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

### **MOLI Serbia**

#### **DRAFT AGENDA**

#### **WORKSHOP**

**on the legitimate and illegitimate use of offshore corporate structures, legal arrangements,  
foreign trade operations and free trade zones**

24-25 February 2014  
Hotel Crowne Plaza  
Belgrade, Serbia

## Session 1: 24 February 2014, Monday

**Offshore financial centres (OFC), corporate structures, legal arrangements: legitimate and illegitimate use, vulnerabilities and money laundering risks, implications for Serbia and mitigating measures.**

### Participating institutions:

*Administration for the Prevention of Money Laundering (APML), NBS, Tax Administration, Securities Commission, Ministry of Finance, Ministry of Economy, Ministry of Interior, Bar Association of Serbia, Association of Serbian Banks, Banks (compliance departments), Securities sector.*

Time	Topic	Presenter
9:00 – 9:15	Introductory remarks and objectives of the Session	CoE Secretariat
9:15 – 10:15	The international role and characteristics of offshore financial centres (OFC): <ul style="list-style-type: none"><li>• Trends and patterns of financial flows to/from OFCs;</li><li>• Use of OFCs in tax optimization and asset protection schemes;</li><li>• Typical AML/CFT vulnerabilities of OFCs.</li></ul>	Terence Donovan, CoE expert (Ireland)
10:15 – 10:45	<i>Discussion session: the regional context</i> <ul style="list-style-type: none"><li>• <i>Financial flows from/to Serbia and in the Balkan region with the use of OFCs, characteristics and geographical distribution</i></li></ul>	<u>Discussion chair:</u> <i>T.Donovan</i>
10:45 – 11:00	Coffee break	
11:00 – 12:15	Corporate and trust structures in OFCs: <ul style="list-style-type: none"><li>• Characteristics of legal structures typically encountered in OFCs;</li></ul>	Jonathan Fisher, QC, CoE expert (Devereux Chambers, UK)
12:15 – 12:30	<i>Questions and answers session</i>	<u>Discussion chair:</u> <i>J.Fisher</i>

<b>12:30 – 13:30</b>	Lunch break	
<b>13:30 – 14:15</b>	Use of corporate and trust structures in masking beneficial ownership: <ul style="list-style-type: none"> <li>• Use and abuse of corporate and trust structures;</li> <li>• Difficulties posed by legal arrangements for beneficial ownership identification.</li> </ul>	J.Fisher
<b>14:15 – 14:45</b>	<i>Discussion session: the feasibility of creating mandatory registration procedures for offshore companies and trusts doing business in Serbia</i>	<u>Discussion chair:</u> J.Fisher
<b>14:45 – 15:45</b>	Financial operations in OFCs from the private sector perspective: <ul style="list-style-type: none"> <li>• Business practices and instruments for tax-efficiency and wealth protection;</li> <li>• Dealing with corporate structures and legal arrangements in OFCs in the context of CDD;</li> <li>• ML/TF risks to banking operations in OFCs and mitigating measures.</li> </ul>	Benjamin Whitby, AML and Sanctions, HSBC (UK)
<b>15:45 – 16:00</b>	Coffee break	
<b>16:00 – 17:00</b>	Implications for Serbian financial institutions and DNFBPs in dealing with financial institutions and clients originating from OFCs	T.Donovan
<b>17:00 – 18:00</b>	<i>Discussion session: mechanisms for mitigating risks stemming from OFCs at the level of financial sector policy, supervision and implementation by financial institutions as well as through international cooperation</i>	<u>Discussion chair:</u> T.Donovan

**Session 2: 25 February 2014, Tuesday**

**Abuse of the international trade system and free-trade zones (FTZs)**

**Participating institutions:**

*APML, Customs Administration, NBS, Securities Commission, Ministry of Finance, Ministry of Economy, Ministry of Interior, Association of Serbian Banks, Banks (compliance departments).*

<b>Time</b>	<b>Topic</b>	<b>Presenter</b>
<b>9:00 – 9:10</b>	Introductory remarks and objectives of the Session	CoE Secretariat
<b>9:10 – 9:50</b>	Overview: the use of the international trade system as a conduit for financial schemes, including tax avoidance (link to OFCs), capital flight and trade-based money laundering	Terence Donovan, CoE expert (Ireland)
<b>9:50 – 10:30</b>	The role of financial institutions in supporting cross-border trade transactions and means available to detect illicit trade-based schemes	Benjamin Whitby, AML and Sanctions, HSBC (UK)
<b>10:30 – 10:45</b>	Coffee break	
<b>10:45 – 11:30</b>	The role of customs authorities in detecting trade-based money laundering	Magdalena RYBACZYK, WCO RILO Office, Eastern and Central Europe
<b>11:30 – 12:00</b>	<i>Discussion, questions and answers on trade-based money laundering</i>	<i><u>Discussion chair:</u> T.Donovan</i>
<b>12:00 – 13:00</b>	Free Trade Zones (FTZ): the role and scope of FTZs	Fabienne Rottenberg, Vice-President BNY-Mellon, co-leader FATF FTZ Typologies project
<b>13:00 – 14:00</b>	Lunch break	

<b>14:00 – 15:00</b>	FTZs: key vulnerabilities and money laundering methods used by illicit actors	F.Rottenberg
<b>15:00 – 16:00</b>	Intellectual Property Rights abuses in FTZ and the “laundering” of counterfeit/pirated goods	International Chamber of Commerce - BASCAP Initiative
<b>16:00 – 16:15</b>	Coffee break	
<b>16:15 – 17:15</b>	Challenges for customs authorities in mitigating illicit financing/illicit trade risks posed by FTZs	Magdalena RYBACZYK, WCO RILO Office, Eastern and Central Europe
<b>17:15 – 18:00</b>	<i>Discussion, questions and answers on FTZs</i>	<u>Discussion chair:</u> F.Rottenberg