

## **REVIEW**

from

**Assoc. Prof. Dr. Radostin Vazov**

**VUZF**

of a dissertation for the award of the educational and scientific degree "Doctor"

Field of higher education 3. Social, economic and legal sciences

Professional field 3.8. Economics

Author:

**POLINA DIMITROVA KAVRAKOVA**

Subject:

**MONEY LAUNDERING IN THE NON-FINANCIAL SECTOR.  
(MECHANISMS. DIAGNOSIS. PREVENTIVE MEASURES.)**

Supervisors:

**Prof. Dr. Lyubka Tsenova**

**Assoc. Prof. Dr. Zhelyo Hristozov**

### **1. General description of the submitted materials**

By order № 88 / 05,04,2022 of 02,03,2022. of the Rector of VUZF I have been appointed a member of the scientific jury for providing a procedure for the defense of a dissertation on the topic "MONEY LAUNDERING IN THE NON-FINANCIAL SECTOR. (MECHANISMS.

DIAGNOSIS. PREVENTIVE MEASURES.) ", For obtaining the educational and scientific degree" Doctor "in the field of higher education 3. Social, economic and legal sciences, professional field 3.8. Economics. The author of the dissertation is Polina Kavrakova, PhD student with research supervisor Prof. Dr. Lyubka Tsenova.

The set of materials presented by Polina Kavrakova includes the following documents:

- Minutes of the department council, related to reporting on the readiness to open the procedure and preliminary discussion of the dissertation;
- dissertation work;
- abstract;
- list of scientific publications on the topic of the dissertation;
- copies of scientific publications;
- list of cited observations;
- declaration of originality and authenticity of the attached documents;

The doctoral student has attached 6 publications.

## **2. Relevance of the topic and expediency of the set goals and objectives**

The presented dissertation is especially relevant with the specifics of the researched issues, its content and the applied research approaches, methods and directions. She objectively and realistically presents the qualities, skills and abilities of Polina Kavrakova, as a researcher, analyst and professional in the specific field of science.

The presented work can find "hot" problem areas, formulations and other important questions, as well as possible answers, author's opinions, options and ways to solve them.

The urgency of the issue is determined by the necessary changes related to one of the key objectives of the functioning of most modern countries, namely the need to reduce the damage to the economy from money laundering. This requires diagnosing the problem through its study and on this basis preparing proposals for the development of preventive measures. The topicality and



significance of the topic are also dictated by the existing negative macroeconomic consequences on the economy. These adverse outcomes include unreasonable increases in demand for property, risks to tax collection, distortions in legitimate trade, volatility in international capital flows, frequent changes in exchange rates due to unforeseen and unexpected cross-border transfers of assets, and etc. Successful money laundering attempts to promote corruption and crime and undermine democracy and the rule of law. In order to achieve these goals at the national and supranational level, the doctoral student proposes to take measures against money laundering in order to activate the control that should be exercised.

### **3. Knowledge of the problem**

The author has shown good skills for independent research. She knows very well the researched issues, both in theoretical and practical aspect. The multifaceted consideration of the problems reveals her knowledge in this field of science and knowledge.

### **4. Research methodology**

To solve the research problem, comparative analysis, historical and systematic approach, deduction, induction, logical analysis were used, using the following tools: observation and derivation of trends; analysis of the normative acts regulating the public relations in this sphere; review of existing theoretical developments on the topic. The chosen research methodology allows the achievement of the set goal and gives an adequate answer to the tasks set and solved in the dissertation. The methodology is based on institutional, institutional-historical, critical and comparative analysis. A set of research tools is included, such as literature review, schematic and graphical presentation of trends, systematization of data and prognostic assessments.

### **5. Characteristics and evaluation of the dissertation**

The dissertation consists of: introduction, presentation in three chapters, conclusion, list of references and 1 appendix. The main text covers 177 pages and contains 2 tables, 7 figures, 1 survey, 1 appendix. The used literature covers: a total of 247 sources, of which: 61 Bulgarian



literary sources, 20 foreign literary sources, 59 normative sources, 28 sources such as reports, transcripts and other related with the topic and 79 internet sources. The presented dissertation has emphasized theoretical and applied significance, based on the author's research in the considered field. The well-built monolithic structure of the content has allowed to develop the theoretical, methodological and practical-applied interpretations in a logically connected sequence and comprehensibility of the otherwise relatively more complex matter and terminology of the considered issues.

The dissertation is characterized by depth, complexity, high level of knowledge of the subject, scientific logic in the presentation of research results, with correct adaptation of existing methodologies and methodological solutions, with adequate empirical argumentation of the thesis and proposed solutions. This makes it relatively easy to apply and use.

The acquaintance with the dissertation allows to assess that the goal of the research has been achieved, and the tasks arising from it have received adequate solutions. The key thesis of the presented work is proven, namely that the improvement of Bulgaria's economic indicators and the achievement of its real economic convergence with EU member states cannot be achieved without conducting a comprehensive multi-purpose process aimed at opening the institutional structure and improving institutional characteristics.

