



COMMITTEE OF EXPERTS ON THE  
EVALUATION OF ANTI-MONEY  
LAUNDERING MEASURES AND THE  
FINANCING OF TERRORISM  
(MONEYVAL)

MONEYVAL(2009)29 ANN1

# Mutual Evaluation Report - Annex 1

Anti-Money Laundering and Combating  
the Financing of Terrorism

# SERBIA

8 December 2009

Serbia is a member of MONEYVAL. This evaluation was conducted by MONEYVAL and the report was adopted by MONEYVAL as a third round mutual evaluation at its 31<sup>st</sup> Plenary (Strasbourg, 7-11 December 2009)

© [2010] European Committee on Crime Problems (CDPC)/ Committee of experts on the evaluation of anti-money laundering measures and the financing of terrorism (MONEYVAL).

All rights reserved. Reproduction is authorised, provided the source is acknowledged, save where otherwise stated. For any use for commercial purposes, no part of this publication may be translated, reproduced or transmitted, in any form or by any means, electronic (CD-Rom, Internet, etc) or mechanical, including photocopying, recording or any information storage or retrieval system without prior permission in writing from the MONEYVAL Secretariat, Directorate General of Human Rights and Legal Affairs, Council of Europe (F-67075 Strasbourg or [dghl.moneyval@coe.int](mailto:dghl.moneyval@coe.int)).

## TABLE OF CONTENTS

<b>1</b>	<b>ANNEX I - List of acronyms and abbreviations used</b>	<b>4</b>
<b>2</b>	<b>ANNEX II - Details of all bodies met on the on-site mission - ministries, other government authorities or bodies, private sector representatives and others</b>	<b>8</b>
<b>3</b>	<b>ANNEX III – List of key laws, regulations and other measures</b>	<b>9</b>
<b>4</b>	<b>ANNEX IV– Additional information</b>	<b>15</b>
4.1	Basic macroeconomic indicators (as of 6 May 2009)	15
4.2	Designated categories of offences based on the FATF Methodology	16
4.3	Organigramme of the APML	29
4.4	Organigramme of the Ministry of Interior	30
4.5	Legislative Provisions Defining the Powers of Supervisory Bodies (Financial Institutions)	31
4.6	Data on Staffing of Supervisory Bodies (All Institutions)	34
4.7	Data on AML/ CFT-Related Trainings Attended by the Staff of Supervisory Bodies (All Institutions)	35
4.8	Example of Supervisory Measure Taken by the National Bank of Serbia in Respect of a Voluntary Pension Fund Management Company	39
4.9	Summarised Statistics on On-Site Inspections	41
4.10	Statistics on CTR-s/ STR-s Submitted by Obligor Financial and Non-Financial Institutions/ Businesses	46

## VI. LIST OF ANNEXES

### 1 ANNEX I - List of acronyms and abbreviations used

AGC	Administration for Games of Chance
APML	Administration for the Prevention of Money Laundering
BA	Bar Association
BIA	Security Information Agency
c.	Criterion
CC	Criminal Code
CDD	Customer Due Diligence
CER	Center for education and Research of the Counter Intelligence administration
CFT	Combating the financing of terrorism
CPC	Criminal Procedure Code
CSP	Company service provider
CTR	Cash Transaction Reports
DNFBP	Designated Non-Financial Businesses and Professions
ETS	European Treaty Series [since 1.1.2004: CETS = Council of Europe Treaty Series]
EU	European Union
EUR	Euro(s)
FATF	Financial Action Task Force
FIU	Financial Intelligence Unit
FRY	former Republic of Yugoslavia
FT	Financing of Terrorism
GDP	Gross domestic product
GRECO	Group of States against Corruption
IMF	International Monetary Fund
IN	Interpretative Note
IT	Information Technology
JSC	Joint stock company
KYC	Know your customer/client
LEA	Law Enforcement Agency
MIA	Ministry of the Interior
MLA	Mutual Legal Assistance
MOU	Memorandum of Understanding
NBS	National Bank of Serbia
NCCT	Non-cooperative countries and territories
NGO	Non governmental organisation
NPO	Non profit organisation
OSCE	Organisation for the Security and Cooperation in Europe
PEP	Politically Exposed Persons
PPO	Public Prosecutor's Office
PTT	Public Enterprise of PTT Communications Srbija
RBA	Risk based approach
RES	Resolution
RS	Republic of Serbia
RSD	Official Currency of the Republic of Serbia - Dinar
SC	Security Council
SFRY	Socialist Federal Republic of Yugoslavia
SR	Special Recommendation

SRBA	Serbian Business Registers Agency
SRO	Self-Regulatory Organisation
STRs	Suspicious transaction reports
SWIFT	Society for Worldwide Interbank Financial Telecommunication
TAIEX	Technical Assistance and Information Exchange Instrument of the European Commission
TF	Terrorism financing
TMIS	Transaction Management Information System
UN	United Nations Organisation
UNSCR	United Nations Security Council Resolution
US	United States
VPF	Voluntary Pension Fund

Amended Law on Financial Leasing	Law on Amendments and Supplements to the Law on Financial Leasing (RS Official Gazette No. 61/2005)
AML Book of Rules	Book of Rules on Establishing Methodology, Requirements and Actions for Performing Tasks in Compliance with the Law on the Prevention of Money Laundering (RS Official Gazette No. 59/2006 and 22/2008)
AML/CFT Law	Law on the Prevention of Money Laundering and the Financing of Terrorism (RS Official Gazette No. 20/08)
Decision on Agent Operations	Decision on Agent Operations and Requirements for Performing Such Operations (RS Official Gazette No. 57/2004 and 33/2005)
Decision on Bank Compliance Risk	Decision on Terms and Conditions of Identification, Monitoring and Management of Bank Compliance Risk (RS Official Gazette No. 86/2007, correction 89/2007)
Decision on Bank Supervision	Decision on Detailed Conditions and Manner of Conducting Bank Supervision by the National Bank of Serbia (RS Official Gazette No. 51/2006)
Decision on Electronic Payment Transactions	Decision on Electronic Payment Transactions (RS Official Gazette No. 57/2004)
Decision on Exchange Operations	Decision on Terms and Conditions for Performing Exchange Operations (RS Official Gazette No. 67/2006, /correction 68/2006, 116/2006, 24/2007, 50/2007 and 118/2007)
Decision on Foreign Payment Transactions	Decision on Terms and Conditions on Performing Foreign Payment Transactions (RS Official Gazette No. 24/2007, 31/2007, 41/2007, 3/2008 and 61/2008)
Decision on Internal Controls in Insurance	Decision on Internal Controls System and Risk Management in Insurance Companies (RS Official Gazette No. 12/2007)
Decision on KYC Procedure for Banks (previous)	Decision on the Minimum Contents of the Know Your Customer Procedure (RS Official Gazette No. 57/2006)
Decision on KYC Procedure for Banks	Decision on the Minimum Contents of the Know Your Customer Procedure (RS Official Gazette No. 46/09)
Decision on Guidelines for RBA	Decision on Guidelines for Assessing the Risk of Money Laundering and Financing of Terrorism, RS Official Gazette No. 46/2009
Decision on Lessor Supervision	Decision on Detailed Conditions and Manner of Conducting Supervision of Lessor Operations (RS Official Gazette No. 117/2005)
Decision on Licensing of Banks	Decision on Implementing the Provisions of the Law on Banks Relating to Granting of a Provisional Permit and Subsequent Issuing of a Full Operating License to a Bank, as Well as on

