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



Organization for Security and
Co-operation in Europe

**Republic of Serbia
NATIONAL MONEY LAUNDERING RISK ASSESSMENT
FINAL WORKSHOP
23-24 October 2012**

**Hyatt Regency Hotel
Milentija Popovica 5, 11000 Belgrade**

**Organized by the Council of Europe and World Bank, and in co-operation with the
Administration for the Prevention of Money Laundering of the Republic of Serbia and
Organization for Security and Co-operation in Europe**

Background

Money Laundering/Terrorist Financing (ML/TF) National Risk Assessment (NRA) is a process of identifying and evaluating the money laundering and terrorist financing risks in a particular jurisdiction and analyzing the main sources and drivers of the risks in order to develop effective policies and risk-based regulations, and allocate the available resources in the most effective way to eliminate, control and mitigate the identified risks.

An increasing importance is being placed on the ML/TF NRA by FATF and FSRBs, since national strategies, policy decisions and actions need to be based on the risks faced by each jurisdiction and this will lead to effective implementation of FATF Recommendations. Revised FATF Recommendations, which were adopted in February 2012, and the next round of AML/CFT mutual evaluations based on the new standards will have a stronger emphasis on the need for national risk assessment and risk based approach. However, assessing National Money Laundering (ML) and Terrorist Financing (TF) risks is a challenging task due to the multi-dimensional nature of these unique crimes and lack of data and information in many jurisdictions. World Bank's National Money Laundering Risk Assessment (NRA) Tool is a risk assessment methodology that has been developed to overcome these challenges and to identify and assess the real sources of ML risks in a jurisdiction with an analytic approach. Although NRA Tool is designed with a focus on ML, the output will still contribute to mitigation of TF risks as well since most of the underlying vulnerability factors are common for both fields.

The Republic of Serbia National Money Laundering Risk Assessment is being undertaken at the initiative and within the framework of the joint EU - Council of Europe 'Project against Money Laundering and Terrorist Financing in Serbia' (MOLI-Serbia). The implementation of the National Risk Assessment will provide the necessary backdrop to subsequent legislative and institutional adjustments in the AML/CFT system in Serbia. All the mentioned activities were jointly organized

and undertaken by the World Bank and the Council of Europe (CoE) in cooperation with the Administration for the Prevention of Money Laundering of the Republic of Serbia (APML).

The World Bank's National ML Risk Assessment methodology is a self assessment process, which consists of three phases. During the initial workshop, which took place in Belgrade in January 2012, the participants learned about the structure, features and functions of NRA Tool and started to use it. The workshop was followed by collection of data/information and drafting of the reports/action plans by the authorities and by providing comments on the draft NRA documents in September 2012. The final Workshop as the last phase of the NRA process should facilitate the final review and conclude the NRA process.

Objectives of the Final Workshop

- A final review and discussion of the risk assessment results in order to further improve, refine and calibrate the findings;
- A final review of the risk based draft action plans, discussion of implementation issues, challenges and generating realistic solutions;
- Facilitating the exchange of views by senior officials and discussing the strategies for the effective implementation of action plans;
- Discussing the NRA strategy for the following years and ways to further improve the quality of the NRA process and underlying information, data, and statistics for the next rounds of the NRA.

Participants

- The NRA Working Group (members that participated in the first workshop and any other members who have joined the group during the second phase) - October 23 and 24, 2012
 - **Group 1** - Threat Analysis
 - **Group 2** - National Vulnerability
 - **Group 3** - Banking Sector
 - **Group 4** - Other Financial Institutions
 - **Group 5** - DNFBPs
- Senior Officials from the Participant Institutions - Afternoon of 24 October 2012

Workshop Pre-Requirements

- All the participants should review the full NRA report, risk assessment templates and draft action plan templates, regardless of the sub-groups.
- All participants need to be familiar with the Moneyval Mutual Evaluation (2009) and have a copy of the report.
- The existing action plans, if any, need to be brought to the workshop. (Please note that this refers to the eventual action plans designed prior to the NRA process to address the findings of the Mutual Evaluation Report.

