

COUNCIL OF EUROPE'S COOPERATION AGAINST ECONOMIC CRIME



Highlights 2017

COUNCIL OF EUROPE



CONSEIL DE L'EUROPE

English edition

Published by the Council of Europe

F-67075 Strasbourg Cedex

www.coe.int

© Council of Europe, May 2018

Pictures @ Council of Europe

Layout and cover design: Council of Europe

Printed by Council of Europe,

F-67075 Strasbourg Cedex

Circulation: 100 copies

The opinions expressed in this work are the responsibility of the author(s) and do not necessarily reflect the official policy of the Council of Europe.

All requests concerning the reproduction or translation of all or part of this document should be addressed to the Directorate of Communication (F-67075 Strasbourg Cedex or publishing@coe.int).

All other correspondence concerning this document should be addressed to Economic Crime and Cooperation Division

Action against Crime Department

Directorate General Human Rights and Rule of Law

Council of Europe

Email: contact.econcrime@coe.int

ABBREVIATIONS

AML	Anti-Money Laundering
AML/CFT	Anti-Money Laundering and Countering Financing of Terrorism
BG	Bulgaria
CCC	Commission on Combating Corruption (Azerbaijan)
CEC	Central Election Commission (Albania)
CLEP	Controlling corruption through law enforcement and prevention in the Republic of Moldova
CoE	Council of Europe
CSC	Civil Service Commission (Azerbaijan)
DPP	Donor Programme Partner
DG	Council of Europe's Directorate General
DLAPIL	Council of Europe's Directorate of Legal Advice and Litigation
ECCD	Council of Europe' Economic Crime and Cooperation Division
EEA	European Economic Area
ESI	European Studies Institute
EU	European Union
EUD	European Union Delegation
EUROPOL	European Police Office
GRECO	Council of Europe's Group of States against Corruption
HF	EU-COE Horizontal Facility for Western Balkans and Turkey
HIDAACI	High Inspectorate for Declaration and Audit of Assets and Conflict of Interest
INLUCC	Anti-corruption authority (Tunisia)
KAA	Kosovo* Anti-corruption Agency
MONEYVAL	Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism
NABU	National Anti-Corruption Bureau of Ukraine
NACP	National Agency for Prevention of Corruption (Ukraine)
NG	Norway Grants
NRA	National Risk Assessment
ODGP	Council of Europe's Office of Directorate General of Programmes
OECD	Organisation for Economic Cooperation and Development
PECK II	Project against Economic Crime in Kosovo*
PGG	Partnership for Good Governance (Eastern Partnership Countries)
PRECOP II	Protection of the Rights of Entrepreneurs in the Russian Federation from Corrupt Practices
SAPSI/ASAN	Azerbaijani State Agency for Public Service and Social Innovations
SEC	State Examination Centre (Azerbaijan)
SNAC II	South Neighbourhood Anti-Corruption Project
SPCC-KY	Strengthen Prevention and Combating of Corruption in Kyrgyz Republic
SIENA	EUROPOL's Secure Information Exchange Network Application
TANA	Technical Assistance Needs Assessment
UA	Ukraine
UTRF	Moroccan financial intelligence unit
UNODC	United Nations Office on Drugs and Crime

CONTENTS

1	SUMMARY	2
2	COUNCIL OF EUROPE BUDGETARY PROGRAMMES	4
2.1	National Risk Assessment Project in Bulgaria (NRA-Bulgaria)	4
3	REGIONAL COOPERATION PROGRAMMES.....	4
3.1	EU/CoE Partnership for Good Governance (PGG)	4
3.2	EU/CoE Horizontal Facility for the Western Balkans and Turkey.....	7
3.3	EU/CoE South Neighbourhood Programme: Morocco, Tunisia and Jordan.....	9
4	COUNTRY OR JURISDICTION SPECIFIC PROJECTS.....	12
4.1	Kosovo	12
4.2	Kyrgyzstan	13
4.3	Russia.....	13
4.4	Republic of Moldova.....	14
5	COOPERATION UNDER THE NORWAY/EEA GRANTS	15
6	THE NEXUS WITH RELEVANT COE MONITORING BODIES	16
6.1	Main trends and lessons learned from GRECO Fourth Evaluation Round	17
6.2	Supporting member states in addressing GRECO recommendations	17
6.3	Supporting member states in addressing MONEYAL recommendations.....	17
6.4	Technical Cooperation supporting implementation of recommendations	17
7	INTER-AGENCY COOPERATION AND COORDINATION.....	18
7.1	European Police Office (EUROPOL).....	18
7.2	Organisation for Economic Cooperation and Development (OECD)	18
7.3	OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN)	18
7.4	Financial Action Task Force (FATF).....	19
7.5	Camden Asset Recovery Interagency Network (CARIN)	19
7.6	Denmark: Parliamentary Ombudsman and State Prosecutor	19
7.7	United Kingdom: Metropolitan Police Service and the Serious Fraud Office	19
8	PIPELINE PROJECTS	20
8.1	Partnership for Good Governance (PGG) – phase II.....	20
8.2	Improving International Judicial Cooperation in Criminal Matters in Turkey	20
8.3	Non for Profit Organisations and Terrorist Financing Risks (NPO-TF)	20
8.4	Programme of support to civil society and independent authorities in Tunisia (PASC).....	20
8.5	South Programme III (SNAC III)	21
8.6	Project against Economic Crime in Kosovo* (PECK III)	21
8.7	Promoting transparency and action against economic crime in Central Asia.....	21
9	STATISTICS.....	21
9.1	Statistics for 2017.....	22
9.2	The Year-on-year evolution of ECCD statistical indicators.....	23
9.3	CoE Technical assistance trends (2013-2017).....	23
9.4	Percentage of increase/ decrease in the TI/CPI charts (2013-2017)	24
10	TESTIMONIALS.....	25
11	PUBLICATIONS AND VISIBILITY	28
12	COMPOSITION OF THE ECONOMIC CRIME AND COOPERATION DIVISION'S TEAM	30
12.1	Sixth Annual Event of ECCD Team	30

1 SUMMARY

Over 5,000 (1/3 of them women) participants from 17 countries and jurisdictions benefited from more than 200 tailor-made cooperation activities organised by the Economic Crime and Cooperation Division (ECCD) in 2017. These activities supported specific reform efforts in a given jurisdiction covering a wide spectrum of topics and sectors. The primary aims of these activities were to enhance measures to combat corruption, money laundering, terrorist financing, and promote asset recovery and international cooperation, including mutual legal assistance.

These efforts influenced **17 legislative processes**, contributed to the development and introduction of **36 sectorial policies**, as well as supported member states efforts to address and implement **45 recommendations** from Council of Europe's monitoring bodies (GRECO and MONEYVAL).

More specifically Division's interventions influenced legislative processes including:

- In **Albania**, legislation relating to *i*) Political Party and Election Campaign Financing; *ii*) Asset Declarations and *iii*) "Law on Prevention of money laundering and financing of terrorism";
- In **Azerbaijan**, the draft law on "Regulations of Ethical Conduct of members of Milli Majlis" (Parliament);
- In **Georgia**, the draft law on "Facilitating the prevention of money laundering and terrorist financing" takes into account the input provided by the project;
- In the **Republic of Moldova**, the draft Law amending and supplementing some legislative acts - deterring sanctions for corruption and money laundering in the Criminal Code and Contravention Code;
- In **Montenegro**, worked on: *i*) Law on International Restrictive Measures and *ii*) Law on prevention of Money Laundering and Terrorist Financing;
- In **Kosovo***, worked: *i*) the new Criminal Code with the aim to align its provisions with international standards and good practice in anti-corruption and counterterrorism areas; *ii*) the Law on Implementation of International Sanctions related to terrorist financing and proliferation; and *iii*) Regulation on Politically Exposed Persons (PEPs)
- In the **Russian Federation**, the draft law on State Control (supervision) and Municipal Control takes into account recommendations provided by the project;
- In "**the former Yugoslav Republic of Macedonia**", amendments to the AML/CFT legislation;
- In **Ukraine**, provided recommendations relating to four sets of legislation on: *i*) political party financing; *ii*) financial reporting requirements to non-governmental organisations and *iii*) functioning of the National Agency on Corruption Prevention (NACP).

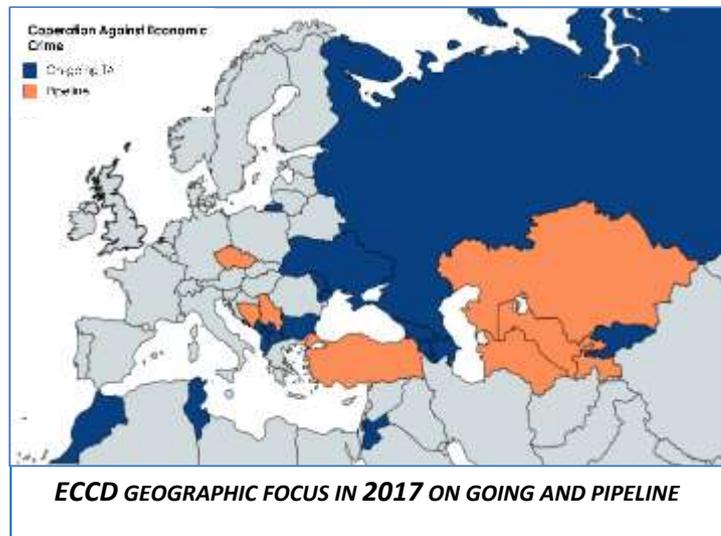
Moreover during 2017, certain specific country project deliverables were transformed into 4 publications (in 3 languages) for wider use and dissemination.