## **6. Contributions and significance of the development for science and practice**

The dissertation contains scientific - applied results with the nature of contributions. I accept the scientific contributions provided by the author and I agree with their wording.

The scientific and practical contribution of the presented work is based on the following elements:

1 / The historical follow-up in the development of the legal framework regarding money laundering.

2 / An argumentative proposal has been made for the transformation of the National Specialized Administrative Directorate "Financial Intelligence" into an independent body in the state administration, which would lead to improved efficiency of its work.



3 / The need to establish in the Member States a unified structure of the bodies supervising money laundering in order to facilitate the interaction between them.

4 / Systematization of the actions of a limited number of persons from the non-financial sector to be undertaken by them to identify customers, their owners and their financial channels. Specific indicators and techniques have been proposed to help the same groups of people in the non-financial sector prevent money laundering.

5 / The necessity of elaborating and adopting a strategy at national level, which is directed against the intolerance of the society towards money laundering, is pointed out.

## **7. Evaluation of the publications on the dissertation**

A sufficient number of scientific publications have been presented - a total of 6 issues. They are both independent and co-authored. They are related to the topic of the dissertation. D Namely: Kavrakova, P., report on the topic: "Two current methods for paperwork", Sofia, UNWE, 15th International Scientific Conference of Young Scientists on "The Economy of Bulgaria and the European Union: Circular Economy and Corporate Social Responsibility ", organized by the FSF of UNWE, on November 22, 2019, published on disk. Kavrakova, P., article, " On some measures against money laundering ", Sofia, Aktiv magazine, accounting matrix, magazine for professionals in the field of accounting, finance and insurance ISSN 1314-3484 / print /, Dobi Press, issue 12, 2019, pp.23-31. Kavrakova, P., article "Models and schemes applied in money laundering in the non-financial sector ", Proceedings XIII rd International Scientific Conference - Knowledge capital in the future, December -13-15 2019, Bansko, Bulgaria, International Journal, vol.35, pp. 345-342. Kavrakova, P. , Report on "Indicators for control of money laundering by individuals and non-governmental organizations", requested to participate in the National Student and Doctoral Conference "Economic Challenges for Bulgaria (2021-2023) - Sustainability and Risks", VUZF held on April 23, 2021. The report is published in VUZF, ISBN 978-619-76-22-05 -8, pp. 367-376. Kavrakova, P., article, "Money laundering - how well the public is informed", Sofia, "Active Accounting Matrix" magazine, a magazine for professionals in the field of accounting, finance and insurance. ISSN 1314-3484 / print /, ed. Dobi press, issue 5, 2021, pp.23-31. Tsenova, L., Kavrakova, P., article: "Protective measures for persons reporting money laundering", vol.



"Bulgaria's membership in the EU: 14 years later", Department of IIE and Business at the Faculty of International Economics and Politics, 2021, UNWE / published in the UNWE publishing house  
- appendix: official note

## **8. Personal participation of the doctoral student**

No forms of plagiarism have been identified.

## **9. Abstract**

The abstract reflects the content of the dissertation, containing the necessary information and highlights of the study. It correctly and comprehensively presents the dissertation, the contributions and the main conclusions in the text.

## **10. Critical remarks and recommendations**

After my detailed acquaintance with the presented dissertation, I did not find any significant omissions, inaccuracies or contradictions. Maybe some statements on the researched issues do not coincide with my views, but these are personal interpretations and interpretations of the candidate and they can be protected by her. Therefore, I believe that they do not affect my overall positive assessment and do not diminish the scientific achievements of the candidate. Therefore, my remarks are rather indicative and advisory for his future research, namely:

- ☐ in some places I find the great desire of the candidate to present us as rich content as possible, which leads to scattering in not always appropriate details;
- ☐ Some diagrams, tables and graphs, although very carefully and reasonably designed, could be exploited in depth.

## **11. Personal impressions**

I have no personal impressions of the doctoral student.

**CONCLUSION**

The dissertation contains scientific, scientific-applied and applied results, which represent an original contribution to science and meet all the requirements of the Law on the Development of Academic Staff in the Republic of Bulgaria (ZRASRB) and the Regulations for the implementation of ZRASRB. The presented materials and dissertation results fully comply with the specific requirements of the Regulations.

The candidate knows not only the scientific literature and achievements in this field, but also the practice itself. The results of the study are presented logically, understandably and clearly. I believe that the conclusions of the analysis in the dissertation should be considered and taken into account by researchers in Bulgaria.

Based on these positive results, as well as the nature of my critical remarks as recommendations in the process of future research activities of the candidate, I give my positive assessment of the research presented by the peer-reviewed dissertation, abstract, results achieved and contributions, and I propose to the esteemed scientific jury to award the educational and scientific degree "Doctor" of Polina Kavrakova in the field of higher education: 3. Social, economic and legal sciences, professional field 3.8. Economics.

Sofia..

17.05.2022



Reviewer: .....

(signature)

Assoc. Prof. Dr. Radostin Vazov