

COUNCIL OF EUROPE COOPERATION AGAINST ECONOMIC CRIME



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related to fight against
corruption and
economic crime.

2013
Highlights

COUNCIL OF EUROPE



CONSEIL DE L'EUROPE

Economic Crime and Cooperation Unit

2013 Highlights

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Twelve countries benefitted from the Council of Europe's technical cooperation and assistance in the fight against corruption, money laundering and organised crime. 8 projects were either extended or continued, while one was completed and another initiated. Additionally, one new project for inauguration in 2014 has been discussed and organized in view of extending cooperation to Bulgaria and the Czech Republic. This amounted to 133 activities through 11 projects, in the fields of risk-assessment and ensuing strategy design, both in the anti-corruption (AC) and anti-money laundering/combating the financing of terrorism sectors (AML/CFT), while furthering the delivery of legislative expertise, the capacity building of the beneficiary institutions, policy advice and the promotion of Council of Europe standards. The two-fold geographical approach remained: out of 11 projects, 9 of them were country specific while 2 were regional.

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1. Kosovo*

This EU/CoE JP Project against economic crime (**PECK**) finalized the **1st comprehensive assessment** of Kosovo's* anti-corruption (AC) and anti-money laundering/combating the financing of terrorism (AML/CFT) frameworks, identifying gaps and providing guidance to authorities for streamlining their reforms and further improving Kosovo's* compliance with international AC and AML/CFT standards. Moreover, the monitoring of Kosovo's* progress to implement prescribed recommendations was initiated in October 2013 and in December 2013, the project launched a **second assessment cycle**, which will build on the progress report findings and include a broader range of international standards, particularly in the AML/CFT field.

PECK Publications:

- AC and AML/CFT Progress Reports on implementation of the 1st cycle recommendations
- AC and AML/CFT Final Assessment Reports.



Interagency Workshop on progress made by the Kosovo institutions in the implementation of the PECK recommendations from the 1st assessment cycle and launch of the 2nd assessment cycle, Pristina, Kosovo*, 3-4 December 2013.*



Intelligence Development Course, 27-31 May 2013, Belgrade, Serbia.

* "All reference to Kosovo, whether to the territory, institutions or population, in this text shall be understood in full compliance with United Nations Security Council Resolution 1244 and without prejudice to the status of Kosovo."

2. TURKEY

The ‘Consolidating ethics in the public sector’ project (**TYEC 2**), co-funded by the EU, CoE and Turkish authorities, has significantly progressed in the promotion of ethics in Turkey by supporting inter-institutional measures, such as the creation of a multi-stakeholder **Platform for Ethics** signed by 11 public institutions. The project has also carried out capacity-building measures, including the creation of an inter-agency pool of **125 specialized ethics trainers**, targeted training programmes of the Turkish Council of Ethics and supporting the Turkish Land Registry’s capacity for ethics implementation and audit thanks to the setting up of a specialised toolkit.



Seminar on developing codes of conduct for public universities to identify, 26 November, Ankara, Turkey.



Training of Trainers for the Ministry of National Education, 13-17 May 2013, Ankara, Turkey, 13-17 May 2013.

The other project in Turkey was an EU/CoE JP project for ‘Strengthening the coordination of anti-corruption policies and practices’ (**TYSAP**). In 2013 the TYSAP project suffered significant delays and implementation problems. Difficulties and obstacles in the negotiation process over the work plan with Turkish authorities, as well as similar problems in assembling the project team, have lengthened the Inception phase until June 2013. Recurring obstacles faced in 2013 have substantially eroded positive momentum in the delivery of substantive activities. Nevertheless, initial intervention has revealed significant gaps and capacity issues within the beneficiary institutions, which would justify further technical assistance efforts, even under the current impeding circumstances.

TYSAP Publication:

- Technical Paper: Designing and Implementing Anti-corruption Policies for Different Sectors – Revised Handbook



Second Steering Committee Meeting, 6 November 2013,



Official Launch, 12 June 2013, Ankara, Turkey.

3. SERBIA

The EU/CoE JP Project against Money Laundering and terrorist financing (**MOLI**), ongoing since November 2010, was due for completion in November 2013. Its purpose was to enhance the capacities of the money-laundering and counter-terrorist financing system in Serbia in terms of legislation, skills and operational capacities. The project has helped identify gaps in the Serbian system of financial intelligence collection and analysis, and has been providing recommendations in order to overcome these hurdles. While the project has been flexible to address the important/urgent needs, some outstanding priorities in the area of AML/CFT have emerged in the course of implementation. Therefore, it has been **extended by six months** until 14 May 2014, whereby the project will continue to support authorities in drafting the national AML/CFT strategy, risk-assessments, legislative review, interagency cooperation and capacity building.