* 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.

The ECCD continued to manage three regional programmes: Eastern Europe, South-Eastern Europe and the Middle East & North Africa. A total of thirteen countries and jurisdictions benefitted from cooperation through regional facilities. Another five countries and jurisdictions were part of cooperation through country-specific project interventions.

Three new projects were launched in Bulgaria, Moldova and Palestine** as follows:

- 1) National Money Laundering/Terrorism Financing Risk Assessment Project in Bulgaria (NRA-Bulgaria);
- 2) EU/CoE joint project on “Controlling Corruption through Law Enforcement and Prevention (CLEP)” in Moldova; and
- 3) EU/CoE joint programme on “Promotion of good governance: fight against corruption and money-laundering (SNAC 2- Palestine)”.



The programmatic partnership between the Council of Europe and the Norway Grants (NG) continued with the launching of new areas of cooperation with Bulgaria and Romania under the new 2014-2021 financing cycle.

The annual financial disbursement in support of the implementation of on-going programmes and projects for 2017 was €3,880.000 out of €14,497,753 as an overall envelope of secured funds.

** This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of Council of Europe member states on this issue.

2 COUNCIL OF EUROPE BUDGETARY PROGRAMMES

2.1 National Risk Assessment Project in Bulgaria (NRA-Bulgaria)

In 2017, the ECCD commenced a new Project funded by the Council of Europe to assist the Bulgarian authorities to carry out a National Risk Assessment (NRA) in the field of money laundering and terrorism financing.

The NRA is being conducted based on a new NRA Methodology developed by the Council of Europe in 2016. The Council of Europe is also providing guidance, support and quality control in the implementation of the Methodology and the drafting of the NRA Report by Bulgarian authorities. Council of Europe secretariat and experts regularly took part in working sessions along with the Bulgarian Analytical and Coordination Team, which is in charge of drafting the NRA Report. Focus group meetings involving a broad selection of anti-money laundering experts from the state and private sector institutions took place in December 2017 in order to discuss the preliminary findings of the NRA process, the report of which is expected to be finalised in 2018.

The NRA exercise will serve as a pilot intervention of the Council of Europe in the sector, particularly in terms of developing and implementing its own methodology in an EU and CoE member state.

3 REGIONAL COOPERATION PROGRAMMES

3.1 EU/CoE Partnership for Good Governance (PGG)

The Economic Crime and Cooperation Division (ECCD) continued to provide assistance to the Eastern Partnership (EaP) countries through the EU/CoE Partnership for Good Governance (PGG) “Fight against Corruption and Fostering Good Governance/Fight against money-laundering” programme.

The three-year programme, launched in 2015, focused on supporting current reforms in the fight against corruption and money-laundering and further strengthens capacities in the region



Regional workshop on Corruption Proofing of Legislation, 22-23 May 2017, Kyiv, Ukraine

with regard to good governance. The programme combines a regional project involving all six EaP countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova and Ukraine) with four country specific projects for Azerbaijan, Belarus, Georgia and Ukraine.

At the regional level, the action supported the EaP countries with legislative and policy advice, capacity building and exchange of practices in the areas of **corruption proofing of legislation, corruption risks in the health and public procurement sectors, economic**

crime investigations, risk management in the public service and anti-corruption training in civil service.

3.1.1 PGG-Azerbaijan

In Azerbaijan, the PGG Project continued to support the Commission on Combatting Corruption (CCC) and State Examination Centre (SEC) through tailor-made training-of-trainer courses on **ethics, performance evaluations and anti-corruption measures in public service**. To further ensure sustainability of the training programme developed for the Azerbaijani authorities, four such regional courses were delivered by six local trainers certified by the Project.

The E-platform developed by the project in 2016 to monitor and report on the implementation of the National Action Plan was successfully launched in 2017. Furthermore, with an aim to support the CCC to carry out accurate measuring of the implementation rate of the activities, a methodology for evaluating the implementation level of the “National Action Plan on Promotion of Open Government 2016-2018”, including guidelines for evaluation and specific indicators were developed by the Project.

In terms of legislative reforms, a legal opinion was provided to Azerbaijani authorities on the Draft **Law on Regulations of Ethical Conduct of Members** of the Milli Majlis (Parliament) of the Republic of Azerbaijan thus supporting the authorities in addressing and implementing the relevant GRECO recommendations. The law was adopted in August 2017 and incorporates several CoE recommendations. The project also made progress in enhancing the capacities of law enforcement bodies and judges to tackle **corporate criminal liability cases and implement recently adopted legislation on whistleblower protection**.



*Workshop on Whistleblower Protection
27-28 February 2017, Baku, Azerbaijan*

Significant progress was made toward assisting **higher education institutions in Azerbaijan to incorporate and enhance anti-corruption and ethics modules**. In this respect, a teaching methodology and curriculum outline, complemented with thematic readers specifically aimed at students, were developed. Through the Project, the academic community from six selected higher education institutions was provided with practical methods on **incorporating anti-corruption and ethics trainings in their institutions**, thus raising awareness of faculty members on good practices in this field. Overall, project activities supported the Azerbaijani authorities in their efforts to address the prevention of corruption and promoting good governance.

3.1.2 PGG- Belarus

Further to initiatives undertaken through the PGG Project to support national risk assessment frameworks for corruption and other types of economic crime in Belarus, the national authorities were provided with a methodological **guide outlining how to design and carry out corruption risk assessments in the public sector**. Such assessments may be used as a basis for the design and implementation of policies to address corruption risks.

3.1.3 PGG-Georgia

In Georgia, the PGG Project continued to support national AML/CFT authorities in legislative and regulatory reforms. A **legal opinion** was prepared on the **draft law of Georgia on “Facilitating the prevention of money laundering and terrorist financing”** to ensure the compliance of the country’s AML/CFT legal framework with international and European standards. The project continued to work with the Georgian AML/CFT Interagency Council on the approach to necessary AML/CFT reforms and the undertaking of the national AML/CFT risk assessment.



*PGG-GE Training on “AML/CFT Compliance for Commercial Banks”
14-15 September 2017, Tbilisi, Georgia*

Through tailored training courses and guidance documents, the project contributed to **strengthening the capacities of the AML/CFT supervisory bodies** to control money laundering and terrorist financing and assisted the reporting entities in implementing their **compliance and regulatory obligations**.

During 2017 the project worked on enhancing **capacities of Georgian law enforcement agencies to investigate and prosecute money laundering and terrorist financing** cases. Joint trainings appeared particularly useful and relevant for sharing experience and finding possible steps for further improvements in cooperation and coordination between competent authorities.

3.1.4 PGG-Ukraine

The PGG Project continued to support Ukrainian authorities to improve the compliance of Ukrainian anti-corruption legislation with CoE and EU standards. In an effort to further strengthen the political party financing regime, the Project provided the national authorities with an assessment and recommendations on the current framework and four sets of proposed amendments to political financing legislation.

The project also provided **recommendations** to four pieces of draft legislation addressing **financial reporting requirements to non-governmental organisations and functioning of the National Agency on Corruption Prevention (NACP)**. Furthermore the project worked on enhancing the institutional capacity of special anti-corruption bodies. Technical assistance to the National Anti-Corruption Bureau of Ukraine (NABU) focussed on enabling NABU to acquire knowledge about good practices in the prevention and investigation of corruption,



PGG-UA - Training on “Asset Recovery for Ukraine’s Asset Recovery and Management Agency”, 24-27 July 2017, Kyiv, Ukraine

and training the NABU investigators on the use of analytics software for intelligence analysis and investigation of corruption. NABU was also supported in **developing a functioning internal control mechanism** through the provision of recommendations on key regulatory and operational issues to be considered for building internal corruption prevention and investigation capacities.

As a key tool to help improve its performance, NACP was provided with **indicators and progress benchmarks to monitor implementation** of its strategy and action plans.

In view of increasing the staff capacities to carry out their tasks, the recently established **Asset Recovery and Management Agency (ARMA)** benefited from training and guidance documents.

3.2 EU/CoE Horizontal Facility for the Western Balkans and Turkey

The European Union and Council of Europe's Horizontal Facility for the Western Balkans and Turkey (hereafter referred to as "Horizontal Facility" [HF]) launched in May 2016 is specifically designed to support the improvement and implementation of relevant recommendations of the CoE Group of States against Corruption (GRECO) and Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism (MONEYVAL) in beneficiary countries.

In the fight against economic crime, country specific interventions have been designed for Albania, Montenegro and "the former Yugoslav Republic of Macedonia". The beneficiaries and counterparts are governmental bodies at all levels, notably specialised structures within the ministries of justice, interior and finance; specialised anti-corruption agencies; judicial and prosecutorial services, supervisory bodies; financial intelligence units (FIUs), and representatives of civil society.

3.2.1 HF-Albania

In 2017 the Action against Economic Crime in Albania (AEC-AL) contributed to **strengthening the legislative and institutional framework** on **political party and election campaign funding, asset declaration, anti-money laundering (AML) and countering financing of terrorism (CFT)**. The Project delivered 14 advisory (technical) papers relating to the topics outlined above.



*HF AEC-AL: Workshop on "The oversight Structure of Political Party and Election Campaign finance"
12 October 2017, Tirana, Albania*

In addition to progress made towards strengthening the legislation on political party financing, the project worked on **increasing the audit capacities** of Central Election Commission staff, auditors, financial experts and NGOs through specific trainings.