	Implementing Specific Provisions Relating to Granting Approvals of the National Bank of Serbia (RS Official Gazette No. 51/2006 and 129/2007)
Decision on Licensing of Insurance	Decision on the Implementation of the Provisions of the Insurance Law Relating to the Issuance of Licenses and Approvals of the National Bank of Serbia (RS Official Gazette No. 42/2005)
Decision on Licensing of Leasing Companies	Decision on the Implementation of the Provisions of the Financial Leasing Law Relating to the Issuance of Licenses and Approvals by the National Bank of Serbia (RS Official Gazette No. 81/2005 and 60/2007)
Decision on Pension Fund Supervision	Decision on the Manner of Conducting Supervision of the Voluntary Pension Fund Management Company (RS Official Gazette No. 57/2006)
Decision on Risk Control Rules in Pension Funds	Decision on Risk Control Rules in Operations of the Voluntary Pension Fund Management Company and Voluntary Pension Fund (RS Official Gazette No. 27/2006)
Decision on Supervision of Exchange Transactions	Decision on Supervision of Exchange Transactions (RS Official Gazette No. 67/2006 and No.118/2007)
Decision on Supervision of Payment Transactions performed by banks	Decision on Supervision of Payment Transactions performed by banks (RS Official Gazette No. 7/2004)
Decision on Uniform Payment Instruments	Decision on the Form, Contents, and Manner of Use of Uniform Instruments in Payment Transactions (RS Official Gazette No. 57/2004 and 82/2004)
Guidance Paper No. 5 on AML/CFT	Guidance Paper No. 5 on Anti-Money Laundering and Combating the Financing of Terrorism (4 May 2007)
Guidelines on KYC Procedure for Securities Market	Guidelines on Minimum Contents of the "Know Your Client" Procedure (RS Official Gazette No. 100/2006)
Guidelines to the Decision on Foreign Payment Transactions	Guidelines for Implementing the Decision on Terms and Conditions on Performing Foreign Payment Transactions (RS Official Gazette No. 24/2007, 31/2007, 41/2007, 3/2008 and 61/2008)
Instruction for the Decision on Electronic Payment Transactions	Instruction for Implementation of the Decision on Electronic Payment Transactions (G.No.1512 of 18 May 2004)
Law on Accountancy and Audit	Law on Accountancy and Audit (RS Official Gazette No. 61/2005)
Law on Banks	Law on Banks (RS Official Gazette No. 107/2005)
Law on Civil Servants	Law on Civil Servants (RS Official Gazette No. 79/05)
Law on Financial Leasing	Law on Financial Leasing (RS Official Gazette No. 55/2003 and No. 61/2005)
Law on Foreign Exchange Operations	Law on Foreign Exchange Operations (RS Official Gazette No. 62/2006)
Law on Games of Chance	Law on Games of Chance (RS Official Gazette No. 84/04 and 85/05)
Law on Insurance	Law on Insurance (RS Official Gazette No. 55/2004, 61/2005 and 101/2007)
Law on Investment Funds	Law on Investment Funds (RS Official Gazette No. 46/2006)
Law on Payment Transactions	Law on Payment Transactions ("FRY Official Gazette" No. 3/2002, 1st amendment "FRY Official Gazette", No. 5/2003, 2nd amendment RS Official Gazette No. 43/2004 and No. 62/2006)
Law on Pension Funds	Law on Voluntary Pension Funds and Pension Schemes (RS Official Gazette No. 85/2005)

Law on Postal Services	Law on Postal Services (RS Official Gazette No. 18/05)
Law on Public Administration	Law on Public Administration (RS Official Gazette No. 79/05 and 101/07)
Law on Securities Market	Law on Securities and Other Financial Instruments Market (RS Official Gazette No. 47/2006)
Law on the National Bank	Law on the National Bank of Serbia (RS Official Gazette No. 72/2003, 55/2004)
Memorandum for AML/CFT Supervision of Banks	Memorandum for Conducting Supervision of Bank Activities in the Field of Prevention of Money Laundering. (IV/5 – 14911/08)
National AML/CFT Strategy	National Strategy for the Prevention of Money Laundering and Financing of Terrorism (RS Official Gazette No. 89/08)
Previous AML Law	Law on the Prevention of Money Laundering (RS Official Gazette No. 107/2005 and No. 117/2005)
Regulation on Professional Qualifications and Skills	Regulation on the Professional Qualifications, Skills and Knowledge, Which are Checking Continually in the Selection Process, the Method of Their Review and Standards for Electoral Positions (RS Official Gazette No. 64/2006, 81/2006)
Rules on Financial Market Supervision	Rules on Conditions and Manner of Carrying out Supervision of Financial Market Participants (RS Official Gazette No. 116/2006)
Standing Co-ordination Group	Standing Co-ordination Group for Monitoring the Implementation of the National Strategy against Money Laundering and Terrorism Financing

## 2 **ANNEX II - Details of all bodies met on the on-site mission - ministries, other government authorities or bodies, private sector representatives and others**

### *Ministries*

- Ministry of Finance
- Ministry of Interior
- Ministry of Justice
- Ministry of Public Administration and Local Self Government
- Ministry of Foreign Affairs

### *Criminal justice and operational agencies*

- Administration for the Prevention of Money Laundering (APML)
- District Court (Special Department for Organised Crime)
- Office of the Prosecutor General (Department against corruption and money laundering)
- Tax Administration
- Security Information Agency
- Customs Administration

### *Financial sector supervisory bodies*

- National Bank of Serbia
- Securities Commission
- Foreign Exchange Currency Inspectorate
- Administration of the Games of Chance

### *Private sector bodies*

- Association of Serbian Banks
- Association of Serbian Insurers
- Serbian Association of accountants and auditors
- Serbian Bar Association
- Association of real estate businesses

### *Private sector representatives*

- Post office
- Banks
- Grand Casino Beograd
- Brokers
- Leasing companies
- Lawyers
- Accountants
- Insurance companies
- Real estate businesses
- Foreign exchange bureaus



### **3 ANNEX III – List of key laws, regulations and other measures**

#### **AML/CFT LEGISLATION**

##### *Laws*

1. Law on the Prevention of Money Laundering and the Financing of Terrorism (RS Official Gazette No.20/08 of 18 March 2009, in force: 27/03/2009 – date, except for article 6 (in force as of 27/03/2010), and articles 67-70 (in force from 27/09/2009)
2. Law on the Prevention of Money Laundering (RS Official Gazette No. 107/05 as amended in 117/07, in force: 10/12/2005 – 27/03/2009, except for article 9 which is in force until 27/09/2009)

##### *By-law*

3. Book of Rules on the establishment of the methodology, obligations and procedures for carrying out operations in accordance with the Law on the Prevention of Money Laundering (RS Official Gazette , No.59/06 and 22/08)

##### *Government decisions*

4. National Strategy of the Government of Serbia against Money Laundering and Terrorism Financing (RS Official Gazette No. 89/08)
5. Decision of the Government of Serbia to establish a Standing Co-ordination Group for Monitoring the Implementation of the National Strategy against Money Laundering and Terrorism Financing (9 April 2009)

##### *Decisions*

6. NBS Decision No. 74 of the Governor of the National Bank of Serbia on Minimum Contents of the “Know your Client” Procedure (dated 30 June 2006, RS Official Gazette No. 57/06)
7. NBS Decision No. 46 of the Governor of the National Bank of Serbia on Minimum Contents of the “Know your Client” Procedure (dated 17 June 2009, RS Official Gazette No. 46/09, in force: 27 June 2009)
8. NBS Decision No. 47 of the Governor of the NBS on Guidelines for Assessing the Risk of ML/FT (dated 17 June 2009, RS Official Gazette No. 46/09, in force: 27 June 2009)