MOLI Publications:

- Guidance document on the National AML/CFT Strategy and Action Plan;
- “The Risks of Abuse to Non-Profit Organisations for Money Laundering and Terrorist Financing in Serbia”
- Study on the Risks of Money Laundering and Terrorist Financing in the Formal and Informal Money Transfers Sector.



Mock Trial workshop, 18-22 February 2013, Vrsac, Serbia.



Intelligence Development Course, 27-31 May 2013, Belgrade, Serbia,.

The other EU/CoE JP Project for Criminal Asset Recovery (**CAR**), ongoing since 2010, was completed in April 2013 after 37 months of implementation. It aimed at preventing economic crime by strengthening democracy and the rule of law by designing a criminal assets recovery system in accordance with European and other international standards and MONEYVAL and GRECO recommendations for Serbia. It assisted in strengthening the internal regulatory framework of the Department for Management of Seized and Confiscated Assets (**DMSCA**). Publications include a **Mutual Legal Assistance Manual**, an **Impact Study on Civil Forfeiture** and a **Deployment of Special Investigative Means**. These provide **Recommendations for the improvement of the DMSCA** organizational structure and for its inventory of assets. In addition, they also provide for extensive reference for Serbian authorities for future, long-terms projects and follow-ups.

CAR Publications:

- Criminal Asset Recovery European Court on HR Selected Judgements and Decisions
- “Mutual Legal Assistance Manual”
- “Impact Study on Civil Forfeiture”
- “Deployment of Special Investigative Means”

The last EU/CoE JP Project in Serbia was concerned with ‘Strengthening the capacities of law enforcement and judiciary in the fight against corruption’ (**PACS**). Inaugurated in December 2012, it is predicted to run until April 2015. This year has seen the finalisation of risk analysis reports and the implementation of the training of trainers programme with its further incorporation in the curricula of judicial and police academies to enhance sustainability. Moreover, agreement has been reached on benchmarking several of PACS’ recommendations as a component of the **Serbian Anti-corruption Strategy and Action Plan (2013 – 2018)**. **15 activities were held with 350 participants** and an excellent gender ratio of 50:50.



Start-up conference, 26 April 2013, Belgrade, Serbia.



Workshop to discuss the proposed record keeping methodology and benchmarking, 3 October 2013, Belgrade, Serbia.

4. RUSSIA

The EU/CoE joint project on “Protection of the Rights of Entrepreneurs in the Russian Federation from Corrupt Practices” (**PRECOP**) was initiated in January 2013. In spite of a lengthy first phase of negotiation with the beneficiary country and institutions regarding the parameters of this project, it has nonetheless been able to conduct many meaningful activities, setting the pace and an increasing momentum for the continuation of this project. These activities include the **1st Steering Committee Meeting** during which a specific work plan was approved. Moreover, the PRECOP project facilitated a study visit of the staff of the Federal business ombudsman to the Council of Europe in Strasbourg, which enabled the Federal ombudsman staff to see the aims and objectives of the PRECOP project in a broader regional context. Finally, a workshop on “**Powers, Competencies and Practices of Business Ombudsman Institutions**” was organized in December in Moscow, focusing on a comparative discussion of practices of ombudsmen in other Council of Europe member-states, and those seen in the Russian Federation.

PRECOP Publication:

- Comparative analysis on “Powers, Competencies and Practices of Business Ombudsman Institutions”



Workshop on the "Powers, competencies and practices of Business Ombudsman Institutions, 17 December 2013, Moscow, Russian Federation.



Workshop on the "Powers, competencies and practices of Business ombudsman Institutions, 17 December 2013, Moscow, Russian Federation.

5. SOUTH NEIGHBOURHOOD PROGRAMME: MOROCCO AND TUNISIA

This EU funded project – “Promoting good governance and fight against corruption and money laundering” (**SNAC**) – succeeded in outlining the systemic risks and gaps in the Moroccan anti-corruption infrastructures. As a result, this project has created favourable momentum to strengthen cooperation among approximately **15 participating agencies** and contributed to the efforts of the Moroccan authorities to draft a **new anti-corruption strategy**. Moreover, work with the Ministry of external trade has begun, which will strengthen Morocco’s risk-assessment abilities.