The asset declaration legislation was further **improved through amendments to the existing law** which to a large extent take into account advice from AEC-AL. In addition the Action has undertaken an assessment of the **IT capacities** and has identified and proposed a solution

(including hardware and software specification) for the implementation of an electronic system for the submission, processing and audit of asset declarations.

The Action contributed to the strengthening of the Anti-Money Laundering and Countering of Financing of Terrorism legal and strategic framework. A legal opinion with specific **recommendations for amendments to the Law no. 9917, dated 19.5.2008 “On the prevention of money laundering and financing of terrorism”** was provided in early 2017.

Furthermore, the Action supported Albanian authorities through advice on the **development of an Asset Recovery Strategy**. The Action provided an advisory paper with recommendations on actions to be implemented with a view to improving and enhancing the regulatory and **procedural framework on asset management**.

At the operational level, the Action provided practical guidance through **training of prosecutors and investigators specialised in economic crime** thus enhancing their capacities to trace, seize and ultimately confiscate criminal assets.

3.2.2 HF-Montenegro

The Action against Economic Crime in Montenegro (AEC-MNE) supported **the work of the Agency for Prevention of Corruption (APC)**, through the development of methodologies and strategic documents aimed at increasing its efficiency and effectiveness. As a result, the Agency adopted the **Communication Strategy and Action Plan**, the **Methodology** for control of Assets Declarations and a **Risk Assessment** for control of financing of electoral campaigns.

Furthermore the APC initiated the **development of a track-record system** of compliance with Law on Financing of Political Entities and Electoral Campaigns based on the **IT design** provided through this Action. The Action organised a series of activities aiming to enhance the performance of the Agency for Prevention of Corruption and other institutions in the area of control of political financing, prevention of abuse of state resources for electoral purposes and protection of whistleblowers.

The AEC-MNE also contributed to the implementation of specific GRECO recommendations, through the **development of guidelines on ethics and integrity** for judges, prosecutors and members of parliament and subsequently providing trainings on these issues.

The main challenges relating to institutional coordination in financial investigations were tackled through an assessment of the institutional and legal framework and will be further addressed through tailor made activities in 2018.

In addition the Action provided support to the Montenegrin authorities in the process of reviewing and **revising of the Law on Prevention of Money Laundering and Terrorist Financing**. Similarly, the Action has supported the Montenegrin authorities in the process of



*“Training of Montenegrin Members of Parliament on ethics standards”
18 October 2017, Podgorica, Montenegro*

revision of the *Law on International Restrictive Measures* aiming to address MONEYVAL recommendations.

3.2.3 HF-“The former Yugoslav Republic of Macedonia”

The Action against Economic Crime in “the former Yugoslav Republic of Macedonia” supported the efforts of the Macedonian authorities to improve **the effectiveness of national anti-money laundering and combating financing of terrorism** mechanisms.

In the course of 2017, the Action assisted the national authorities through activities in several areas, including: reviewing and developing proposals for **amendments to the AML/CFT legislation** in line with international standards, **developing an AML/CFT National Strategy**, and initiating steps towards establishing a **Central Registry** to obtain records and verify **Beneficial Ownership** information in the country.



*Workshop on “Guidelines to increase beneficial ownership transparency and understanding of ownership structures”
27 April 2017, Skopje, “The former Yugoslav Republic of Macedonia”*

Furthermore, the Action carried out a number of activities aimed at strengthening the **capacity of the Financial Intelligence Office** analysts. The **private sector** was also supported through Guidelines to increase transparency of beneficial ownership and understanding of ownership structure. These activities contributed to supporting the national authorities in addressing 6 specific MONEYVAL recommendations.

Through a series of workshops and training events the Action contributed to the strengthening of the capacities of the Financial Intelligence Office (FIO) in undertaking tactical and strategic **analysis of suspicious transaction reports** (STRs). Furthermore,

through the development of the study on “**Typologies and Indicators** for Determining Suspicion for Money Laundering and Financing of Terrorism”, the Action contributed to the enhancement of the capacities of the FIO staff, as well as financial institutions, designated non-financial businesses and professions, and those obliged to report suspicion of AML/CFT.

3.3 EU/CoE South Neighbourhood Programme: Morocco, Tunisia and Jordan

The South Neighbourhood Anti-Corruption Component (SNAC 2) is an integral part of the regional South Programme II, funded by the EU and implemented by the CoE. The 3-year project commenced in January 2015 covering Morocco, Tunisia, Jordan and since December 2016 - the Palestinian National Authority. Apart from country or jurisdiction interventions, it also includes a regional dimension where representatives of these jurisdictions participate in joint activities and share experience.

3.3.1 SNAC 2 - Regional

The Project carried out a series of regional activities in order to **facilitate networking and the exchange of good practices** among beneficiary countries.

A **regional training of trainers** programme was initiated in the field of **private sector compliance**. A pool of trained trainers from all four SNAC 2 beneficiary jurisdictions was formed in the course of a regional workshop held in Strasbourg in November 2017. These trainers will carry out a **series of cascading capacity building and awareness-raising** activities on private sector compliance at the local level with SNAC 2 Project support.



Regional training of trainers on private sector compliance and forensics, 27-30 November 2017, Strasbourg, France

Two activities were carried out in the sub-regional format with the involvement of Palestine** and Jordan, focusing specifically on **cross-border money laundering** and **corruption investigations**, as well as **mutual legal assistance mechanisms**. The format of the trainings was specifically aimed at enhancing joint capacities for international information exchange between the two participating jurisdictions and the skills to engage with other countries on complex cross-border cases.

3.3.2 SNAC 2 - Jordan

In 2017, the SNAC 2 Project undertook activities aimed at reinforcing capacities of Jordanian authorities in **financial investigations, forensic evidence processing and combating terrorism financing**.

The Project held a series of trainings for the investigators of the Jordanian Integrity and Anti-Corruption Commission (JIACC) focusing on **complex cross-border investigations** and **off-shore typologies**. The trainings included modules on the use of new investigation tools, such as the use of open-source techniques and covert on-line methods.



Training on open source investigations 21 March 2017, Amman, Jordan

SNAC 2 reinforced the system of measures aimed at preventing **abuse of the non-profit sector for terrorism financing purposes**. A series of workshops and awareness-raising sessions were held with representatives of the Jordanian non-profit sector and their supervisors, financial institutions, law enforcement authorities and the FIU in order to present terrorism financing red flags and prevention methods. A comprehensive review of the terrorism financing framework was also carried out and delivered to Jordanian authorities.

** This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of Council of Europe member states on this issue.

The JIACC benefitted from **exchange of experience** with the Danish anti-corruption and ombudsman institutions through a study visit in co-operation with the Danish Parliamentary Ombudsman. This visit provided significant insight into European experience and practices and was valued by the Jordanian delegation in view of their recent expansion of JIACC's mandate.

The Forensic Laboratory of the JIACC was supported through **digital evidence processing** following the procurement of hardware by the SNAC 2 Project. The hardware will allow expansion of this capacity by 50%, giving the forensic analysts tools to extract digital data from newer generation devices.

3.3.3 SNAC 2 - Morocco

The Project **enhanced capacities of Moroccan authorities and financial institutions** to identify and prevent corruption-related money laundering schemes. Red flag indicators and typologies were developed and presented by the Project to the Moroccan Central Bank and Financial Intelligence Unit, as well the compliance officers of major financial institutions.

3.3.4 SNAC 2 - Tunisia

The Project completed a **comprehensive assessment of the Tunisian anti-corruption legal and institutional system** based on GRECO and other monitoring methodologies. A report containing 69 recommendations on the criminal law framework, corruption prevention measures in parliament, law enforcement, judiciary, public administration, political party financing, investigation and international cooperation was made available and endorsed by Tunisian authorities. The report was also presented to the broader public, civil society and media. Follow-up activities with the Tunisian administration to prioritize the implementation of the recommendations were carried out.



Lean management training for the Tunisian Anti-Corruption Authority (INLUCC), 21 January 2017, Tunis, Tunisia

The Project also undertook measures to support the operationalization and effective **functioning of the anti-corruption authority (INLUCC)**. An exercise to enhance the working processes based on Lean Management methods was carried out, providing a **comprehensive institutional review for INLUCC**. Staff of all levels in INLUCC was actively involved in this exercise. Furthermore capacities of **INLUCC investigators** to carry out financial forensics were strengthened through a targeted training.

3.3.5 Palestine**

In 2017 the SNAC 2 Project initiated cooperation activities with Palestine. An extensive capacity building module was delivered on the new methods and tools for conducting anti-corruption and financial investigations, including with the use of open source intelligence and covert on-line techniques. A number of activities were carried out with Palestine in a regional format.

4 COUNTRY OR JURISDICTION SPECIFIC PROJECTS

4.1 Kosovo*

The joint **EU/CoE Project against Economic Crime in Kosovo* (PECK II)** which marked its second year of implementation continued to play an important role in supporting the reform agenda aiming to **strengthen institutional capacities to counter corruption, money laundering and financing of terrorism** in accordance with European and international standards.

The project made available and introduced **corruption risk assessments** carried out in three most vulnerable areas: prosecution, judiciary and public procurement. The three risk assessments were complemented by a **corruption risk management methodology** to be used by relevant stakeholders. Follow-up actions through concrete and specific measures are already under way in two sectors. Those assessment recommendations feed the functional review of the justice sector reform which is carried out by the Ministry of Justice.

PECK II supported a number of **legislative review processes** concerning i) the new Criminal Code with the aim to align its provisions with international standards and good practice in anti-corruption and counterterrorism areas; ii) the Law on Implementation of International Sanctions related to terrorist financing and proliferation; and iii) Regulation on Politically Exposed Persons (PEPs).

