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Project against Money Laundering and Terrorist Financing in Serbia MOLI SERBIA

MINUTES OF THE SECOND STEERING COMMITTEE MEETING BELGRADE, 15 SEPTEMBER 2011

Venue: Ministry of Finance, Kneza Milosa 20, Belgrade, Serbia

Members: Mr Milovan Milovanovic, Head of International Cooperation, APML
Ms Nevenka Vazic, Judge, Supreme Court of Cassation
Ms Dusan Aleksic, Deputy Head of Department for Supervision of Payment and Exchange Operations, National Bank of Serbia
Ms Jovana Grujic, Adviser, Ministry of Justice
Mr Srdjan Borozan, Chief Inspector, Ministry of Interior
Ms Katarina Pavlicic, Adviser
Mr Vladan Petrovic, Project Manager-Operations, EU Delegation
Ms Arditia Abdiu, Head of the Corruption and Money Laundering Unit, CoE
Mr Lado Lalicic, Project Manager (CAR Project), CoE
Mr Simon Goddard, Short-term Adviser, CoE
Ms Ilknur Yuksek, Project Manager, CoE
Ms Teodora Lukovic, Local Project Officer, CoE
Mr Dario Stukelja, Local Project Assistant, CoE

1. The meeting was opened by Mr Milovan Milovanovic, Head of Department of International Cooperation in the Administration for the Prevention of Money Laundering (APML). Following introductory remarks, Ms Ilknur Yuksek, Project Manager, briefly presented the activities, which have been carried out since the first Steering Committee meeting. Ms. Yuksek focused her presentation on the study visit to London, which took place from 11-14 July 2011, the Technical Paper on Analysis and Recommendations on the Serbian Anti-Money Laundering and Countering Terrorist Financing Legislation, procurement of new IT software and development of a new website for the APML.
2. Mr Simon Goddard, Short-Term Consultant, briefed the committee on forthcoming trainings on the Warsaw Convention (CETS 198), the first of which is planned to take place in the first week of November 2011. The training will be based on a case study with several experts to be engaged from the Dutch FIU, as well as a judge and a prosecutor. Ms Arditia Abdiu, Head of Corruption and Money Laundering Unit, asked whether it will be possible to adapt this case study to the needs of the Serbian authorities. Mr Goddard assured the members of the committee that the case file will be worked on and adjusted according to the needs of the Serbian system.

3. Mr Goddard briefed the participants about the short-term planning of activities. MOLI-Serbia will organise a study visit to Paris and La Rochelle in the period of 27-30 September 2011. During the study visit, the representatives of the Customs Administration from Serbia will visit the French Customs headquarters regarding the organisation of its canine unit, as well as practical advice in the field such as airports and railway stations. The focus of the visit will be to see how the French Customs manage the canine units (cash detection dogs), how they run their human resources and plan their budget. The Serbian delegation will consist of officers working in anti-smuggling and procurement departments.
4. Mr Goddard also briefed the participants on the multi-agency study visit to the Baltic countries - Estonia, Latvia and Lithuania - which should take place in the last week of November 2011. There are three different types of FIUs in the Baltics: police FIU in Estonia, prosecution service in Latvia and financial crime investigation service in Lithuania. They all have different ways of operating and can suggest good practices that Serbian authorities could learn from.
5. Mr Goddard also presented the upcoming training of APML IT staff, which will take place in October 2011. They will be trained in the use of software called iBridge, which links i2 software to a database, both of which are already set up in the APML. MOLI project is also planning to organise trainings in Oracle, which is included in the new software that will be procured within the project. Mr Goddard highlighted that Mr Milovanovic was conducting an assessment in each APML department in order to establish their most urgent training needs.
6. Mr Goddard explained that mock trial was a very good training device that takes a lot of work to develop. Within its anti-money laundering programmes in South America, the UNODC has developed its own training method. However, their case files are in Spanish and MOLI project will have to translate them into English in order to get an idea how to structure its own training and adapt it to fit the Serbian system. The Project will then hire a prosecutor who will further develop the case file in order to make it suit the Serbian system. This exercise could take 2-6 months, but each element will have to be treated as if it was a real situation, with a mock court judgement to be passed in the end.
7. Mr Milovanovic added that during one of the sessions of the working groups, which discussed the risks of abusing non-profit organisations and money transfers, the idea emerged carry out a National Risk Assessment. The Standing Coordination Group has already approved this exercise and proposed that it be carried out within MOLI project. This will require amending the Working Plan, which will then have to be approved by the Steering Committee. He added that the plan was to carry out at least two National Risk Assessments during the duration of the MOLI Serbia Project.
8. Mr Vladan Petrovic agreed that the National Risk Assessment was a good idea. He added that this exercise was very demanding, but given the practical approach and feasibility of this endeavour, and provided that the Steering Committee adopts the proposal, the EU Delegation would give its full support for conducting of a National Risk Assessment.
9. The proposal to modify the Working Plan and conduct the National Risk Assessment was put to vote and unanimously adopted by the Steering Committee.
10. The next regular meeting of the Steering Committee shall take place in March 2012. The exact date shall be confirmed in due course.