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Project against Money Laundering and Terrorist Financing in Serbia MOLI Serbia

Project against Money Laundering and Terrorist Financing in Serbia (MOLI Serbia)

Activity Report – 24

SYNOPSIS OF THE PROJECT ACTIVITY

Field of activity:

Economic Crime Cooperation Unit, Action against Crime Department, Information Society and Action against Crime Directorate, DGI – Human Rights and Rule of Law

Type of activity:

Workshop on AML/CFT Standards for Accountants

Programme:

Joint EU/ CoE Project against Money Laundering and Terrorist Financing in Serbia (MOLI Serbia)

Country/Region:

Serbia

Date and place:

Belgrade, 30 October 2012

Budgetary reference:

5.2.3.

Council of Europe experts:

Mr Simon Goddard, Long-Term Consultant

Mr Milan Negovanović, Short-Term Expert

Council of Europe Secretariat:

Ms Teodora Luković, Local Project Officer

Mr Dario Štukelja, Local Project Assistant

Participants:

APML, Economic Adviser, accountants.

Total number of participants:

86- 64 female, 22 male

Partner institutions/organisations:

APML

Origin/reference to other activities:

N/A

Objectives:

To present good practices in the field of Anti-Money Laundering and Counter-Terrorism Financing standards for accredited accountants.

General Assessment:

The seminar was opened by the Director of the APML Mr Aleksander Vujicic, and Ms Teodora Lukovic, Local Project Officer, MOLI Serbia. There then followed a presentation by Mr Simon Goddard, Long Term Consultant MOLI Serbia, on the relevant international standards applicable to money laundering and the development of money laundering preventative measures and transnational organised crime, with an emphasis on the situation in Western Balkan region.

Mr Milan Negovanovic, who has a background in accounting and tax consultancy in the private sector, emphasized the most important difficulties and obstacles for accountants, and pointed out the importance of professional skepticism and the risk based approach. He also explained the current problems in the practical application of the Law on Prevention of Money Laundering and Terrorism Financing, both present and future to the audience. In addition, he explained the dilemma about making a distinction between tax evasion and other forms of financial crime and money laundering. In order to familiarize the participants with the abuse of accounting sector for money laundering, the presentation emphasized the reasoning, methodology, techniques and forms of creative accounting and forgery of financial reports as instruments for committing money laundering crimes.

Ms Milunka Milanovic and Ms Jelena Pantelic, representing the Supervisory and Analytical Departments of the APML, also gave presentations that were followed by many questions and lively discussions about the State's requirements and the implementation of the risk-based approach.

Results/conclusions:

The presentations were well received by the accountants and auditors who attended the workshop and their questions were adequately answered. The rationale for imposing a certification process to this sector was addressed by Mr Vujicic. Accountants and auditors, as a part of DNFBPs, have become aware of the necessity for their active inclusion in the system for combating money laundering and terrorist financing, as well as the importance of zero tolerance to criminal activities. The most common dilemmas, issues and prejudices about the implementation of the Law was explained to them, and if implemented incorrectly may result in incorrect procedural steps. Two-way communication was established between the lecturers, the APML staff, and the audience, as well as a dialogue between the obligors and the APML, as a prerequisite for improvement of their partnership relations.

Agenda:

See attached.

List of Participants:

See attached.