With regards to the **public awareness** campaign, PECK II used not only the International Anti-corruption Day but also a series of public events (covered extensively by local media). The publicly open debates resulted in a commitment by the Minister of Justice to draft a new Law on the protection of whistleblowers based on the findings and recommendations of the legal review carried out by the Project in this area.

In terms of **capacity building**, PECK II organised a set of actions, including amongst others, an exchange of experiences with the Polish Anti-Corruption Bureau, resulting with the identification of good practices and establishing linkages for future cooperation among these specialised structures. PECK II supported participation of the FIU-K officials at the 24th Egmont Group Plenary Meeting in their capacity as a full member of the Egmont Group.

PECK II Project interventions regarding **interagency cooperation in the economic crime** area focused on the development and presentation of the review of operational interagency cooperation covering data exchange, practical challenges encountered, strategic analysis exchange and cooperation. Moreover, it provided **specialised training** on investigating



*Presentation of legal opinion on Politically Exposed Persons
10 October 2017, Pristina, Kosovo**

* 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.

economic and financial crimes as well as money laundering and financing of terrorism related aspects for designated non-financial businesses and professions (DNFBPs).

The Project constantly ensured the visibility of its actions through combined means: web publications, visual materials for the Project and two main beneficiaries (Anti-corruption Agency and Financial Intelligence Unit) and awareness/media outreach with two campaigns focusing on impact of corruption and monetary declarations at border crossing points. A considerable amount of visibility items was produced and disseminated including **two TV spots reaching out to a large audience**.

4.2 Kyrgyzstan

The joint **EU/CoE Project “Strengthen Prevention and Combating of Corruption in Kyrgyz Republic” (SPCC-KY)** aims to assist Kyrgyz authorities in strengthening their rule of law capacities to prevent and fight corruption in the Kyrgyz Republic.

As this Project is the first anti-corruption engagement of the Council of Europe in Kyrgyzstan, initial activities were focused on enhancing the knowledge of the Kyrgyz competent authorities about the relevant CoE standards and mechanisms. As a result of these awareness-raising and networking activities, the Kyrgyz authorities launched an interagency consultation process aimed at future accession to GRECO.

In the legislative field, the project carried out a review of Kyrgyz legislation based on CoE standards, and advanced the development of a system for legislative corruption proofing in Kyrgyzstan based on CoE good practices.

Important steps were taken towards the development of mechanisms for measuring corruption in Kyrgyzstan based on international good practices. Moreover, a review of the existing Anti-corruption Strategy has been launched with a view to providing specific recommendations to the Kyrgyz authorities for the planning and implementation of the Anti-Corruption Action Plan 2018-2020. The project also undertook activities aimed at supporting the Kyrgyz authorities to streamline the policy coordination between institutions as well as to strengthen the coordination of structures responsible for internal anti-corruption controls.

Capacities of central and local government officials responsible for enforcement of ethics and conflict of interest rules were enhanced, covering more than 40 public institutions.

In the law enforcement sector, the project assisted in developing skills on specialized economic crime and corruption investigations for the General Prosecutors Office, the Financial Police and the Anti-Corruption Service of the State Committee of National Security.

4.3 Russia

The project on **“Protection of the Rights of Entrepreneurs in the Russian Federation from Corrupt Practices at the Municipal Level” (PRECOP II)** launched in 2016 (with an implementation time line of 36 months) focuses on preventing corruption at the municipal level, where small and medium-size enterprises face the biggest problems created by administrative obstacles and corruption-prone practices. The project aims to reinforce the capacities of the Federal and Regional Business Ombudspersons, as well as the regional and municipal authorities in the regions participating in project activities.

The full-scale project (which is a follow up of PRECOP I) foresees covering 15 regions, however only €1,191,116 was secured out of the overall budget of €2,500,000. The 47.65% of secured

funds comes from three voluntary contributions: the UK Government, Norway and Luxembourg, which came partly in late 2016 and 2017. Due to limited and various timed funding, the project was able to initiate activities in four out of five Expected Results and initiate actions in 6 regions: Republic of Bashkortostan, Republic of Karelia, Krasnodar Krai, Tver, Tyumen and Yaroslavl regions. Five Technical Papers were prepared in the following areas that are of crucial importance for business and have an impact on the potential for economic growth: corruption typologies affecting the business sector; procurement-related corruption risks; state and municipal control and supervision activities (inspections); business regulations and delivery of public services at the municipal level.



*Regional Workshop on "Impact of inspections on business processes at the municipal level"
28 September 2017, Yaroslavl, Russian Federation*

The main findings and recommendations formulated in these papers were extensively discussed during 8 regional workshops with active participation and input from all relevant stakeholders in order to better tailor the recommendations to country context and reform processes. Some recommendations were included in the ***Annual report of the Federal Business Ombudsman to the President of the Russian Federation***.

Particularly timely were recommendations in the field of inspections in view of the on-going wide-scale reform process.

A draft law on State Control (supervision) and Municipal Control adopted by the Russian Government and submitted to State Duma on 5 December 2017 takes into account some of the project recommendations.

Furthermore, through various actions PRECOP II became an effective platform for exchange of views of regional business ombudspersons and representatives of business community, and contributed to further strengthening the institute of business ombudsman.

4.4 Republic of Moldova

The **EU/CoE Project Controlling Corruption through Law Enforcement and Prevention (CLEP)** commenced in June 2017, with a budget of €2,225,000, and will last for 36 months. The project aims to strengthen the anti-corruption framework in accordance with European and international standards through targeted technical assistance. The project increased the knowledge of the officers of the National Anti-Corruption Centre (NAC) on the link between **corruption and violations of human rights**, and the case law of the European Court of Human Rights on integrity checks and special investigative techniques. In addition, the National Integrity Authority (NIA) was provided with a step-by-step [video tutorial](#) on the new online

system for the submission of **assets declaration**¹. Potentially around 60,000 subjects who are required to make declarations will benefit from this tool.



*Workshop on coordination opportunities for the National Anti-Corruption Centre and the National Integrity Authority
9 November 2017, Chisinau, Republic of Moldova*

Guidelines for managers of public institutions on identifying and solving conflict of interest have been finalised with NIA and are going to be used as basis for trainings at the local level.

In the field of anti-money laundering, CLEP contributed to aligning the new guidelines for identification and reporting of suspicious transactions with international standards and provided the **Financial Intelligence Unit (FIU)** with good practices from CoE member states. In addition, the project brought structure in the drafting plan for the new Anti-Money Laundering Strategy by providing FIU with a detailed timetable. The recently established Assets Recovery Office (ARO) was

supported in drafting an in-depth needs assessment and the standard operating procedures. Also, CLEP supported ARO in visiting EUROPOL HQ to discuss the requirements necessary for the Secure Information Exchange Network Application (SIENA) connection, Camden Assets Recovery Interagency Network (CARIN) membership and assets recovery trends. This visit resulted in the promotion of the new office and the establishment of direct contacts with relevant officers within EUROPOL. With regards to inter-agency coordination, CLEP facilitated a workshop between NAC and NIA, which led to the exchange of contact points for communication between the two institutions and paved the way for future joint initiatives based on the respective training plans. Lastly, CLEP contributed to improvements in the quality and direction for the new Justice Sector reform Strategy, in the field of integrity of justice actors, by providing the Ministry of Justice with concrete recommendations, focusing on issues identified by GRECO, among others.

5 COOPERATION UNDER THE NORWAY/EEA GRANTS

Since 2012, the **European Economic Area (EEA)** and **Norway Grants (NG)** entered into partnership with the Council of Europe to enhance democratic principles and promote international standards in the grant schemes. The CoE is an International Partner Organization for the EEA/Norway Grants platform, which generally aims at reducing economic and social disparities and strengthening bilateral relations among 16 EU countries in Central and Southern Europe and the Baltics. In this context, ECCD provides strategic advice as well as technical input and know-how in its areas of expertise: anti-corruption, anti-money laundering, countering terrorism financing and asset recovery. In 2017, the ECCD was engaged in the development of the cooperation priorities for the new cycle of EEA/Norway grants (2014-2021) in the following member states:

In **Bulgaria**: ECCD advised Norwegian Donors on the specific needs of Bulgarian authorities in the Home Affairs sector. CoE guidance was essential in ensuring that Norwegian financial

¹ <http://ani.md/ro/>

assistance reached all institutions involved in the field of combating corruption, economic crime and money laundering/terrorism financing. As a direct result of ECCD intervention, the NG-funded Home Affairs Programme in Bulgaria was expanded to include:

- a predefined project with the State Agency for National Security aimed at improving FIU infrastructure and supervisory methodologies (budget: 1 000 000 EUR);
- a predefined project with the newly established Commission on Combating Corruption and Criminal Assets Forfeiture (CCCIAF) to build capacities in the field of combating and preventing corruption, asset tracing and confiscation (budget: 750 000 EUR).

In **Czech Republic**: ECCD advised EEA Donors on good governance priorities in the Czech Republic taking into account issues identified by MONEYVAL and GRECO evaluations. CoE advice in the preparation of the EEA-funded Good Governance programme was essential for the development of the following projects:

- a project in the field of anti-money laundering/combating the financing of terrorism (AML/CFT) focused on strengthening interagency and international cooperation, targeted financial sanctions for terrorism financing and the national risk assessment (budget: 800 000 EUR);
- a project in the area of anti-corruption, aimed at enhancing integrity of the judicial and prosecutorial systems and strengthening the framework for whistleblowing (budget: 800 000 EUR).

