

Project against Money Laundering and Terrorist Financing in Serbia MOLI Serbia

MONTHLY REPORT No. 25/2012

Project title	Project against Money Laundering and Terrorist Financing in Serbia (MOLI Serbia)
Project duration	36 months (15 November 2010 – 15 November 2013)
Implementation	Economic Crime Cooperation Unit, Action against Crime Department (DGI-Human Rights and Rule of Law)
Project budget	EUR 2 200 000
Reporting Period	1 March – 31 March 2013
Reporting Date	9 April 2013
SUMMARY OF THE CURRENT STATUS OF THE PROJECT AGAINST INDICATORS	
Activity	Scoping paper on producing a compilation of guidelines with an emphasis on risk-based approach for supervisors and regulators
Output Reference	Activity 5.1.2 - Based on the identification of issues of concern through the scoping paper, prepare compilation of guidelines in implementing the national existing standards for supervisors and regulators with an emphasis on risk-based supervision.
Aim	Discuss with Serbian authorities the findings and options for next steps in on the compilation and unification of supervisory guidelines in the area of the risk-based approach.
Outcome	<p>As a result of a mission to Serbia from 25-26 February 2013, CoE experts Ms Maud Bokkerink assessed the possible options to draft a unified set of guideline(s) for obligors on the risk-based implementation of AML/CFT requirements. She also discussed and sought agreement with AML/CFT supervisors on the structure and scope of targeted guidelines to institute a risk-based AML/CFT inspections regime tailored to the needs of each supervisory institution.</p> <p>An options paper has been drafted, outlining possibilities for an approach to the compilation of guidelines for obligors and to the supervisory inspection instructions. A recommendation is made to prepare a compilation of the existing sector guidelines and, in addition to that compilation, a general guidance document relevant for all obligors which would include an overall risk assessment methodology for obligors with respect to their business operations. A similar overarching guidance document would be produced for supervisory authorities in the area of inspections.</p>
Follow-up	Produce a compilation of the existing sector guidelines and a general guidance document relevant for all obligors and a separate guidance for supervisors

Activity	Meetings with partner institutions to assess data collection, information exchange and feedback between relevant government agencies, 22-28 March 2013.
Output Reference	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)
Aim	To gather first-hand information on inter-agency cooperation, information exchange and ways for improvement to be presented in a final report.
Outcome	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.
Follow-up	A guidance paper will be drafted by LTC and submitted for review to all participating institutions.
LIST OF SPECIFIC PROJECT DELIVERABLES (TECHNICAL PAPERS) AND OTHER DOCUMENTS	
<ul style="list-style-type: none"> Technical Paper: Report on assessing possibilities for an AML/CFT risk-based approach to the guidelines for obligors and to the supervisory inspection regimes (Ms Maud Bokkerink, March 2013) 	
OTHER PROJECT RELATED DEVELOPMENTS	
<ul style="list-style-type: none"> The Result Oriented Monitoring (ROM) mission took place from 11-15 March 2013. This is the second ROM assessment during the course of the project. The independent consultant contracted by EUD has met with representatives of all partner institutions to assess project implementation. The report of the mission is expected at the end of April 2013. UN Security Council Counter-Terrorism Committee Executive Directorate (CTED) visited Serbia from 17-21 March 2013 in order to assess Serbia’s implementation of UN Security Council resolution 1373 (2001) and 1624 (2005). In the debriefing session, MOLI project was mentioned on several occasions as one of the key resources for Serbian authorities on improving its capacities to prevent terrorism financing. 	
CURRENT AND ANTICIPATED PROBLEMS, INCLUDING PLANNED REMEDIAL ACTIONS	
None at the time of reporting.	
PLANNED ACTIVITIES FOR THE NEXT PERIOD	
<ul style="list-style-type: none"> Finalising and publishing the NRA report (Activity 2.3.1.) 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). Finalising the study on the risks of abuse of Non-Profit Organisations (Activity 2.3.3.) Finalising the CBT induction course (Activity 3.1.2) Prepare a compilation of guidelines for supervisors and regulators with an emphasis on risk-based approach (Activity 5.1.2.) Assistance 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 March 2013, MOLI Serbia activities focused on continuing Activity 5.1.2.	

(Scoping report and recommendations for the compilation of guidelines with a Risk-Based Approach) and initiating Activity 6.1.2. (Assessment of inter-agency information exchange). MOLI Serbia project continues without any major obstacles.