##### *Guidance, internal procedures and other relevant documents*

9. NBS Guidance paper no. 5 on anti-money laundering and combating the financing of terrorism for the insurance sector (4 May 2007)
10. NBS Memorandum for Conducting Supervision of Bank Activities in the Field of Prevention of Money Laundering (7 November 2008)
11. Securities Commission Guidelines of minimum contents of the know your client procedure (RS Official Gazette No.100/06)
12. Post office - Rules of Procedure Regarding Detection and Prevention of Money Laundering (23 July 2008)
13. APML – Indicators of suspicious transactions for banks
14. APML – Indicators of suspicious transactions in money exchange operations
15. APML – Indicators of suspicious transactions for insurance companies
16. APML – Indicators of suspicious transactions for leasing companies
17. APML – Wire Transfers – Suspicious Transactions: Compliance officer/examiner procedure

#### **LEGAL AND LAW ENFORCEMENT**

##### *Codes*

1. Criminal Code of Serbia (RS Official Gazette Nos. 85/2005, 88/2005, 107/2005, entry into force 1st Jan 2006)

2. Criminal Procedure Code of Serbia (FRY Official Gazette No. 70/2001 and No. 68/2002, RS Official Gazette No. 58/2004)

#### *Other relevant acts*

1. Law on amendments and additions to the Criminal Code (RS Official Gazette RS, No. 72/09)
2. Law on amendments and additions to the Criminal Procedure Code (RS Official Gazette No. 72/09)
3. Law on Seizure and Confiscation of the Proceeds of Crime (RS Official Gazette No. 97/08, in force: 1 March 2009 – to date)
4. Law on the Liability for Legal Entities for Criminal Offences (RS Official Gazette No. 97/08 of 27 October 2008)
5. Law on Police (dated 14 November 2005)
6. Law on Public Prosecution (RS Official Gazette No. 63/2001, 42/2002, 39/2003, 44/2004, 61/05, 46/06 – other law and 106/2006 – decision of the Constitutional Court of Serbia)
7. Law on the Organisation and Jurisdiction of Government Authorities in Suppression of Organised Crime (RS Official Gazette No. 42/02, 27/03, 39/03, 67/03, 29/04, 58/04, 45/05, 61/05)
8. Law of Serbia on Amendments and Additions to the Law on Organisation and Jurisdiction of Government Authorities in Suppression of Organised Crime (RS Official Gazette No. 72/09)
9. Law on the Security Information Agency (dated 18 July 2002)
10. Law on Customs
11. Law on Judges (RS Official Gazette No. 63/01, 42/02, 17/03, 27/03, 29/04, 35/04, 44/04, 61/05, 101/05)
12. Law on the Organisation of Courts (RS Official Gazette No. 63/01, 42/02, 27/03, 130/03, 29/04, 101/05, 46/06 )
13. Law on Initial Training of Judges, Public Prosecutors and Deputy Public Prosecutors (RS Official Gazette No. 46/06)
14. Law of Serbia on the Protection Programme for Participants in Criminal Proceedings (RS Official Gazette No. 85/05)
15. Law on Civil Servants (RS Official Gazette No. 79/05)
16. Law on Free Access to Information of Public Interest (RS Official Gazette No. 102/04, 54/07)
17. Decision of the Governor of the NBS on the Conditions for Effecting Personal and Physical Transfers of Means of Payment to and from Abroad (RS Official Gazette No. 67/2006, 52/2008 and 18/2009)
18. Law on mutual assistance in criminal matters (RS Official Gazette No. 19 /09, in force: 29 March 2009)

#### *Court Judgments*

19. Judgement of the District Court in Novi Sad, K. 558/06, “Dragoljub Matić” (17 May 2007)
20. Judgement of the District Court in Novi Sad, K. 287/05, “Goran Anastasijevic” (29 February 2008)
21. Judgement of the Supreme Court in Belgrade, Kz I 943/08, appeal against the judgment of the District court in Novi Sad K. 287/05 “Goran Anastasijevic” (26 August 2008)
22. Judgement of the District court in Novi Sad, K. 288/07, “Vladimir Matic” (5 May 2008)
23. Judgement of the Supreme Court in Belgrade, Kz I 1539/08, appeal against the judgment of the District court in Novi Sad K. 288/07, “Vladimir Matic” (19 May 2009)
24. Judgement of the District Court in Jagodina, K. 46/08, “Dragan Nikolic” (21 August 2008)

#### *Reports*

25. Work Report of the Administration for the Prevention of Money Laundering to the Government, 1 January 2007 to 30 November 2007 (December 2007)
26. Annual Work Report of the Administration for the Prevention of Money Laundering to the Government, 1 January 2008 to 31 December 2008 (March 2009)

### *Statistics*

27. Custom Budget Breakdown 2005-2009
28. Statistical Data on art. 359 of the Criminal Code of Republic of Serbia, "Abuse of Office"
29. Statistical Data on Cross-Border Transportation of Effective Foreign Currency 2005-2009

### *Organisation Charts*

30. APML
31. National Bank of Serbia
32. Organisation Chart of the Ministry of the Interior
33. Organisation Chart of the Service For Combating Organised Crime

## **FINANCIAL – BANKING/ SECURITIES/ INSURANCE/ POST**

### *Laws*

34. Law of Serbia on the National Bank of Serbia (RS Official Gazette No. 72/2003, 55/2004)
35. Law of Serbia on Banks (2005)
36. Law of Serbia on the Market of Securities and Other Financial Instruments (RS Official Gazette No. 47/06 of 2 June 2006)
37. Law of Serbia on Insurances (RS Official Gazette No. 55/2004, 61/2005 and 101/07)
38. Law of Serbia on Investment Funds (RS Official Gazette No. 46/2006)
39. Law of Serbia on Foreign Exchange Operations ((RS Official Gazette No. 62/2006)
40. Law of Serbia on Accounting and Auditing (RS Official Gazette No. 46/06)
41. Law of Serbia on Financial Leasing (RS Official Gazette No. 55/03 and 61/05)
42. Law of Serbia on Amendments and Supplements to the Law on Financial Leasing (RS Official Gazette No.55/03)
43. Law of Serbia on Payment and Transactions (FRY Official Gazette Nos. 3/2002 and 5/03, and RS Official Gazette Nos. 43/04 and 62/06)
44. Law of Serbia on Voluntary Pension Funds and Pension Schemes (RS Official Gazette No. 85/05)

### *Decisions - National Bank of Serbia*

#### **Banks**

45. Decision No. 27 on Opening, Maintaining and Closing Bank Accounts (18 May 2004)
46. Decision No. 25 on Terms of Operating and Manner of Maintaining Non-Resident Accounts (6 February 2007)
47. Decision No. 62 on Implementing the Provisions of the Law of on Banks Relating to Granting Provisional Permit and Subsequent Issuing of a Full Operating License to a Bank, as well as on Implementing Specific Provisions Relating to Granting Approvals of the NBS (13 June 2006)
48. Decision No. 76 on the Manner and Conditions of Identification, Monitoring and Management of Bank Compliance Risk (18 September 2007)
49. Decision No. 61 on Detailed Conditions and Manner of Conducting Bank Supervision by the National Bank of Serbia (13 June 2006)
50. Decision No. 75 on Implementing Provisions of the Law on Banks Relating to Consolidated Supervision of a Banking Group (18 September 2007)