In **Romania**: ECCD assisted with the preparation of two NG-funded programmes in the Justice and Home Affairs sectors, by advising on the scope of a predefined project in the area of anti-corruption (Budget: 1 000 000 EUR) promoted by the General Prosecutor's Office and another project in the AML/CFT area (budget: 800 000 EUR), promoted by the Ministry of Interior.

6 THE NEXUS WITH RELEVANT CoE MONITORING BODIES

The ECCD has established professional relations and ensures horizontal sharing of information with both CoE monitoring bodies which cover the main areas of focus for the ECCD, namely GRECO and MONEYVAL.

In view of this, GRECO and MONEYVAL evaluation reports are regularly used (where and when applicable) to establish the **CoE monitoring baseline** and the **objectively verifiable indicators** (OVIs) during the project development and implementation phases.

GRECO and MONEYVAL reports and their standing recommendations served as an important source for establishing relevant baseline and certain OVIs in the design of Programmes under three Horizontal Facility Actions against Economic Crime (HF-AEC) in Albania, Montenegro and “the former Yugoslav Republic of Macedonia”, and as OVIs only in the EEA/Norway Grants framework, in particular for the Czech Republic, Romania and Bulgaria.

Effective cooperation and information-sharing practices continued as in the past between the ECCD and the GRECO and MONEYVAL Secretariat in order to synchronize where possible the design of cooperation programmes/projects when possible with and GRECO and MONEYVAL evaluations.

6.1 Main trends and lessons learned from GRECO Fourth Evaluation Round

The ECCD presented its technical cooperation activities at the GRECO Conference on “Prevention of Corruption in respect of Parliamentarians, Judges and Prosecutors: main trends and lessons learned from GRECO Fourth Evaluation Round” which took place in October 2017 in Prague, Czech Republic.

Conference participants were provided with an overview of ECCD projects in Council of Europe member and non-member states and their impact in the prevention of corruption in the prosecution, judiciary and among members of parliament based on relevant GRECO recommendations. In the course of discussions participants expressed further interest in ECCD cooperation activities (i.e., project methodologies, regional implementation trends and measuring impact).

6.2 Supporting member states in addressing GRECO recommendations

Throughout 2017, the GRECO Secretariat was given the opportunity to take part in a number of ECCD events. This included the CLEP-Moldova Launching Conference in September 2017, whereby a representative of GRECO presented priority areas to be addressed by Moldova following the latest 4th round evaluation. Furthermore, the Executive Secretary of GRECO took part in ECCD workshops with Kyrgyz and Tunisian representatives in Strasbourg. The successful adoption of the South Programme’s Diagnostic Report on Tunisia served as the main impetus for the application of Tunisia for GRECO membership. Following the submission of this application, the Committee of Ministers invited Tunisia to join GRECO as its 50th member state. The prospect of Tunisia joining GRECO as the first North African state would be an important result of the technical cooperation the Council of Europe has undertaken with Tunisia in the area of combating corruption.

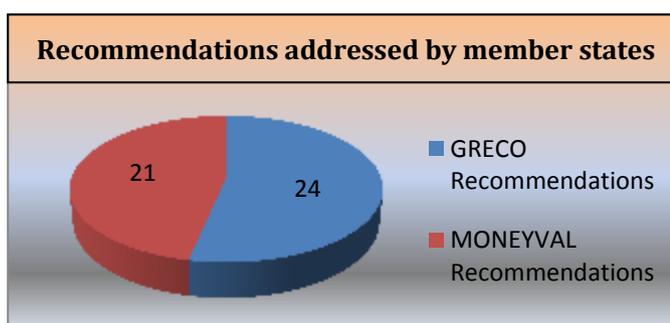
6.3 Supporting member states in addressing MONEYVAL recommendations

MONEYVAL Secretariat representatives made important substantive contributions to the Economic Crime Initiative (ECI) of the ECCD during its preparatory stage (while the ECI workshop itself took place in 2018).

In 2017, and through the Horizontal Facility programme, the ECCD supported authorities in Albania, Montenegro and “the former Yugoslav Republic of Macedonia” to address pending MONEYVAL recommendations. Contributions within the same programme included also ad hoc actions in respond to Montenegro’s request to support authorities to address legislative deficiencies related to the Financing of Terrorism. Through the same programme in Albania the ECCD supported the authorities in strengthening the Risk Based Approach to Supervision as well as in the development of the draft AML/CFT legislation, which is pending adoption.

6.4 Technical Cooperation supporting implementation of recommendations

During 2017, through technical assistance the ECCD has supported member states to address 45 recommendations provided by CoE monitoring bodies on corruption and money laundering related reforms.



7 INTER-AGENCY COOPERATION AND COORDINATION

7.1 European Police Office (EUROPOL)

In December 2017 the ECCD continued its cooperation with EUROPOL by facilitating a technical visit of the Moldovan Asset Recovery Office (ARO) to the Europol Headquarters in the Hague (Netherlands). The visit was aimed at building the capacities of the Moldovan ARO in the field of international information exchange and establishing direct engagement with their counterparts at the Europol Criminal Assets Bureau. Furthermore, technical discussions were carried out with the view of linking the Moldovan ARO to the Europol Secure Information Exchange Network Application (SIENA) - a platform which enables the swift and user-friendly exchange of operational and strategic crime-related information among law enforcement authorities from EU and neighbouring countries. The technical discussions resulted in an agreement from Europol and SIENA administrators to establish a direct SIENA connection for the Moldovan ARO, which should become operational in 2018.

7.2 Organisation for Economic Cooperation and Development (OECD)

ECCD contributed to the discussions of the OECD's Conference on "Implementation, Enforcement and Evaluation of Progress concerning Asset Disclosures by Public Officials", held in June 2017 in Tbilisi, Georgia.

ECCD's presentation drew on the Council of Europe's extensive experience in supporting and advising countries in strengthening their asset declarations framework. To date the ECCD has provided technical assistance to the countries of the Eastern Partnership, the Middle East and North Africa (MENA) region, and the Western Balkans. In addition to its country specific interventions the ECCD has developed a tool designed to assist practitioners with processing and analysing income and asset declarations of public officials. The specially tailored tool is in the format of a "Guidebook for Practitioners" and is expected to be finalised and made available in English and Russian by mid-2018.

The conference was co-organised by: the Civil Service Bureau of Georgia, the Anti-Corruption Network of OECD, the UNDP, the Regional Hub of Civil Service in Astana and the Regional Anti-Corruption Initiative.

7.3 OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN)

The Economic Crime and Cooperation Division (ECCD) attended the 18th Plenary Meeting of the OECD Anti-Corruption Network for Eastern Europe and Central Asia (ACN) and the 22nd ACN Steering Group Meeting, which took place in 12-14 September 2017 in Paris.

At the cooperation and coordination of technical assistance session, the ECCD outlined current reform processes supported by the Council of Europe in 17 member states through 3 regional programmes and country specific interventions. Its on-going technical assistance and cooperation activities include work relating to prevention and combating corruption, money laundering and terrorism financing, asset recovery etc. An emphasis was put on the impact of CoE's work in influencing legislative processes, providing and supporting policy and strategy reforms which address GRECO and MONEYVAL recommendations at the national level.

7.4 Financial Action Task Force (FATF)

During 2017, through MONEYVAL, the ECCD contributed to an initiative of the Financial Action Task Force aimed at streamlining global efforts on technical assistance coordination in the AML/CFT area. ECCD responded to a series of FATF questionnaires on this topic, proposing recommendations in this field based on its own extensive experience in managing AML/CFT cooperation projects. It was noted in particular that the FATF could play an important role in collecting and making available global and regional data on technical assistance from all donor and providers, thus serving as a useful mechanism for prioritizing assistance, providing visibility and reducing duplication in technical assistance activities.

7.5 Camden Asset Recovery Interagency Network (CARIN)

In December 2017 the ECCD held informal consultations with the CARIN Secretariat headquartered in Europol on the possibility of expanding cooperation between the two organizations, and the possibility of the CoE joining CARIN as an observer/associate member. A closer partnership between CoE and CARIN would facilitate joint action in the field of asset recovery and would be mutually complimentary taking into account the work of CARIN as an information exchange platform, and CoE in the area of setting standards and cooperation projects.

7.6 Denmark: Parliamentary Ombudsman and State Prosecutor

In September 2017 the ECCD established successful cooperation with Danish authorities in the field of anti-corruption and combating economic crime. Following a request from the Danish Ministry of Foreign Affairs, the CoE partnered with the Parliamentary Ombudsman of Denmark in organizing a study visit for the Jordanian Integrity and Anti-Corruption Commission (JIACC) to Copenhagen. The visit was aimed at building capacities of the JIACC in the area of corruption prevention, integrity standards and economic crime investigations and prosecutions. Given the recent expansion of the JIACC mandate to include Ombudsman functions, a significant part of the visit was devoted to exchanging good practices with the Danish Parliamentary Ombudsman institution. Furthermore, the State Prosecutor for Serious Economic and International Crime of Denmark presented good practices in the field of asset recovery, which remains one of the high-priority areas for Jordanian authorities.

7.7 United Kingdom: Metropolitan Police Service and the Serious Fraud Office

Cooperation with Metropolitan Police Services (MPS) and the Serious Fraud Office (SFO) continued this year in view of activities regarding National Anti-corruption Bureau of Ukraine (NABU) and the support that ECCD has been providing to NABU under the Council of Europe and the European Union Partnership for Good Governance Project “Fight against Corruption in Ukraine”.