This project’s main concern in Tunisia was to build and improve the institutional capacity of the Tunisian anti-corruption agency through a **study-visit to France, Slovenia and Croatia**, which contributed to the identification of the optimal organisational model for the agency. The project is also facilitating the legislative drafting process of a comprehensive anti-corruption law for Tunisia.

At a regional level, this project conducted assessments with regards to international AC and AML/CFT standards, through the application of assessment methodologies used by GRECO and FATF/MONEYVAL in both Morocco and Tunisia. In both countries, **national agencies (14 in Morocco and 8 in Tunisia) have been introduced to the CoE methodology** in the area of risk assessment.



Diagnostic of the legal and institutional framework on basis of the GRECO methodology in Morocco: On-site visits, 30 September - 4 October 2013, Rabat Morocco.



Training workshop dedicated to the methodologies of the Council Of Europe on risks assessment, 18 June 2013, Tunis, Tunisia.

6. EASTERN PARTNERSHIP COUNTRIES/REGION (ARMENIA, AZERBAIJAN, BELARUS, GEORGIA, MOLDOVA, UKRAINE) EAP

The EU funded project on “Good governance and fight against corruption” (**EaP Facility**) aimed to enhance the reform processes in the six partner countries through a multilateral approach and to **bring them closer to Council of Europe and EU standards in core areas covered by the Eastern Partnership Platform 1**, in order to assist their public administration and criminal justice in preventing and fighting corruption. The project ensured further capacity building of government bodies responsible for overseeing and auditing political parties, and investigating and prosecuting cases related to the liability of legal persons for corruption offences. **Support for further law enforcement training** in the region has also been provided through a manual, which will serve as an investigative guide for specialists in this area.

In addition to regional activities, more country-specific measures have been taken to ensure that each EaP country would receive a **tailored service**, in the areas of **awareness-raising training** on basic anti-corruption concepts, **setting up income/asset verification procedures**, and **legislative advice regarding whistle-blowers protection** in line with international standards and good practices. The EU’s decision to further fund this project and therefore enabling it to be extended beyond its original deadline are testimony to its success and relevance in the region.

Publications:

- Handbook on designing and implementing anti-corruption policies Training manual "Liability of legal persons for corruption offences"
- Training manual "Detecting irregular political financing"
- Training manual “Investigating and prosecuting international corruption and money laundering cases”
- Manual on “Processing and verifying financial declarations”.



Regional Conference: “Presentation of risk assessment: Typologies of underlying causes of corruption” and 3rd Project Steering Committee meeting, 11 April 2013, Chisinau, Republic of Moldova.



Regional Training (2.4): “Implementing standards on criminal, administrative and civil liability of legal persons for corruption offences”, 2-3 July 2013, Kyiv, Ukraine.

7. NORWAY/EEA GRANTS: BULGARIA AND CZECH REPUBLIC

The grants will enable the Council of Europe to launch **two new projects**, prepared in 2013 and due to commence in 2014, aimed to increase the effectiveness and efficiency of the asset recovery system in Bulgaria and to strengthen the national system of prevention of corruption and related economic crimes, especially economic crimes, in the Czech Republic. The Council of Europe is also acting as a donor programme partner in Bulgaria for the programme ‘**Schengen cooperation and combating cross-border and organised crime, including trafficking and itinerant criminal groups**’ in Bulgaria.

8. STATISTICS FOR 2013

Project	Human resources						Number of activities	Participants	Gender ratio
	Staff		LTC	STC		Service provider			
	HQ	Field		Int	Local				
SNAC-Morocco	1	1	0	5	2	0	6	39	M:77% F:23%
SNAC-Tunisia				4	1	0	6	41	M:65% F:35%
EaP	1	0	1	10	0	0	14	345	M:71% F:29%
CAR-Serbia	1	3	0	5	4	2	7	101	M:64% F:36%
MOLI Serbia		2	1	10	3	1	18	313	M:52% F:48%
PRECOP-Russia	1	2	0	6	3	0	5	170	M:60% F:40%
PACS-Serbia	1	3	0	13	1	1	13	376	M:50% F:50%
PECK-Kosovo*		1	2	0	7	0	0	14	239
TYEC 2- Turkey	2	1	1	2	26	0	34	1122	M:77% F:23%
TYSAP-Turkey		2	0	2	2	0	9	319	M:82% F:18%
Norway grants	1	0	0	0	0	0	n/a	n/a	n/a
Ordinary Budget	1	n/a	n/a	5	n/a	0	7	35	M:46% F:54%
Total	10	16	3	69	42	4	133	3110	M:58% F:42%