WORKSHOP AGENDA
(23 - 24 October 2012)

DAY 1 (23 October 2012)	
Time	Program
09.00 - 09.20	Welcome Remarks <ul style="list-style-type: none"> - <i>Mr Aleksandar Vujicic, Head of Administration for Prevention of Money Laundering</i> - <i>Mr Igor Nebyvaev, Administrator, Economic Crime Unit, Council of Europe</i> - <i>Mr Christian Larson, Programme Officer, OSCE Secretariat</i> - <i>Mr Klaudijo Stroligo (Sr. Financial Sector Specialist at the World Bank)</i>
09.20 - 09.30	Workshop Overview <ul style="list-style-type: none"> - <i>Mr Klaudijo Stroligo (Sr. Financial Sector Specialist at the World Bank)</i> - <i>Mr Kuntay Celik (World Bank Consultant)</i>
09.30 - 10.00	Coffee Break
10.00 - 10.20	Group Presentations of the National Risk Assessment Final Results <ul style="list-style-type: none"> - <i>Threat Assessment Group</i> <u>Q&A and Discussion</u>
10.20 - 10.40	Group Presentations of the National Risk Assessment Final Results <ul style="list-style-type: none"> - <i>National Vulnerability Group</i> <u>Q&A and Discussion</u>
10.40 - 11.00	Group Presentations of the National Risk Assessment Final Results <ul style="list-style-type: none"> - <i>Banking Sector Group</i> <u>Q&A and Discussion</u>
11.00 - 11.20	Group Presentations of the National Risk Assessment Final Results <ul style="list-style-type: none"> - <i>Financial Institutions Group</i> <u>Q&A and Discussion</u>
11.20 - 11.40	Group Presentations of the National Risk Assessment Final Results <ul style="list-style-type: none"> - <i>DNFBPs Group</i> <u>Q&A and Discussion</u>
11.40 - 12.30	Review and Redrafting of the Risk Assessment Documents <i>Working Groups (review, improvement and redrafting of the risk assessment documents, based on the discussions, feedback and comments in previous sessions)</i>
12.30 - 13.30	Lunch
13.30 - 15.00	Review and Redrafting of the Risk Assessment Documents (Continued) <i>Working Groups</i>
15.00 - 15.20	Coffee Break
15.20 - 15.40	Group Presentations of the Draft Action Plan <ul style="list-style-type: none"> - <i>Threat Assessment Group</i> <u>Q&A and Discussion</u>

15.40 – 16.00	Group Presentations of the Draft Action Plan - <i>National Vulnerability Group</i> Q&A and Discussion
16.00 – 16.20	Group Presentations of the Draft Action Plan - <i>Banking Sector Group</i> Q&A and Discussion
16.20 – 16.40	Group Presentations of the Draft Action Plan - <i>Financial Institutions Group</i> Q&A and Discussion
16.40 – 17.00	Group Presentations of the Draft Action Plan - <i>DNFBPs Group</i> Q&A and Discussion

DAY 2 (24 October 2012)	
Time	Program
09.00 - 10.20	Review and Redrafting of the Draft Action Plans <i>Working Groups (review, improvement and redrafting of the draft action plans, based on the discussions, feedback and comments in previous sessions)</i>
10.20 - 10.40	Coffee Break
10.40 - 12.00	Review and Redrafting of the Draft Action Plans (continued) <i>Working Groups (review, improvement and redrafting of the draft action plans, based on the discussions, feedback and comments in previous sessions)</i>
12.00 - 12.30	Strategy for the Follow Up, Completion and Implementation of the NRA Based Action Plans <i>Ms Jelena Pantelic, NRA Coordinator</i> Q&A and Discussion
12.30 - 13.30	Lunch
13.30 - 13.45	Briefing on the NRA Process - <i>Ms Jelena Pantelic, NRA Coordinator (to explain the NRA process to new participants)</i>
13.45 - 15.30	Working Groups' Presentations (20 minutes each)
15.30 - 15.50	Coffee Break
15:50 - 16.20	General Discussion on the NRA Findings and Draft Action Plans - Use of the Findings, - Brainstorming on Improving the Quality of NRA in Following Years, - Policy on Access to NRA Results - Synergies with current action plans - Action Plan Implementation Issues/Challenges - Potential Solutions
16.20 - 16.40	Feedback/Commitments from Senior Officials
16.40 - 17.00	Closing Remarks