In April 2017, a two day programme of networking and information exchange meetings took place between NABU representatives and MPS and SFO structures. This allowed NABU investigators and administrators to get first-hand information on the institutional and organisational arrangements and good practices concerning corruption prevention and investigation methods as used by their United Kingdom homologue institutions. Issues such as integrity testing, intelligence functionality and covert human intelligence sources in preventing and investigating serious fraud, corruption and financial crime were the most discussed topics

as targeted to the aim of the programme: supporting NABU's efforts in strengthening internal control structures.

8 PIPELINE PROJECTS

8.1 Partnership for Good Governance (PGG) – phase II

The design of the programme for the second phase (2019-2021) of the Partnership for Good Governance (PGG) is still on-going. The Economic Crime and Cooperation Division will continue to support the reform processes in the six EaP countries Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine through support in areas such as: a) prevention and fighting of corruption while fostering good governance; b) prevention and combating money laundering and terrorist financing; c) enforcement of beneficial ownership regimes; d) suppression of crime proceeds through efficient asset recovery capacities of the criminal justice sector; and e) strengthening international cooperation and exchange of good practices between the EaP countries in the fight against economic crime overall.

8.2 Improving International Judicial Cooperation in Criminal Matters in Turkey

The project will aim to support the Turkish authorities in strengthening the international cooperation in criminal matters including by developing effective regional and bilateral judicial cooperation in criminal matters, and acceleration in judicial proceedings regarding cross border criminal disputes.

The project will support authorities through advice on strengthening the legislative framework and human resources capacities as well as building technical (IT) capacities for monitoring and the processing of information from incoming and outgoing requests for international cooperation.

8.3 Non for Profit Organisations and Terrorist Financing Risks (NPO-TF)

The NPO-TF is a regional project proposal focusing on countries of the Western Balkans and Turkey. The objective of the project is to enhance the regional security by prevention of terrorist financing through the abuse of NPOs. The project aims to develop an efficient and sustainable regional framework for preventing terrorist financing through non for profit organisations.

The project would address key issues such as Risk Mapping and Mitigation of NPOs Terrorist Financing; Prevention of Terrorist Financing; and advise on the necessary regulatory frameworks.

8.4 Programme of support to civil society and independent authorities in Tunisia (PASC)

The ECCD is engaged in the development of a joint CoE/EU Programme of support to civil society and independent constitutional authorities in Tunisia. A significant component of this programme will be focused on the newly established National Authority on Good Governance and Fight against Corruption (IBOGOLUCC). ECCD's assistance will aim at the successful operationalization of this new constitutional body, and the development of its interagency links with other institutions, as well as civil society.

8.5 South Programme III (SNAC III)

In the course of 2017 the ECCD carried out preparations for the 3rd phase of the South Neighbourhood Anti-Corruption Project (SNAC III) set to be launched in early 2018. On-site visits were carried out to Jordan, Tunisia and Morocco by CoE experts to assess the needs of institutions in the areas of anti-corruption, combating economic crime and money laundering/terrorism financing. Project activities for SNAC III were designed based on the priorities of the beneficiaries in the three jurisdictions, and taking into account the need for continuity with SNAC II interventions.

8.6 Project against Economic Crime in Kosovo* (PECK III)

The ECCD is developing a third phase project proposal aimed at further support to Kosovo authorities in the field of combating corruption, money laundering, terrorism and its financing. The Project will be a continuation phase of ECCD action against economic crime in Kosovo, which commenced since in 2012 and involved the application of assessment methodologies modelled on GRECO and MONEYVAL procedures. PECK III will closely follow-up on previous assessments through tailored capacity building for key institutions, as well as expanded activities in the field of counterterrorism.

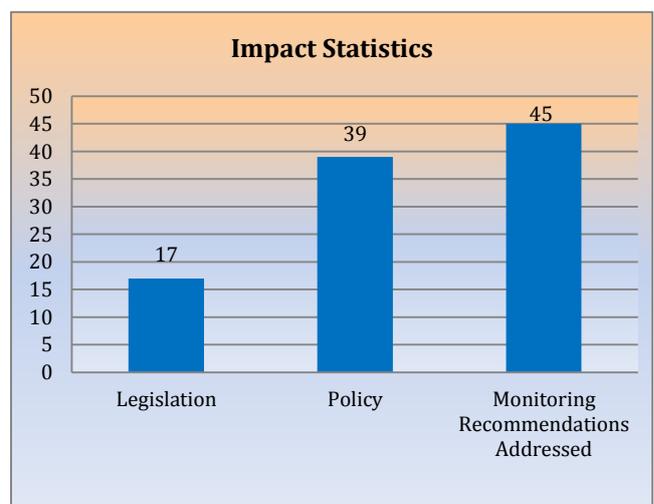
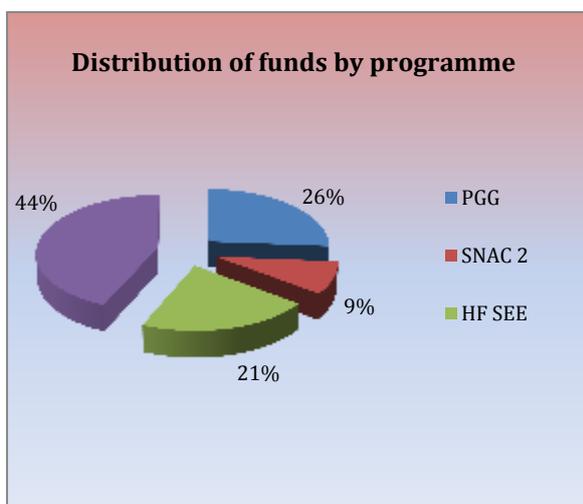
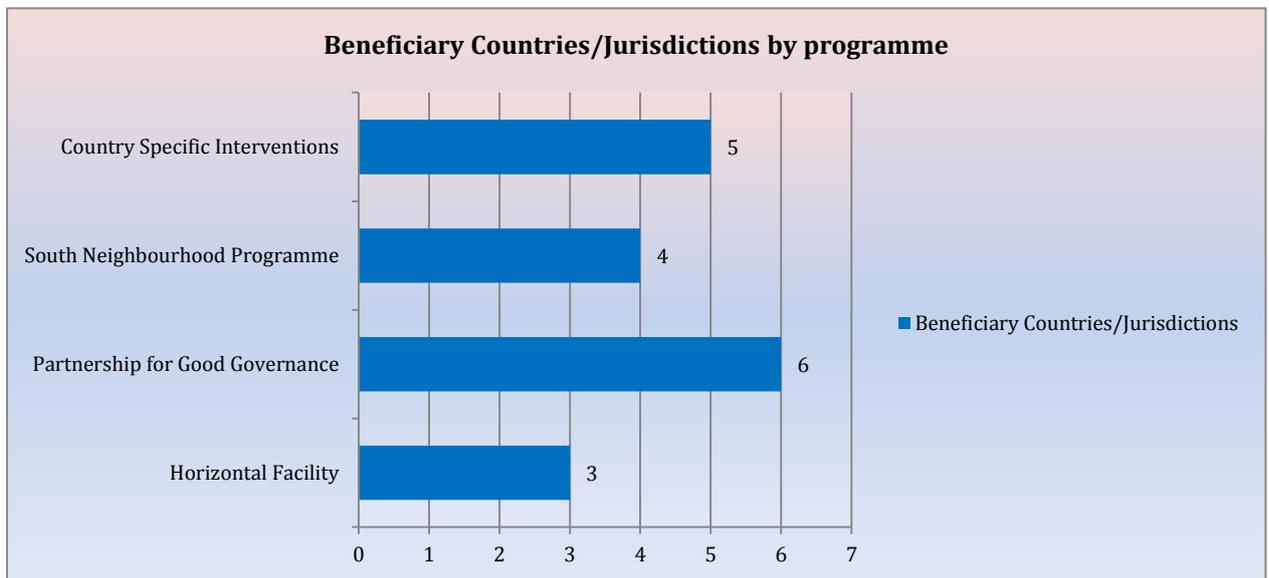
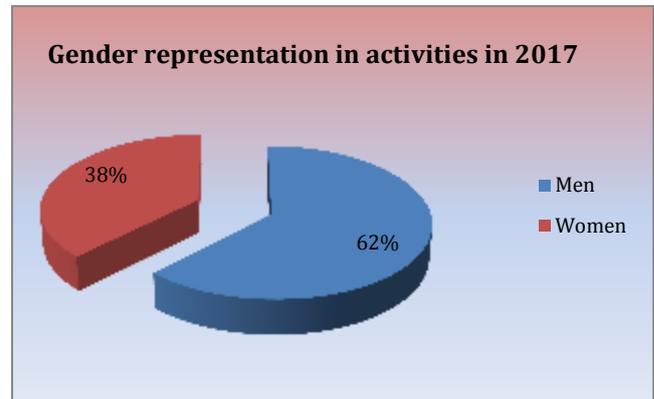
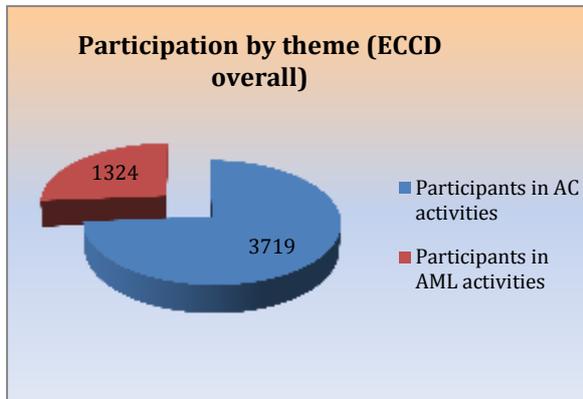
8.7 Promoting transparency and action against economic crime in Central Asia

The ECCD is developing a new regional and country specific project proposal aimed at promoting transparency and countering economic crime in Central Asia including Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Needs assessment missions took place during 2017 in the five countries in order to identify needs and possible areas of intervention. The project will cover issues pertaining to business transparency, protection of entrepreneurs' rights, corruption prevention, law enforcement capacities and anti-money laundering/combating the financing of terrorism. This is the first time that CoE has initiated cooperation in this field in some of those countries (Tajikistan, Turkmenistan and Uzbekistan).