#### **Payment transactions**

51. Decision No. 20 on Agent Operations and Requirements for Performing such Operations (18 May 2004)
52. Decision No. 22 on the Form, Contents and Manner of Use of Uniform Instruments in Payment Transactions (18 May 2004)
53. Decision No. 26 on Electronic Payment Transactions (18 May 2004)

54. Decision No. 23 on the Supervision of Payment Transactions Performed By Banks (18 May 2004)

#### Financial Leasing

55. Decision No. 64 on the implementation of the provisions of the financial leasing law relating to the issuance of licenses and approvals by the NBS (22 September 2005)
56. Decision No. 91 on detailed conditions and manner of conducting supervision of lessors operations (29 December 2005)
57. Decision No. 2 on minimum conditions for the conclusion of the financial lease contracts (13 January 2006)

#### Foreign Exchange

58. Decision No. 92 on terms and conditions for performing exchange operations (3 August 2006)
59. Decision No. 93 on Guidelines for Implementing the Decision on terms and conditions for performing exchange operations (3 August 2006)
60. Decision No. 94 on the Supervision of Exchange Transactions (3 August 2006)
61. Decision No. 96 Guidelines on the Conditions of Opening and Manner of Maintaining Foreign Exchange Accounts of Residents (3 August 2006)
62. Decision No. 32 on terms and conditions for performing foreign payment transactions (26 February 2007)
63. Decision No. 33 Guidelines for Implementing the Decision on terms and conditions for performing foreign payment transactions (26 February 2007)

#### Insurance

64. Decision No. 41 on the implementation of the provisions of the insurance law relating to the issuance of licenses and approvals by the NBS (17 May 2005)
65. Decision No. 81 on terms of granting approval to banks to act as insurance agents (30 June 2006)
66. Decision No. 52 on internal controls system and risk management in insurance companies (January 2007)

#### Pension Funds

67. Decision No. 17 on detailed content and standardized format of the contract of membership in voluntary pension fund (10 March 2006)
68. Decision No. 19 on minimum requirements regarding organizational and technical resources of voluntary pension fund management company (10 March 2006)
69. Decision No. 37 on the manner of conducting supervision of the voluntary pension fund management company (28 March 2006)
70. Decision No. 42 on risk control rules in operations of the voluntary pension fund management company and voluntary pension fund (29 March 2006)
71. Decision No. 7 on opening, maintaining and transferring individual accounts of voluntary pension fund members (6 March 2008)

#### *Acts of the Securities Commission*

72. Rules of the Securities Commission on conditions and manner of carrying out supervision of financial market participants (10 and 21 November 2006)
73. Rulebook of the Securities Commission on conditions for conducting custody bank activities (10 November and 21 December 2006)
74. Rulebook of the Securities Commission on the contents and manner of public companies' reporting and notification on possession of voting shares (10 November and 21 December 2006)
75. Rulebook of the Securities Commission on conditions for conducting market operator activities (10 November and 21 December 2006)

76. Rules of the Securities Commission on requirements for conducting broker-dealer company activities (10 November, 7 December and 21 December 2006)

*Other documents*

**NBS**

77. Instruction of the Governor of the NBS for Implementation of the Decision on Electronic Payment Transactions (18 May 2004)
78. Announcement of the NBS of a New Version of the MEPO Programme (31 March 2009)
79. Letter of the NBS/ Bank Supervision Department about Agent Operations (17 September 2009)
80. NBS Guidance paper no. 6 on preventing, detecting and remedying fraud in insurance (4 May 2007)
81. Ethical Standards Code for Bank Supervision of the Commission for Bank Supervision of the NBS (2 June 2008)
82. Analysis of the Bank Supervision Department of Bank Responses to the Anti-Money Laundering Questionnaire, July – December 2008 (31st March 2009)
83. NBS Manual for Supervision of Exchange Offices (excerpts on AML issues)
84. Procedure for making of on-site supervision annual plan
85. On-site Supervisions Annual Plan – 2007 of the Bank Supervision Department (26th March 2007)
86. On- site inspections in 2009 of Voluntary Pension Funds (7 April 2009)
87. Draft Paper on Bank Supervision Guidance: Guidelines for Assessing the Risk of ML/FT (12th May 2009, see Decision on Guidelines for Assessing the Risk of ML/FT)
88. Written Warning (template)

*Statistics*

89. Bank Supervision - Budget for 2008

*Organisation Charts*

90. Organisation Chart of the Bank Supervision Department
91. Organisation Chart of the Insurance Supervision Department
92. Organisation Chart of Division for Market Inspection
93. Organisation Chart of the Securities Commission

**DNFBPs – GAMING / DEALERS IN PRECIOUS METALS AND STONES/ LAWYERS**

*Laws*

94. Games of Chance Act (RS Official Gazette No. 84/04 and 85/05)
95. Attorney-at-Law Act (Official Gazette of FRY No. 24/98, 26/98 – corr. 69/2000 – decision of the Federal Constitutional Court, 11/2002 and 72/2002 – decision of the Federal Constitutional Court)

*Decrees*

96. Decree determining the criminal offences for which a certificate of non-conviction for certain persons must be submitted with the application for a licence or approval to organise certain games of chance (RS Official Gazette No. 128/2004)

*Rules*

97. Rules on the method of determination whether conditions have been fulfilled for receiving the approval to organise games of chance – betting (RS Official Gazette No. 129/2004)
98. Rules on technical and functional characteristics and technical functionality of gaming devices and tables (RS Official Gazette No. 129/2004)
99. Rules on the Types of Games of Chance (RS Official Gazette No. 129/2004)

## **LEGAL PERSONS AND ARRANGEMENTS / NPOs**

100. Law on Association of Citizens in Associations, Social Organisations and Political Parties Which Are Established for the Territory of the Socialist Federal Republic of Yugoslavia (Official Gazette of the SFRY no. 42/90 and Official Gazette of FRY no. 16/93, 31/93, 41/93, 50/93, 24/94)
101. Law on social organisations and associations of citizens of the Socialist Republic of Serbia (Official Gazette of the Socialist Republic of Serbia, no. 24 /82, 39/83 - correction, 17/84, 50/84, 45/85, 12/89 and Official Gazette of the Republic of Serbia, no.53/93, 67/93, 48/94, 101/2005 – and 51/2009)
102. Law on registration of public organisations and civil associations
103. Law on the Registration of Business Entities (RS Official Gazette No. 55/04 , with amendments RS Official Gazette No. 61/05)
104. Law of Serbia on Business Companies (RS Official Gazette No. 125/04)
105. Law of Serbia on the Business Registers Agency (RS Official Gazette No. 55/04)
106. Regulation on Registration of Public Organisations And Civil Associations (excerpts- RS Official Gazette no.57/2009)

## **OTHER**

### *Laws*

107. Constitution of Serbia (RS Official Gazette No.83/06)
108. Decision on Proclamation of the Constitutional Law on Implementation of the Constitution of the Republic of Serbia (10 November 2006)
109. Law on the Government of the Republic of Serbia (excerpts) ( RS Official Gazette No. 55/05, 71/05, 101/07, 56/08)

