

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

### MONTHLY REPORT No. 29/2012

<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 July – 31 August 2013
<b>Reporting Date</b>	10 September 2013
<b>SUMMARY OF THE CURRENT STATUS OF THE PROJECT AGAINST INDICATORS</b>	
<b>Activity</b>	<b>2<sup>nd</sup> meeting of the Working Group on statistics on 11 July 2013</b>
<b>Output Reference</b>	6.1.4. - Set up a working group to develop the forms for providing data on economic and criminal offences related to ML and TF.
<b>Aim</b>	To discuss existing data collected by participating institutions and develop forms for providing data on economic and criminal offences related to money laundering and terrorism financing.
<b>Outcome</b>	The Working Group members agreed on the importance of the issue and are committed to improving the situation. They further agreed that additional information was required from State authorities on how, why, when, and for whom their various statistics are collected, and they have undertaken to provide this information by the next WG meeting planned for September 2013. On behalf of the MOLI project, the LTC proposed to analyse the information provided and then undertake a gap analysis. This paper will make recommendations that will enable the work to continue even in the absence of the MOLI Project but coordinated within the now established WG, and under the chairmanship of the APML.
<b>Follow-up</b>	WG members agreed to provide further information on data collection within their institutions before the next meeting of the working group planned for September 2013.
<b>Activity</b>	<b>Legal review on the draft AML/CFT Law</b>
<b>Output Reference</b>	1.1.3. - Review and Analyse the existing legislation, and where appropriate, recommend changes or introduction of new policies or legislation.
<b>Aim</b>	To provide an expert legal opinion on the draft amendments to the AML/CFT law.

<b>Outcome</b>	In addition to the original Legal Opinion produced by CoE Expert H.Laferla on the Serbian AML/CFT Law in November 2012, the same expert has produced a follow-up technical paper analysing amendments developed by Serbian authorities to the AML/CFT Law in recent months.
<b>Follow-up</b>	The Council of Europe expert, Mr Laferla who is the author of the technical paper, will visit Belgrade for a roundtable discussion with the members of the Legal Working Group, as well as other key stakeholders involved in amending the Draft AML/CFT Law.
<b>Activity</b>	<b>Capacity-building training for APML, Vrnjacka Banja, 29-30 August 2013</b>
<b>Output Reference</b>	3.1.4. - Organise 2-3 Training Events for APML's employees in cooperation with the Ministry of the Interior, Judicial Academy, Police Academy and Prosecutors.
<b>Aim</b>	To provide an overview of the outstanding training topics from the experience of EU Member States' to APML staff, and to engender discussion.
<b>Outcome</b>	The training was well received by the participants and was followed by general discussion and a question and answer session. Specific issues relating to Serbia were discussed and in particular the need for awareness raising within and about the vulnerabilities of the gambling sector. There was also substantial agreement that domestic cooperation between the APML, Central Bank, Intelligence Agencies, Customs Administration, Tax Administration, and Ministry of Interior was paramount to successful international cooperation, and a wider acknowledgment of the role and potential further development of the role of financial intelligence.
<b>Follow-up</b>	The original training needs analysis was undertaken in cooperation with the APML. To date all items identified within that analysis have now been covered by presentations made by the LTC.
<b>Activity</b>	<b>Evaluation Mission, Ms Gabriele Dunker, 19-22 August 2013</b>
<b>Output Reference</b>	n/a
<b>Aim</b>	To carry out a comprehensive evaluation of the project, which will provide an assessment of the overall progress of the project during its implementation against the project's expected results and its activities, its impact and its added-value.
<b>Outcome</b>	Ms Dunker, CoE expert, carried out interviews with project staff both in the headquarters and in Belgrade. She visited Belgrade for a 4-day evaluation mission, during which time she met with all beneficiaries and partner institutions of the project, as well as the EU Delegation. Ms Dunker carried out detailed interviews on project outputs and impact, and she also interviewed the Long-term Consultant and several Short-term Experts.
<b>Follow-up</b>	The evaluation report will provide findings and proposals to the Council of Europe, which will then be shared with the donor, the contracting authority and the beneficiary institution. The report is expected to be finalised by the end of September 2013.
<b>LIST OF SPECIFIC PROJECT DELIVERABLES (TECHNICAL PAPERS) AND OTHER DOCUMENTS</b>	
<ul style="list-style-type: none"> <li>• Technical Paper: Legal opinion on the draft amendments to the AML/CFT law, Herbert</li> </ul>	

<p>Laferla, August 2013 (Activity 1.1.3).</p> <ul style="list-style-type: none"> <li>• Technical Paper: Research and feasibility study of the formal money transfer sector and alternative remittance systems in Serbia, Terence Donovan, August 2013 (Activity 2.3.2).</li> <li>• Technical Paper: Guidance Paper regarding the new National AML/CFT Strategy, David Artingstall, August 2013 (Activity 6.1.3).</li> <li>• Publication: National Risk Assessment of Money Laundering in the Republic of Serbia (full and abbreviated versions in Serbian) (Activity 2.3.4).</li> </ul>
<b>OTHER PROJECT RELATED DEVELOPMENTS</b>
None at the time of reporting.
<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>• Working Breakfast for journalists will be held on 10 September 2013 (Activity 2.2.1).</li> <li>• 2<sup>nd</sup> mission by Mr David Artingstall, CoE expert, to provide assistance to APML and other members of the Working Group tasked with drafting the National AML/CFT strategy (Activity 6.1.3).</li> <li>• Study Visit to Rome to the Guardia di Finanza, Italian Financial Intelligence Unit and Anti-Mafia Investigation Directorate, 1-4 October 2013 (Activity 3.2.1.)</li> <li>• Roundtable discussion with Terence Donovan to present findings of his technical paper to the Serbian authorities, October 2013. (Activity 2.3.3.)</li> </ul>
<b>CONCLUSIONS</b>
<p>During the months of July and August 2013, MOLI Serbia activities focused mainly on finalising several technical papers, including the legal opinion on the draft AML/CFT law (1.1.3), the study on formal and informal money transfers (2.3.2) and the Guidance Paper on the new National AML/CFT strategy (6.1.3). The project team also organised a two-day capacity building exercise for APML staff (3.1.4), as well as a 4-day evaluation mission of the project by an independent CoE consultant. MOLI Serbia project continues without any major obstacles.</p>