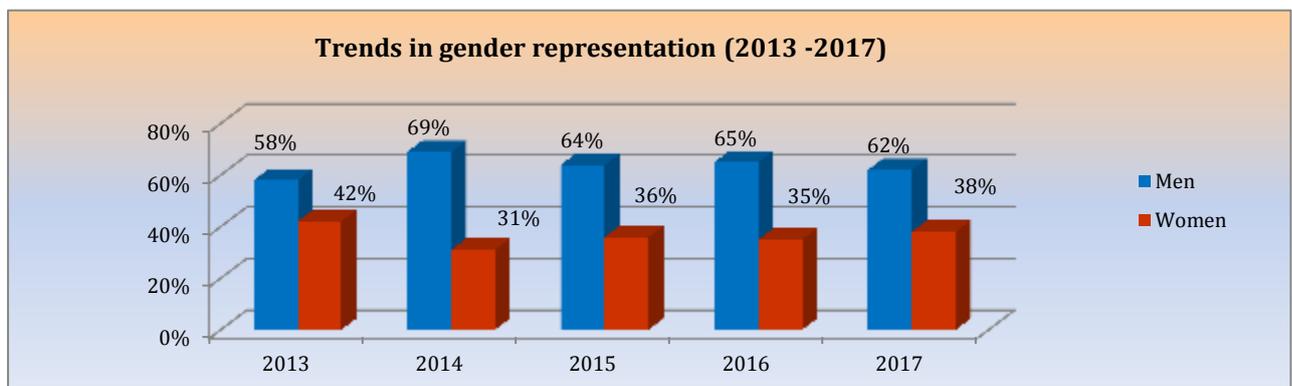
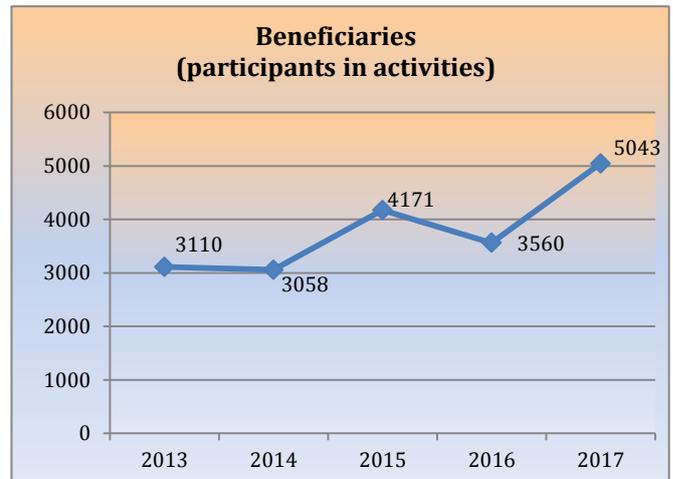
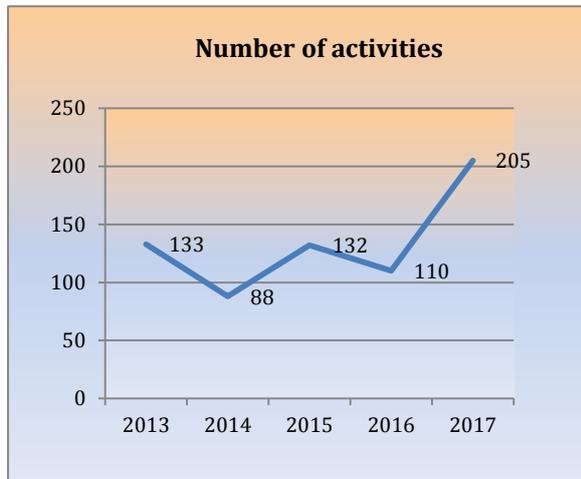
9 STATISTICS

In 2017 ECCD organised and co-organised 205 activities involving 5,043 beneficiaries. In 2017 the ECCD continued to maintain "impact statistics" in order to measure the role of project interventions in influencing domestic anti-corruption and anti-money laundering systems. Even though these statistics can be considered as approximate, it can be stated that ECCD Projects influenced at a minimum 17 legislative processes, 36 policy reform/strategy developments and supported addressing of 45 recommendations of monitoring bodies (GRECO and MONEYVAL).

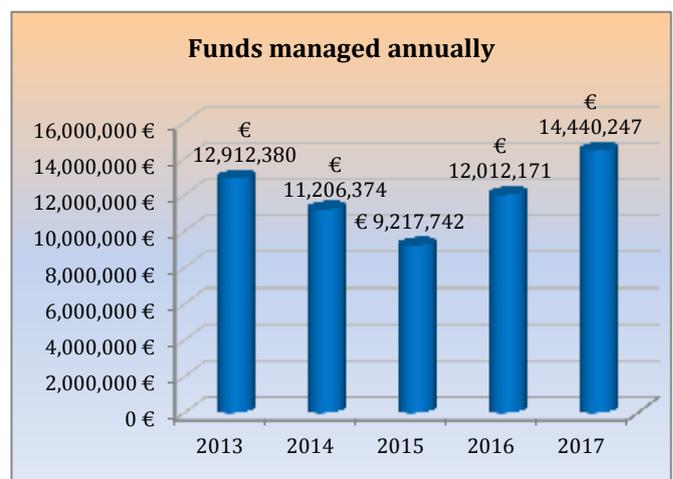
9.1 Statistics for 2017



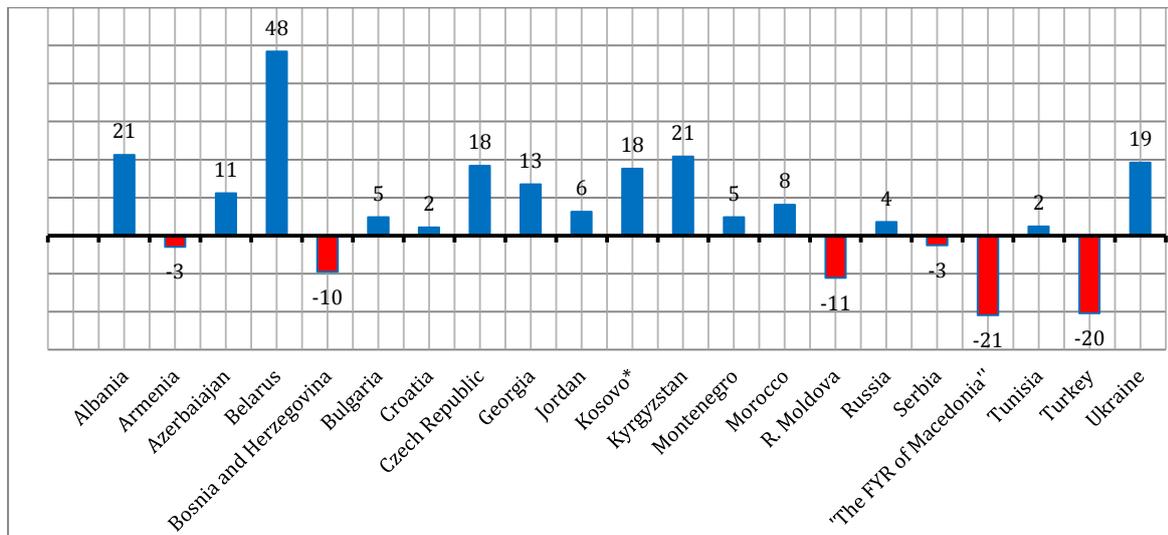
9.2 The Year-on-year evolution of ECCD statistical indicators



9.3 CoE Technical assistance trends (2013-2017)



9.4 Percentage of increase/ decrease in the TI/CPI charts (2013-2017)



Action against Economic Crime in Albania

”

“I am pleased to announce that the funding issue is the most serious effort the Central Election Commission is undertaking, thanks also to the support of the Council of Europe and international actors who are in constant contact with us. In addition to that, almost every week, we organize roundtables and training sessions with the best experts from Europe. The CEC administration is getting maximum benefits from this kind of cooperation”

Mr Klement Zguri, Chair of the Central Election, Commission of Albania; during the presentation of the CEC Annual Activities report to the Parliamentary Committee on Legal Affairs Public Administration and Human Rights on 7 March 2018 in Tirana, Albania

Action against Economic Crime in Montenegro

”

“The Action against Economic Crime in Montenegro has given a significant contribution to capacity building of the Agency for Prevention of Corruption, both through support to improvement of strategic and legal framework for functioning of the Agency and through training of Agency's staff for implementation of their legally defined competencies. From the day of its establishment, The Agency strives to strengthen its role in prevention of corruption in Montenegro and we see Council of Europe as a reliable and responsible partner in this process.”

Mr Sreten Radonjić, Director of the Agency for Prevention of Corruption in Montenegro, on the cooperation through the HF Action against Economic Crime in Montenegro

Action against Economic Crime in “the Former Yugoslav Republic of Macedonia”

”

“... the Action against Economic Crime is a good example of cooperation in the implementation of a project and an example for good coordination between the local project officer, the project staff in Strasbourg and the FIO; ... the project has helped so far in key issues such as legislation, development of strategic documents, roadmap, indicators through workshops, technical papers, guidelines etc.”