### *Other information*

110. Clarifications from authorities
111. Feedback on international co-operation from FATF and MONEYVAL members

## 4 ANNEX IV– Additional information

### 4.1 Basic macroeconomic indicators (as of 6 May 2009)

	previous year = 100								
	2001	2002	2003	2004	2005	2006	2007	2008	2009
Gross domestic product, current prices, in billion dinars	762.2	972.9	1,133.0	1,384.3	1,687.8	1,980.2	2,362.8	-	-
Gross domestic product, in millions EUR	12,820.9	16,033.7	17,416.4	19,075.0	20,358.0	23,520.6	29,542.7	-	-
Gross domestic product, per capita, EUR	1,708.7	2,137.8	2,328.2	2,555.9	2,736.0	3,173.5	4,002.2	-	-
Gross domestic product, real growth, in %	5.6	3.9	2.4	8,3	5.6	5,2	6,9	5,4 <sup>1</sup>	-
Prices, growth rates									I-III
Consumer prices by COICOP, period average	-	-	-	-	-	-	6.5	11.7	3.8
Consumer prices, period average	93.3	16.6	9.9	11.4	16,2	11,7	7.0	13.5	9.7
Foreign trade, in million EUR <sup>2</sup>									I-III
Export of goods	1,922.2	2,870.4	2,441.0	2,831.6	3,608.3	5,102.5	6,432.2	7,428.3	1,276.3
European Union	892.4	960.7	1,202.3	1,456.5	2,117.6	2,942.9	3,602.7	4,028.4	701.3
Import of goods	4,759.2	5,956.6	6,585.5	8,623.3	8,439.2	10,462.6	13,506.8	15,580.5	2,682.9
Capital goods <sup>3</sup>	-	-	-	2,495.3	1,971.6	2,429.8	3,495.9	3,829.8	612.1
Intermediate goods <sup>3</sup>	-	-	-	2,830.6	3,027.6	3,781.4	4,892.1	5,331.0	830.9
Foreign trade deficit	-2,837.0	-3,754.7	-4,144.3	-5,791.7	-4,831.0	-5,360.1	-7,074.5	-8,152.1	-1,406.6
									I-II
Current account deficit (excluding donations) <sup>4</sup>	977.0	-1,842.7	-1,674.8	-2,688.4	-2,050.0	-3,091.8	4,780,9 <sup>5</sup>	-6,086.2	-467.1
Current account deficit (excluding donations), as % of GDP	-7.6	-11.5	-9.6	-14.1	-10.1	-13.1	-16.2	-	-
Balance of payments, total <sup>4</sup>	559.9	981.1	813.5	360.2	1,627.6	4,316.1	742.1	-1,714.6	-199.4
Foreign direct investments, net, in million EUR	184.0	502.2	1,205.7	776.6	1,244.6	3,492.2	1,820.8	1,812.1	514.5
Monetary and Foreign Exchange Indicators, end of period									III
Dinar reserve money, in million dinars	41,643	69,543	72,267	82,383	100,341	143,409	169,020	319,781	275,350
Money supply M3, in million dinars	125,414	191,492	244,731	322,876	458,870	634,470	903,871	992,743	1,015,607
Dinar loans disbursed to:	75,187	97,589	141,498	231,866	394,118	521,189	759,261	1,036,175	1,118,938

Economic organizations	68,377	77,845	109,047	161,776	255,965	308,197	440,049	631,605	669,562
Households	5,277	16,139	29,333	66,354	131,845	203,285	305,665	381,496	395,500
Foreign currency reserves of NBS, in million EUR	1,325	2,186	2,840	3,117	4,935	9,025	9,641	8,160	8,113
Value of USD against dinar	67.67	58.98	54.64	57.94	72.22	59.98	53.73	62.90	71.59
Value of EUR against dinar	59.71	61.52	68.31	78.89	85.50	79.00	79.24	88.60	94.78
Citizen savings, million EUR, end of period	329.8	812.9	1,099.6	1,464.6	2,274.7	3,414.1	5,028.5	4,881.0	4,963
Employment, wages and pension benefits									I-III
Employment level, average (thousands)	2,102	2,067	2,040	2,051	2,069	2,026	2,002	1,999	1,981
Unemployment level, end of period (thousands)	-	-	-	-	896	916	785	728	758
Unemployment rate, ILO definition	-	-	-	19.5	21.8	21.6	18.8	14.7	-
Net wages, period average, in dinars <sup>6</sup>	6,078	9,208	11,500	14,108	17,443	21,707	27,759	32,746	30117
- real growth rates	16.5	29.9	13.6	10.1	6.4	11.4	19.5	3.9	2.4
Pension benefits, period average, in dinars	4,505	6,134	7,393	8,725	10,568	12,151	13,612	17,660	19,780
- real growth rates	17.9	16.8	9.7	5.9	4.2	2.9	4.7	14.3	11.6

Source: RSO, NBS, NEA and EPF

<sup>1</sup> RSO estimation. <sup>2</sup> Data for foreign trade with Montenegro included in 2006. <sup>3</sup> New classification in order from 2004. <sup>4</sup> For precalculations from USD to EUR for 2001-2006. was used average relation of USD to EUR for those years. Data for 2007, 2008. and 2009. are from NBS. <sup>5</sup> New methodology. <sup>6</sup> While computing the indices, data on 2008 are calculated according to methodology applied from January 2009.

## 4.2 Designated categories of offences based on the FATF Methodology

Designated categories of offences based on the FATF Methodology	Offence (Criminal Code of Serbia)
Participation in an organized criminal group and racketeering;	<p><b>Article 112 Meaning of terms for the purpose of this Code</b> (22) An organized group is a group comprising minimum three persons acting in conspiracy to commit criminal offences.</p> <p><b>Article 349 Participation in a Group Committing an Offence</b> (1) Whoever participates in a group that by joint action kills a person or inflicts grave bodily harm, damages property to large extent or commits other criminal offence punishable by imprisonment of five or more years or attempts to commit one of these offences, shall be punished for participation by imprisonment of three months to five years. (2) The ringleader of the group committing the offence specified in Paragraph 1 of this Article, shall be punished by imprisonment of one to eight years.</p> <p><b>Article 214 Extortion</b></p>



