

## Project against Money Laundering and Terrorist Financing in Serbia MOLI Serbia

### MONTHLY REPORT No. 26/2012

<b>Project title</b>	Project against Money Laundering and Terrorist Financing in Serbia (MOLI Serbia)
<b>Project duration</b>	36 months (15 November 2010 – 15 November 2013)
<b>Implementation</b>	Economic Crime Cooperation Unit, Action against Crime Department (DGI-Human Rights and Rule of Law)
<b>Project budget</b>	EUR 2 200 000
<b>Reporting Period</b>	1 April – 30 April 2013
<b>Reporting Date</b>	13 May 2013
<b>SUMMARY OF THE CURRENT STATUS OF THE PROJECT AGAINST INDICATORS</b>	
<b>Activity</b>	<b>Finalising and publishing the National Risk Assessment report</b>
<b>Output Reference</b>	Activity 2.3.1. - Organise, carry out and present a National Risk Assessment on the risks of money laundering and terrorist financing in the Republic of Serbia
<b>Aim</b>	To produce, print and publish the National Risk Assessment report.
<b>Outcome</b>	The Administration for the Prevention of Money Laundering (APML) has officially informed the Government of Serbia that the first National Risk Assessment has been finalised on 15 April 2013. The APML has presented two versions of the report. The full version will be distributed to the participating institutions and other relevant agencies. The abridged version will be made available to the public and representatives of the media.
<b>Follow-up</b>	The printed version will be available in the beginning of June 2013. A working breakfast will be organised for the members of the press to present the findings.
<b>Activity</b>	<b>Finalising the study on the risks of abuse of Non-Profit Organisations</b>
<b>Output Reference</b>	Activity 2.3.3. - Organise, carry out and present a research study regarding risks of abuse of the Non-Profit Organisations for money laundering and terrorist financing purposes
<b>Aim</b>	To present and publish a research study regarding risks of abuse of the Non-Profit Organisations for money laundering and terrorist financing purposes.
<b>Outcome</b>	This study has been completed by Mr Grahame Barker, Council of Europe short-term expert. The research process included a scoping mission within Serbia between 17-21 October 2012, meeting with several government agencies

	and representatives of a small number of NPOs in order to ascertain the scope and scale of the sector. A second scoping mission took place in Novi Pazar between 14-18 January 2013. Emerging findings were identified from the two scoping mission, and more in-depth data gathering and interviews with representatives of identified government departments followed in February 2013. The final report includes an assessment and recommendations to reduce or close vulnerability gaps to minimise the risks of terrorist financing and money laundering, taking into account any legislative issues which need to be addressed in order to achieve this.
<b>Follow-up</b>	A presentation by the author of the report will be organised in the second half of June 2013 for all participating entities.
<b>Activity</b>	<b>Guidance paper on the system of data collection and analysis, information exchange and feedback between relevant services and institutions</b>
<b>Output Reference</b>	6.1.2.- Undertake assessment and propose improvements by way of guidance papers followed by a workshop on the system of data collection and analysis, information exchange and feedback between relevant services and institutions (including private sector)
<b>Aim</b>	To gather first-hand information on inter-agency cooperation, information exchange and ways for improvement to be presented in a final report.
<b>Outcome</b>	MOLI project team carried out a round of meetings with representatives of the Ministry of Interior – Service for Combatting Organised Crime, Customs Administration, State Public Prosecutor’s Office, Association of Serbian Banks (Compliance Board) and APML. All participating institutions were forthcoming in providing details on the current state of inter-agency cooperation and levels of information exchange and feedback, as well as recommendations for improvement. As a result of this assessment, a guidance paper has been drafted by the MOLI-Project LTC.
<b>Follow-up</b>	The guidance paper will be translated and submitted for review to all participating institutions. The paper will also be discussed within the Working Group formed to develop forms for providing data on economic and criminal offences related to ML/TF towards the end of May 2013.
<b>LIST OF SPECIFIC PROJECT DELIVERABLES (TECHNICAL PAPERS) AND OTHER DOCUMENTS</b>	
<ul style="list-style-type: none"> <li>• Technical Paper: The risks of abuse to Non-Profit Organisations for money laundering and terrorist financing in Serbia (Grahame Barker, April 2013)</li> <li>• Technical paper: Analysis and Recommendations following the review of the Transaction Monitoring Information System (TMIS) of the Analytical Department of the Administration for the Prevention of Money Laundering (Simon Goddard, April 2013)</li> </ul>	
<b>OTHER PROJECT RELATED DEVELOPMENTS</b>	
<ul style="list-style-type: none"> <li>• On 30 April 2013, MOLI Serbia project team was visited by an evaluator assigned by the EUD in cooperation with SEIO, with an aim to evaluate of the project’s contribution to the reform of the Rule of Law Sector in Serbia.</li> </ul>	
<b>CURRENT AND ANTICIPATED PROBLEMS, INCLUDING PLANNED REMEDIAL ACTIONS</b>	
None at the time of reporting.	
<b>PLANNED ACTIVITIES FOR THE NEXT PERIOD</b>	
<ul style="list-style-type: none"> <li>• Follow-up visit to Serbia to collect information for the purposes of conducting a research study into informal and informal money transfers (Activity 2.3.2).</li> <li>• Finalising the CBT induction course (Activity 3.1.2)</li> </ul>	

- Ms Maud Bokkerink, CoE expert, will prepare a compilation of guidelines for supervisors and regulators with an emphasis on risk-based approach (Activity 5.1.2.)
- Scoping mission by Mr David Artingstall, CoE expert, to provide assistance to APML in drafting the National AML/CFT strategy (Activity 6.1.3)
- Intelligence Development Workshop for APML Analytical Department, 27-31 May 2013 (Activity 3.3.2.)

## CONCLUSIONS

During the month of April 2013, MOLI Serbia activities focused on producing several technical papers, finalising two of the three main research studies to be produced within the project, Activity 2.3.1. (National Risk Assessment) and Activity 2.3.3. (Study on the risks of money laundering in the NPO sector), as well Activity 6.1.2. (Assessment of the system of data collection and analysis, information exchange and feedback between relevant services and institutions). MOLI Serbia project continues without any major obstacles.