Mr Blazo Trendafilov, Director of the Financial Intelligence Office; during the National Horizontal Facility Steering Committee meeting on 15 March 2018 in Skopje

PGG Azerbaijan

”

“...86% of the National Action Plan for Promotion of the Open Government (2016-2018) implemented by state bodies;...part of this accomplishments is thanks to the assistance and support of the CoE/EU Joint Project on Strengthening capacities to fight and prevent corruption in Azerbaijan. Support and assistance included: corruption prevention training; awareness-raising activities; development of curriculum on ethical conduct for civil servants and students; establishment of a 75 membership pool of local trainers for various target groups in the regions.”

Representative of the Commission on Combating Corruption (CCC) during its annual press conference on 18 January 2018, in Baku Azerbaijan

SNAC 2 Jordan

”

Our relationship with CoE goes back to year 2015 within the framework of the Council of Europe / European Union project "Promoting good governance: combating corruption, money laundering and financing of terrorism", and the relationship is getting stronger. It has been a great pleasure collaborating with the CoE team, in matters of capacity building workshops in different sectors and areas, in addition to very beneficial exchange visits. Their planning of projects and events fulfil our Commission's requirements completely. Working with them is a pleasure, and the team is full professionalism.

Ms Kholoud Aloran,- Director of International Cooperation Unit of the Jordanian Integrity and Anti-Corruption Commission; on the cooperation with CoE through the SNAC 2

SNAC 2 Morocco

”

“Many achievements in the field of anti-corruption have been made in the last 10 years, thanks to the support of our international partners. The Southern neighbourhood anti-corruption program implemented by the Council of Europe remains amongst the most successful projects I had the opportunity to work on. The accuracy of its activities and the quality of its experts allowed more than 20 institutions from public and private sector and oversight bodies to improve their capacities on good governance.”

Mr Yassir Chokairi - Head of Partnership and Development Pole, Central Authority for the Prevention of Corruption of Morocco; on the cooperation with the Council of Europe within SNAC 2 programme

NRA - Bulgaria

”

The expert guidance being provided by the Council of Europe Action against Economic Crime in the process of undertaking the National Risk Assessment is of utmost importance for the implementation of the most significant building block towards establishing a highly effective AML/CTF system in Bulgaria. Moreover Bulgaria is able to benefit from the latest achievements and experience in regard to the risk assessment process and especially in the application of a sound risk mitigation strategy. The assistance rendered by the Council of Europe, within several workshops, substantially raised the level of coordination and awareness of all actors in the AML/CTF effort including public authorities and partners from the relevant private sector.

Mr Evgeni Evgeniev, Director of the Financial Intelligence Directorate; on the support provided by CoE for the implementation of the AML/CFT NRA in Bulgaria

PECK II - Kosovo*

”

After 10 years of functioning, the Agency needed a review of its role. Most of the recommendations formulated in the report have been addressed already and concrete actions taken, whereas uncertainties related to competencies in certain areas have yet to be clarified”

Mr Shaip Havolli, Director of the Kosovo* Anti-Corruption Agency during the presentation of the review of the functional review of the Kosovo* Anti-corruption Agency

PRECOP II - Russian Federation

”

“The PRECOP RF project became the basis of our activities. It helped us to get acquainted with international experience and to share our own, to find new contacts and networks. PRECOP II now got started and shifted the accent from the Federal level to municipal one. It is even more important for the day-to-day protection of the entrepreneurs’ rights as it is on the municipal level where the vast majority of corrupt practices take place”

Mr Boris Titov, Federal Ombudsman for the protection of the Entrepreneurs in the Russian Federation; excerpt from the 2017 annual report to the President of the Russian Federation.

”

Certificate of Appreciation to the Council of Europe for the support provided through the EU/COE project Strengthen Prevention and Combating of Corruption in Kyrgyz Republic: “For the provision of all-round and extensive support to the State’s Anti-Corruption policy in Kyrgyz Republic”



Office of the President of the Kyrgyz Republic

11 PUBLICATIONS AND VISIBILITY

During 2017, the Economic Crime and Cooperation Division issued a leaflet and 4 publications on selected topics in the area of its activity. The publications were issued in print and [on-line](#), in 3 different languages.



Corruption risk assessment reports of the judicial and prosecution systems, and public procurement of Kosovo* were published in English and Albanian in the framework of PECC II project. The reports contain

an in-depth assessment and analysis of corruption risks in the three areas most vulnerable to corruption, and provide tailor-made recommendations for reform. All three risk assessments were conducted through a participatory process involving all relevant stakeholders.

The comprehensive assessment of the Tunisian anti-corruption legal and institutional system based on the Council of Europe GRECO methodology containing specific recommendations to address identified shortcomings and improve compliance with European and international anti-corruption standards was published in French in the framework of the SNAC 2 programme.



The visibility of Council of Europe actions was ensured constantly through combined means of web publications, visual materials and media outreach.

Web publications covered all activities and were made available on the [ECCD website](#), project websites as well as partner institutions.

Key activities were equally reported on the [DGI website](#), social media and CoE field offices. A constant effort was made to provide the information in the languages most accessible to beneficiaries.

Three TV spots were prepared in the framework of PECK II and CLEP-Moldova projects.



CLEP-Moldova: *Video tutorial - online system for the submission of asset declarations*



PECK II: *TV spot on monetary declarations*



PECK II: *TV spot on the impact of corruption*

Visual material: CoE flags, stationery, roll-ups of CoE and of specific programmes, and leaflets were produced and used throughout project activities to ensure the largest possible reach as well as a clear recognition of the Organisation's role and contribution. A leaflet outlining ECCD activities was prepared and widely disseminated as printed publication and [online](#).

Press releases, communications, addresses to media and interviews strengthened the impact on targeted audiences and ensured a multiplier effect.

The visibility of the Council of Europe activities was confirmed by numerous reports in local and international media covering multiple events.



Samples: Notepad (CLEP project) and ECCD leaflet

12 COMPOSITION OF THE ECONOMIC CRIME AND COOPERATION DIVISION'S TEAM

Ardita ABDIU Head of Division	
Astrid WERTENSCHLAG Division Assistant	
Mustafa FERATI - Head of Unit I Jelena JOLIC - Administrator Maia MAMULASHVILI - Programme Coordinator Zahra AHMADOVA - Programme Coordinator Natia JGENTI - Project Coordinator Axel AUDREN - Unit Assistant Veronika SIMONOVA - Project Assistant	Igor NEBYVAEV - Head of Unit II Irina TALIANU - Administrator Elif SARIAYDIN - Administrator Gaia MANSELLI - Project Coordinator Gaelle JOVANOVSKI - Unit Assistant EVA HOFF - Project Assistant

FIELD OFFICES

<u>Baku</u> Teodora LUKOVIC - Administrator Firuza JAFAROVA - Project Officer <u>Kyiv</u> Natalia DRYOMINA-VOLOC - Senior Project Officer Taisia TERTYCHENKO - Senior Project Officer <u>Moscow</u> Maxim ROMANOV - Senior Project Officer Ekaterina ZAKHARYAN - Project Assistant <u>Podgorica</u> Ana SELIC - Project Officer <u>Skopje</u> Ilina GAREVSKA - Senior Project Officer <u>Tbilisi</u> Tea ZARNADZE - Senior Project Officer <u>Tirana</u> Liljana KACI - Senior Project Officer Adela METHASANI - National Consultant	<u>Amman</u> Ala ASALI - National Consultant <u>Bishkek</u> Jenishbek ARZYMATOV - National Consultant <u>Chisinau</u> Giulia RE - Administrator Dumitrita BOLOGAN - CLEP Senior Project Officer Dimitru BORODA - CLEP Project Assistant <u>Pristina</u> Edmond DUNGA - Administrator Vlora MARMULLAKAJ - Senior Project Officer Shpend MIFTARI - Project Assistant <u>Tunis</u> Amira RIAHI - Senior Project Officer
---	---

12.1 Sixth Annual Event of ECCD Team

The 6th annual event of ECCD team took place on 13 and 14 December 2017 in Strasbourg. The event brought together all ECCD's Secretariat and long term national consultants to benefit from exchange of information and training on new developments concerning the area of anti-corruption and anti-money laundering reforms vis-à-vis technical assistance and cooperation as well as on CoE's administrative procedures when programming and implementing cooperation interventions.

As every year, this year the event allowed for 3 training sessions in its programme, specifically: Gender Mainstreaming in cooperation activities from DG II; Procurement and Contracts from DLAPIL; and Project Management Methodology (PMM) of CoE from ODGP.

The Action against Corruption and Economic Crime is part of the Action against Crime Department at the Directorate of Action against Crime and Information Society in Directorate General of Human Rights and Rule of Law – DG I.

It is responsible for the Council of Europe’s cooperation and assistance related activities and reforms concerning: good governance, corruption, ethics, conflict of interests, money laundering, asset recovery, terrorist financing, organised crime and mutual legal assistance in criminal matters as well as all related criminal law and judicial reforms pertaining to such areas. The Economic Crime and Cooperation Division’s activities comprise a wide variety of intervention tools, methodologies and guidance on implementation of standards and recommendations by involving in house knowledge and expertise while utilising a broad Council of Europe expert database.



Economic Crime and Cooperation Division illustrations



The Council of Europe is the continent’s leading human rights organisation. It comprises 47 member states, 28 of which are members of the European Union.

www.coe.in