	<p>(1) Whoever with intent to acquire unlawful property gain for himself or another, by force or threat causes another person to act to the prejudice of his or another's property shall be punished with imprisonment of one to eight years.</p> <p>(2) If by the offence specified in paragraph 1 of this Article material gain exceeding four hundred and fifty thousand dinars is acquired, the offender shall be punished with imprisonment of two to ten years.</p> <p>(3) If by the offence specified in paragraph 1 of this Article material gain exceeding one million five hundred thousand dinars is acquired, the offender shall be punished with imprisonment of two to twelve years.</p> <p>(4) Whoever engages habitually in offences specified in paragraphs 1 to 3 of this Article, or if the offence is committed by an organised group, shall be punished with imprisonment of three to fifteen years.</p>
Terrorism, including terrorist financing	<p style="text-align: center;"><b>Article 312 Terrorism</b></p> <p>Whoever with intent to compromise the constitutional order or security of Serbia or Serbia and Montenegro causes an explosion or fire or commits another generally dangerous act or commits an abduction of a person or some other act of violence, or by threat of committing such generally dangerous act or use of nuclear, chemical, bacteriological or other dangerous substance and thereby causes fear or insecurity among citizens, shall be punished by imprisonment of three to fifteen years.</p> <p style="text-align: center;"><b>Article 391 International Terrorism</b></p> <p>(1) Whoever with intent to cause harm to a foreign state or international organisation commits abduction of a person or other violent act, causes explosion or fire or commits other generally dangerous acts or threatens use of nuclear, chemical, bacteriological or other similar means, shall be punished by imprisonment of three to fifteen years.</p> <p>(2) If the offence specified in Paragraph 1 of this Article resulted in death of one or more persons, the offender shall be punished by imprisonment of five to fifteen years.</p> <p>(3) If in commission of the offence specified in Paragraph 1 of this Article the offender kills another person with intent, the offender shall be punished by imprisonment of minimum ten years or imprisonment of thirty to forty years.</p> <p style="text-align: center;"><b>Article 392 Taking Hostages</b></p> <p>(1) Whoever abducts another person and threatens to kill, injure or keep hostage with intent to force another country or international organisation to do or not to do something, shall be punished by imprisonment of two to ten years.</p> <p>(2) The offender specified in Paragraph 1 of this Article who voluntarily releases the abducted person although not achieving the objective of the abduction, may be remitted from punishment.</p> <p>(3) If the offence specified in Paragraph 1 of this Article results in death of the abducted person, the offender shall be punished by imprisonment of three to fifteen years. (4) If in commission of the offence specified in Paragraph 1 of this Article the offender intentionally kills the abducted person, the offender shall be punished by imprisonment of minimum ten years or imprisonment of thirty to forty years.</p> <p style="text-align: center;"><b>Article 393 Financing Terrorism</b></p> <p>(1) Whoever provides or collects funds intended for financing commission of criminal offences specified in Articles 312, 391 and 392 hereof, shall be punished by imprisonment of one to ten years.</p> <p>(2) The funds specified in Paragraph 1 of this Article shall be confiscated.</p>
Trafficking in human beings and migrant smuggling;	<p style="text-align: center;"><b>Article 388 Human trafficking</b></p> <p>(1) Whoever by force or threat, deception or maintaining deception, abuse of authority, trust, dependency relationship, difficult circumstances of another, retaining identity papers or by giving or accepting money or other benefit, recruits, transports, transfers, sells, buys, acts as intermediary in sale, hides or holds another person with intent to exploit such person's labour, forced labour,</p>

	<p>commission of offences, prostitution, mendacity, pornography, removal of organs or body parts or service in armed conflicts, shall be punished by imprisonment of two to twelve years.</p> <p>(2) When the offence specified in Paragraph 1 of this Article is committed against a minor, the offender shall be punished by the penalty prescribed for that offence even if there was no use of force, threat or any of the other mentioned methods of perpetration.</p> <p>(3) If the offence specified in Paragraph 1 of this Article is committed against a minor, the offender shall be punished by imprisonment of minimum three years.</p> <p>(4) If the offence specified in Paragraphs 1 and 3 of this Article resulted in grave bodily injury of a person, the offender shall be punished by imprisonment of three to fifteen years.</p> <p>(5) If the offence specified in Paragraphs 1 and 3 of this Article resulted in death of one or more persons, the offender shall be punished by imprisonment of minimum ten years.</p> <p>(6) Whoever habitually engages in offences specified in Paragraphs 1 and 3 of this Article or if the offence is committed by an organised group, shall be punished by imprisonment of minimum five years.</p> <p style="text-align: center;"><b>Article 389 Trafficking in Children for Adoption</b></p> <p>(1) Whoever abducts a child under fourteen years of age for the purpose of adoption contrary to laws in force or whoever adopts such a child or mediates in such adoption or whoever for that purpose buys, sells or hands over another person under fourteen years of age or transports such a person, provides accommodation or conceals such a person, shall be punished by imprisonment of one to five years.</p> <p>(2) Whoever habitually engages in activities specified in Paragraph 1 of this Article or if the offence is committed by an organised group, shall be punished by imprisonment of minimum three years.</p> <p style="text-align: center;"><b>Article 390 Holding in Slavery and Transportation of Enslaved Persons</b></p> <p>(1) Whoever in violation of international law enslaves another person or places a person in similar position, or holds a person in slavery or similar position, or buys, sells, hands over to another or mediates in buying, selling and handing over of such person or induces another to sell his freedom or freedom of persons under his support or care, shall be punished by imprisonment of one to ten years.</p> <p>(2) Whoever transports persons in slavery or other similar position from one country to another, shall be punished by imprisonment of six months to five years.</p> <p>(3) Whoever commits the offence specified in Paragraphs 1 and 2 of this Article against a minor, shall be punished by imprisonment of five to fifteen years.</p>
Sexual exploitation, including sexual exploitation of children;	<p style="text-align: center;"><b>Article 183 Pimping and Procuring</b></p> <p>(1) Whoever pimps a minor for sexual intercourse or an equal act or other sexual act, shall be punished with imprisonment of three months to five years.</p> <p>(2) Whoever procures a minor for sexual intercourse or an act of equal magnitude or other sexual act, shall be punished with imprisonment up to three years.</p> <p style="text-align: center;"><b>Article 184 Mediation in Prostitution</b></p> <p>(1) Whoever causes or induces another person to prostitution or participates in handing over a person to another for the purpose of prostitution, or who by means of media or otherwise promotes or advertises prostitution, shall be punished with a fine or imprisonment up to three years.</p> <p>(2) If the offence specified in Paragraph 1 of this Article is committed against a minor, the offender shall be punished with imprisonment from one to ten years.</p> <p style="text-align: center;"><b>Article 185 Showing Pornographic Material and Child Pornography</b></p> <p>(1) Whoever sells, shows or publicly displays or otherwise makes available texts, pictures, audio-visual or other Items of pornographic content to a child or shows to a child a pornographic performance, shall be punished with a fine or imprisonment up to six months.</p> <p>(2) Whoever uses a child to produce photographs, audio-visual or other Items of</p>

	<p>pornographic content or for a pornographic show, shall be punished with imprisonment from six months to five years.</p> <p>(3) Whoever sells, shows, publicly exhibits or electronically or otherwise makes available pictures, audio-visual or other Items of pornographic content resulting from offences specified in Paragraph 2 of this Article, shall be punished with imprisonment up to two years.</p> <p>(4) Items specified in Paragraphs 1 through 3 of this Article shall be confiscated.</p>
<p>Illicit trafficking in narcotic drugs and psychotropic substances;</p>	<p><b>Article 246 Unlawful Production, Keeping and Circulation of Narcotics</b></p> <p>Whoever unlawfully produces, processes, sells or offers for sale, or whoever purchases, keeps or transports for sale, or who mediates in sale or buying or otherwise unlawfully puts into circulation substances or preparations that are declared narcotics, shall be punished by imprisonment of two to twelve years.</p> <p>(2) If the offence specified in Paragraph 1 of this Article is committed by several persons acting in conspiracy to commit such offences, or if the offender has organised a network of dealers or middlemen, the offender shall be punished by imprisonment of five to fifteen years.</p> <p>(3) Whoever unlawfully keeps substances or preparations that are declared narcotics, shall be punished by fine or imprisonment up to three years.</p> <p>(4) The offender specified in Paragraph 3 of this Article who keeps narcotics for self-use may be remitted from punishment.</p> <p>(5) The offender specified in Paragraphs 1 through 3 of this Article who discloses from whom he obtained narcotics may be remitted from punishment.</p> <p>(6) Whoever unlawfully manufactures, obtains, possesses or gives for use equipment, material and substances that are known to be intended for production of narcotics, shall be punished by imprisonment of six months to five years. Narcotics and means for production thereof and processing shall be seized.</p> <p><b>Article 247 Facilitating the Taking of Narcotics</b></p> <p>(1) Whoever induces another person to take narcotics or gives him narcotics for his or another's use or places at disposal premises for taking of narcotics or otherwise enables another to take narcotics, shall be punished by imprisonment of six months to five years.</p> <p>(2) If the offence specified in Paragraph 1 of this Article is committed against a minor or several persons or has resulted in particularly grave consequences, the offender shall be punished by imprisonment of two to ten years.</p> <p>(3) Narcotics shall be confiscated.</p>
<p>Illicit arms trafficking</p>	<p><b>Article 347 Making and Obtaining Weapons and Tools intended for Commission of an Offence</b></p> <p>(1) Whoever procures or enables another to acquire weapons, explosives, equipment for their manufacture or poison that he knows are intended for commission of an offence, shall be punished by imprisonment of six months to five years.</p> <p>(2) Whoever makes or provides another with tools for breaking and entering although knowing they are intended for commission of an offence, shall be punished by fine or imprisonment up to one year.</p> <p><b>Article 348 Illegal Possession of Firearms and Explosives</b></p> <p>(1) Whoever without authorisation manufactures, sells, procures, exchanges, carries or possesses firearms, ammunition or explosives, shall be punished by imprisonment up to three years.</p> <p>(2) If the subject of the offence specified in Paragraph 1 of this Article are firearms, ammunition, explosives or substances based thereon, a dispersion or gas weapon whose manufacture, sale, procurement, exchange, carrying or possession is forbidden to citizens, the offender shall be punished by imprisonment of six months to five years.</p> <p>(3) If the subject of the offence specified in Paragraphs 1 and 2 of this Article is a larger quantity of weapons, ammunition or devices or weapons and other devices of large destructive power implements, the offender shall be punished by imprisonment of one to eight years.</p>

