision authorities, currency supervision agents, residents, non-residents, currency transactions, currency values.*

A new risk-oriented currency supervision has been launched in Ukraine since the February 7, 2019 with the entry into force of the Law “On Currency and Currency Transactions”. With the introduction of the new currency legislation, approaches to the currency supervision have changed, so the transmission from the total currency control to the risk-oriented currency supervision has taken place. This law amended the list and functions of the currency supervisory authorities, defined new requirements for the functions of the currency supervision agents, circulation of the currency values and the currency transactions, established the main principle and guarantees of freedom of the currency transactions and

the currency values. Not all of the currency transactions are the subject to the currency supervision, but only those that carry significant risks of violation or avoidance of the requirements and restrictions established by the currency legislation. The risk-oriented currency supervision in Ukraine is radically different from the currency control, which has been operating since 1993. The risk-oriented currency supervision in Ukraine corresponds to the course of the currency liberalization of the country. This new risk-oriented currency supervision introduced radical changes in the system of currency supervision bodies, functions and powers of these bodies and currency supervision agents, outlined their areas of

attention, and thus specified the list of objects of currency supervision. Some state bodies in Ukraine, although they have not the status of currency supervision bodies in accordance with the new currency legislation, but they have the authority to perform some functions and tasks in the field of currency supervision. The status and powers of such state bodies are determined by special legal acts that regulate their activities.

Today, the Ukraine is on the path of gradual currency liberalization, the ultimate goal of which is to remove currency restrictions, which will directly affect the activities of currency supervision bodies

and agents, the regime of use of currency values and transactions with them. Thus, the regulation in the activities of the currency supervision bodies and the agents of currency supervision, and also in the procedure for conducting of currency transactions and the use of the currency values are in the process of transformation in Ukraine.

For the National bank of Ukraine and currency supervision agents the new risk-oriented currency supervision means more transparent, flexible, risk-oriented approach in all issues of the currency supervision.

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