

Compliance practice

Effective and safe solutions for banks and financial institutions in Ukraine



Global best practices to suit your needs

The PwC Legal global network allows clients to benefit from our uniform service standard across more than 80 territories through a single point of contact. Our one-stop shop covers the full scope of legal, tax, consulting and audit services, provided by the global network.

With our extensive knowledge of local regulations and our multijurisdictional capabilities, we are well-positioned to help our clients deal effectively with regulatory and compliance issues. Our team has extensive experience in banking and financial services where we advise on all aspects of regulatory compliance.

Why Compliance is important for financial institutions?

Compliance is currently undergoing significant development within financial institutions (“FI”), and its role is becoming more important due to the increasing number of financial offences, compliance risks FI are constantly facing, and the decrease of confidence in the financial system.

Failure to duly assess and manage compliance risks may lead to the following:

- imposition of regulatory sanctions, including significant fines, cancellation of

licenses and liquidation;

- imposition of legal sanctions;
- substantial financial losses; and
- significant damage to reputation.

Development of sustainable and effective compliance in FI will enhance confidence in FI, both from the clients’ and investors’ perspectives; and increase the FI’s efficiency in the prevention of money laundering operations, financing of terrorism, spreading of weapons of mass destruction, as well as financial crimes.

Our expertise

At PwC, we have professionals who perform assessments of money laundering vulnerability, compliance programme evaluation and gap analysis. We have developed approaches for reducing risk, enhancing risk management and carrying out operational solutions.

We work with our clients to evaluate, design and implement anti-corruption solutions.

Our Anti-money laundering (AML) practice includes experts in both Ukrainian and foreign legislation, with the skill and experience to help clients improve AML policies and procedures, and prevents our clients from violating related regulatory requirements, which allows our clients to avoid penalties, reputational damages, suspension of activities and/or withdrawal of licenses.

The experience of our global network enables us to provide exceptional Compliance services which embody global best practices, while also keeping our clients aware of current developments in international Compliance regulations.

Our recent Compliance experience

- PwC was engaged by a major international bank to evaluate the KYC policies of its subsidiary in Ukraine. In particular, the client was interested in an assessment of the extent to which its KYC policies complied with Ukrainian AML legislation as well as the group's policy.
- PwC was engaged by a major international bank to perform an internal AML audit regarding the policies and requirements of the group's subsidiary in Ukraine. Within this project PwC, particularly, conducted audit of AML alert disposition quality.
- PwC was engaged by a major international bank to perform an internal AML audit of its Ukrainian subsidiary with respect to local regulatory requirements. Within this project, PwC conducted:
 - an assessment of the compliance of the subsidiary's AML rules and internal procedures with the applicable Ukrainian legislation, including requirements imposed by the National Bank of Ukraine
 - an analysis of the actual implementation of existing AML procedures (including customer identification, due diligence and risk assessment) by testing a sample of customer files and interviewing key employees of the bank
 - an evaluation of the bank's transaction monitoring and reporting controls, by analyzing algorithms, testing a sample of reports and responses to regulatory requests, and interviews with responsible employees
 - an assessment of compliance with applicable Ukrainian and international sanctions regulations, and
 - an assessment of the compliance of the AML training program with the guidelines of the NBU and international best practices.

What do we offer?

Anti-money laundering compliance

- We conduct independent AML audits/internal AML audits
- We conduct AML programme evaluations and gap analysis
- We review the effectiveness of AML programmes, and/or assist with AML risk assessments
- We design and implement customer due diligence processes (KYC programmes and risk models)
- We design and deliver training programmes


Anti-corruption compliance

- We conduct independent compliance risk assessments and gap analysis
- We prepare practical recommendations for improving policies and procedures, as well as addressing compliance risks
- We design and assist in the implementation of anti-corruption compliance programmes
- We design and deliver training programmes for employees and senior management

Compliance with specific regulations and policies


- We conduct analysis of the key elements in a company's compliance programme with respect to relevant laws and global best practices
- We ascertain whether compliance-related activities are being implemented as intended

Value to clients' businesses

 *We increase confidence that compliance controls are properly designed, efficiently implemented, and robust enough to manage all risks and meet regulatory requirements*

 *We improve transparency with respect to business processes*

 *We help clients to avoid penalties*

 *We enhance and improve corporate culture*



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