<p>Illicit trafficking in stolen and other goods</p>	<p style="text-align: center;"><b>Article 243 Illegal Trade</b></p> <p>(1) Whoever without a trading permit procures goods or other Items in higher value with the objective of sale, or who without authorisation and to higher extent engages in trade or mediation in trade, or engages in representation of organisations in domestic or foreign trade of goods and services, shall be punished by fine or imprisonment up to two years.</p> <p>(2) Whoever engages in sale of goods whose production he illegally organised, shall be punished by imprisonment of three months to three years.</p> <p>(3) The penalty specified in Paragraph 2 of this Article shall be imposed also to whoever unlawfully sells, buys or barter goods or objects whose circulation is prohibited or restricted.</p> <p>(4) If the offender specified in Paragraph 1 through 3 of this Article organises a network of dealers or middlemen or acquired material gain exceeding four hundred and fifty thousand dinars, he shall be punished by imprisonment of six months to five years.</p> <p>(5) The goods and objects of unlawful trade shall be confiscated.</p>
<p>Corruption and bribery</p>	<p style="text-align: center;"><b>Article 367 Soliciting and Accepting Bribes</b></p> <p>(1) An official who solicits or accepts a gift or other benefit, or promise of a gift or other benefit for himself or another to perform an official act within his competence that should not be performed or not to perform an official act that should be performed, shall be punished by imprisonment of two to twelve years.</p> <p>(2) An official who solicits or accepts a gift or other benefit or a promise of a gift or benefit for himself or another to perform an official act within his competence that he is obliged to perform or not to perform an official act that should not be performed, shall be punished by imprisonment of two to eight years.</p> <p>(3) An official who commits the offence specified in Paragraphs 1 and 2 of this Article in respect of uncovering of a criminal offence, instigating or conducting criminal proceedings, pronouncement or enforcement of criminal sanction, shall be punished by imprisonment of three to fifteen years.</p> <p>(4) An official who after performing or failure to perform an official act specified in Paragraphs 1, 2 and 3 of this Article solicits or accepts a gift or other benefit in relation thereto, shall be punished by imprisonment of three months to three years.</p> <p>(5) A foreign official who commits the offence specified in Paragraphs 1 through 4 of this Article shall be punished by the penalty prescribed for that offence.</p> <p>(6) A responsible officer in an enterprise, institution or other entity who commits the offence specified in Paragraphs 1, 2 and 4 of this Article shall be punished with penalty prescribed for that offence.</p> <p>(7) The received gift or material gain shall be confiscated.</p> <p style="text-align: center;"><b>Article 368 Bribery</b></p> <p>(1) Whoever makes or offers a gift or other benefit to an official, to within his official competence perform an official act that should not be performed or not to perform an official act that should be performed, or who acts as intermediary in such bribing of an official, shall be punished by imprisonment of six months to five years.</p> <p>(2) Whoever makes or offers a gift or other benefit to an official to, within his official competence, perform an official act that he is obliged to perform or not to perform an official act that he may not perform or who acts as intermediary in such bribing of an official, shall be punished by imprisonment up to three years.</p> <p>(3) Provisions of Paragraphs 1 and 2 of this Article shall apply also when a bribe is made or offered to a foreign official. (4) The offender specified in Paragraphs 1, through 3 of this Article who reports the offence before becoming aware that it has been detected, may be remitted from punishment.</p> <p>(5) Provisions of Paragraphs 1, 2 and 4 of this Article shall apply also when a bribe is given or promised to a responsible officer in an enterprise, institution or other entity.</p> <p>(6) A gift or other benefit seized from the person accepting the bribe may, in case specified under Paragraph 4 of this Article, be returned to the persons giving the bribe.</p>

<p>Fraud</p>	<p style="text-align: center;"><b>Article 208 Fraud</b></p> <p>(1) Whoever with intent to acquire unlawful material gain for himself or another by false presentation or concealment of facts deceives another or maintains such deception and thus induces such person to act to the prejudice of his or another's property, shall be punished with fine or imprisonment up to three years.</p> <p>(2) Whoever commits the offence specified in Paragraph 1 of this Article only with intent to cause damage to another, shall be punished with fine or imprisonment up to six months.</p> <p>(3) If by the offence specified in Paragraph 1 and 2 of this Article material gain is acquired or damages caused exceeding four hundred and fifty thousand dinars, the offender shall be punished with imprisonment of one to eight years.</p> <p>(4) If by the offence specified in Paragraph 1 and 2 of this Article material gain is acquired or damages caused exceeding million five hundred thousand dinars, the offender shall be punished with imprisonment of two to ten years.</p>
<p>Counterfeiting currency</p>	<p style="text-align: center;"><b>Article 223 Counterfeiting Money</b></p> <p>(1) Whoever produces forged money with intent to put it in circulation as genuine or who with same intent alters genuine money, shall be punished by imprisonment of two to twelve years.</p> <p>(2) Whoever procures forged money with intent to circulate it as real or who puts forged money in circulation, shall be punished by imprisonment of one to ten years.</p> <p>(3) If by the offence specified in Paragraphs 1 and 2 of this Article forged money is produced, altered, circulated or procured in an amount exceeding one million five hundred thousand dinars and/or a corresponding amount in foreign currency, the offender shall be punished by imprisonment of five to fifteen years.</p> <p>(4) Whoever accepting forged money as genuine, and upon learning that it is counterfeit, puts it in circulation or whoever knows that forged money is produced or that forged money is put in circulation and fails to report it, shall be punished by fine or imprisonment up to one year.</p> <p>(5) Forged money shall be impounded.</p> <p style="text-align: center;"><b>Article 224 Forging Securities</b></p> <p>(1) Whoever produces forged securities or alters genuine securities with intent to use them as genuine, or to give them to another to use, or whoever uses such forged securities as genuine or procures them to such intent, shall be punished by imprisonment of one to five years.</p> <p>(2) If the total nominal amount of forged securities specified in Paragraph 1 of this Article exceeds one million five hundred thousand dinars, the offender shall be punished by imprisonment of two to ten years.</p> <p>(3) Whoever receives forged securities as genuine and upon learning that these are forgeries puts them in circulation, shall be punished by fine or imprisonment up to one year.</p> <p>(4) Forged securities shall be impounded.</p> <p style="text-align: center;"><b>Article 225 Forgery and Misuse of Credit Cards</b></p> <p>(1) Whoever fabricates a forged credit card or who alters a real credit card with intent to use as genuine or who uses such credit card as genuine, shall be punished by imprisonment from three months to three years.</p> <p>(2) If the offender by commission of the offence specified in Paragraph 1 of this Article acquired an unlawful material gain through the use of the card, he shall be punished by imprisonment of six months to five years.</p> <p>(3) If the offender by commission of the offence specified in Paragraph 1 of this Article acquired an unlawful material gain exceeding one million five hundred thousand dinars, he shall be punished by imprisonment of two to ten years.</p> <p>(4) The penalty specified in Paragraphs 1 through 3 of this Article shall be imposed also to whoever commits the offence through unauthorised use of another's card.</p> <p>(5) Whoever obtains a forged credit card with intent to use it as genuine or whoever obtains information with intent to use for fabrication of forged credit card, shall be punished by fine or imprisonment up to one year.</p>

