

ACTION AGAINST MONEY LAUNDERING AND TERRORISM FINANCING IN THE REPUBLIC OF MOLDOVA

Project Summary

Project title	Action Against Money Laundering and Terrorism Financing in Moldova
Project area	Republic of Moldova
Budget	EUR 857 142.86 / USD 900 000
Funding	Bureau of International Narcotics and Law Enforcement Affairs of the US Department of State (INL)
Implementation	Economic Crime and Cooperation Division, Economic Crime and Corruption Department, Directorate General Human Rights and Rule of Law, Council of Europe
Duration	30 months (1 April 2024 – 30 September 2026)

BACKGROUND

The background for the project "Action against Money Laundering and Terrorism Financing in Moldova" lies in Moldova's efforts to address challenges related to corruption, money laundering, terrorism financing, and the financing of weapons of mass destruction.

The project aims to support Moldova's reform processes by providing targeted assistance in key areas identified by previous evaluations of MONEYVAL and in alignment with international standards. It focuses on enhancing legislative, policy, and institutional frameworks to strengthen prevention, investigation, prosecution, and asset recovery related to financial crimes. Additionally, the project emphasizes collaboration between government agencies and the private sector to ensure a coordinated and effective approach to combating financial crimes.

The reform actions, once fully implemented, are likely to significantly improve Moldova's legal and operational framework, facilitating enhanced confiscation mechanisms as well as financial security and beneficial ownership transparency which are instrumental for the European integration process. It is worth highlighting that this support would also contribute to the EU accession conditionalities. The project will contribute to advancing country reforms and priorities stemming from the shortcomings identified by MONEYVAL and the need to ensure an effective transposition of the EU and international standards in the national legislative framework of the Republic of Moldova on order to build an effective AML/CFT system.

NEEDS, OBJECTIVES, EXPECTED OUTCOMES AND ACTIVITIES

Moldova faces challenges related to corruption, money laundering, terrorism financing, and proliferation financing. Despite progress, there are deficiencies in its anti-money laundering and counter-terrorism financing (AML/CFT) frameworks identified by international evaluations. These deficiencies hinder Moldova's ability to effectively prevent, investigate, and prosecute financial crimes. Therefore, there is a need for targeted assistance to address these gaps, enhance capacities, and align with international standards.

Project activities will focus on the following three areas:

- **Enhanced Effectiveness:** Strengthen measures for prevention, disruption, investigation, and prosecution of financial crimes.
- **Capacity Building:** Consolidate capacities of dedicated structures for asset recovery and management.
- **Compliance:** Ensure alignment with international standards and obligations, including those related to EU membership criteria.

The Project expects to achieve the following outcomes through activities agreed with national counterparts:

- **Outcome 1:** Developed effective measures to prevent money laundering, terrorism financing and the financing of proliferation of weapons of mass destruction;
- **Outcome 2:** Enhanced capacity for investigation, prosecution and adjudication of corruption, money laundering and terrorism financing in line with national risks;
- **Outcome 3:** Improved effectiveness of tracing, recovery, and management of criminal assets.

Assistance activities will include assessments, provision of expert advice, legislative reviews, workshops, trainings, training of trainers (ToTs) and roundtables. The activity results will be documented in technical papers, guidelines, or other written output which will be available on the Project website.

COUNTERPARTS/BENEFICIARIES

Main counterparts:

- Service for Prevention and Fight against Money Laundering
- National Bank of Moldova
- Ministry of Internal Affairs
- General Prosecutor's Office
- National Anti-Corruption Centre
- Public Services Agency
- Civil society organizations and private sector entities

End beneficiaries:

- Government
- Ministry of Internal Affairs
- Ministry of Justice of the Republic of Moldova
- Ministry of Finance (including State Fiscal Service)
- Office for Prevention and Fight against Money Laundering
- Law enforcement agencies, prosecution and judiciary
- National Bank of Moldova
- Self-regulatory bodies of the legal professionals
- National Anti-Corruption Centre (including Criminal Asset Recovery Agency)
- Public Services Agency
- Private sector and civil society, beneficiaries of financial and non-financial services provided by reporting entities.

IMPLEMENTATION ARRANGEMENTS

As the key actor in this thematic area and the Eastern Europe region, the Council of Europe, and more specifically the Action against Economic Crime Department, through its Economic Crime and Cooperation Division (ECCD) is in-charge of implementing activities under this Project. For the purpose of implementation of various specific activities, it engages international long and short-term experts with proven experience in the field of fighting against economic crimes and local experts from EU countries so as to ensure high quality and relevance of the assistance delivered to the beneficiary institutions.

CONTACT

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