	(6) Forged credit cards shall be impounded.
Counterfeiting and piracy of products	<p style="text-align: center;"><b>Article 202 Unauthorised Use of another’s Design</b></p> <p>(1) Whoever on his product in circulation uses without authorisation another’s design which has been applied for or protected, shall be punished with a fine or imprisonment up to three years.</p> <p>(2) Whoever without authorisation publishes or otherwise presents in public the essence of another’s design before it has been published in the manner set out by law, shall be punished with a fine or imprisonment up to one year.</p> <p>(3) The products referred to in Paragraph 1 of this Article shall be confiscated.</p>
Environmental crime	<p style="text-align: center;"><b>Article 260 Environmental Pollution</b></p> <p>(1) Whoever by violating the regulations on protection, preservation and improvement of the environment pollutes air, water or soil to larger extent or over a wider area, shall be punished by imprisonment up to three years.</p> <p>(2) If the offence specified in Paragraph 1 of this Article is committed from negligence, the offender shall be punished by fine or imprisonment up to one year.</p> <p>(3) If the offence specified in Paragraph 1 of this Article results in destruction or damage to animal and plant life to large extent or environmental pollution in such extent that clean-up requires longer period of time or great expense, the offender shall be punished by imprisonment of one to eight years.</p> <p>(4) If the offence specified in Paragraph 2 of this Article results in destruction or damage to animal and plant life to large extent or environmental pollution in such extent that clean-up requires longer period of time or great expense, the offender shall be punished by imprisonment of six months to five years.</p> <p>(5) If the court pronounces a suspended sentence for offences specified in Paragraphs 1 through 4 of this Article, it may order the offender to undertake within a set period of time particular stipulated measures for environmental protection, preservation and improvement.</p> <p style="text-align: center;"><b>Article 261 Failure to undertake Environmental Protection Measures</b></p> <p>(1) An official or responsible person who fails to undertake the stipulated environmental protection measures, or fails to proceed according to orders of competent authority in respect of environmental protection, shall be punished by fine or imprisonment up to one year.</p> <p>(2) If the offence specified in Paragraph 1 of this Article is committed from negligence, the offender shall be punished by fine or imprisonment up to six months.</p> <p>(3) If the offence specified in Paragraphs 1 and 2 of this Article resulted in environmental pollution, the offender shall be punished for the offence specified under Article 260 hereof.</p> <p>(4) If the court pronounces a suspended sentence for offences specified in Paragraphs 1 and 2 of this Article, it may order the offender to undertake within a set period of time particular stipulated measures for environmental protection, preservation and improvement.</p> <p style="text-align: center;"><b>Article 262 Illegal Construction and Operation of Facilities and Installations Polluting the Environment</b></p> <p>(1) An official or responsible person who contrary to regulations on environmental protection, preservation and improvement allows construction, start-up and operation of facilities and installations or use of technologies that to larger extent and over a wider area pollute the environment, shall be punished by imprisonment of six months to five years.</p> <p>(2) If the offence specified in Paragraph 1 of this Article results in destruction of animal and plant life to high extent or pollution of the environment to such degree that clean-up would require a long period of time or great expense, the offender shall be punished by imprisonment of one to eight years.</p> <p>(3) If the court pronounces a suspended sentence for offences specified in Paragraphs 1 and 2 of this Article, it may order the offender to undertake within a set period of time particular stipulated measures for environmental protection, preservation and improvement.</p>

**Article 263 Damaging Environmental Protection Facilities and Installations**

(1) Whoever damages, destroys, removes or otherwise makes inoperable facilities or installations for environmental protection, shall be punished by imprisonment up to three years.

(2) If the offence specified in Paragraph 1 is committed from negligence, the offender shall be punished by fine or imprisonment up to one year.

(3) If the offence specified in Paragraph 1 resulted in air, water or soil pollution to larger extent or over a wider area, the offender shall be punished by imprisonment of six months to five years. (4) If the offence specified in Paragraph 2 resulted in air, water or soil pollution to larger extent or over a wider area, the offender shall be punished by imprisonment up to three years.

(5) If the offence specified in Paragraph 1 and 3 of this Article result in destruction or damage of animal and plant life to high extent or pollution of the environment to such degree that clean-up would require a long period of time or great expense, the offender shall be punished by imprisonment of one to eight years.

(6) If the offence specified in Paragraph 2 and 4 of this Article result in destruction or damage of animal and plant life to high extent or pollution of the environment to such degree that clean-up would require a long period of time or great expense, the offender shall be punished by imprisonment of six months to five years.

(7) If the court pronounces a suspended sentence for offences specified in Paragraphs 1 through 6 of this Article, it may order the offender to undertake within a set period of time particular stipulated measures for environmental protection, preservation and improvement.

**Article 264 Damaging the Environment**

(1) Whoever by violating regulations, through use of natural resources, construction of buildings, executing works or otherwise causes damage to the environment to large extent or over a wider area, shall be punished by imprisonment up to three years.

(2) If the offence specified in Paragraph 1 is committed from negligence, the offender shall be punished by fine or imprisonment up to one year.

(3) If the court pronounces a suspended sentence for offences specified in Paragraphs 1 and 2 of this Article, it may order the offender to undertake within a set period of time particular measures to correct the detrimental consequences to the environment.

**Article 266 Bringing Dangerous Substances into Serbia  
and Unlawful Processing, Depositing and  
Stockpiling of Dangerous Substances**

(1) Whoever contrary to regulations brings into Serbia radioactive or other hazardous materials or hazardous waste, or whoever transports, processes, deposits, collects or stockpiles such materials or waste, shall be punished by imprisonment up to three years.

(2) Whoever by abuse of his position or powers allows or facilitates bringing into Serbia materials or waste specified in Paragraph 1 of this Article, or enables transport, processing, depositing or stockpiling of such materials or waste, shall be punished by imprisonment of six months to five years.

(3) If the offence specified in Paragraphs 1 and 2 of this Article resulted in destruction of animal and plant life to high extent or pollution of the environment to such degree that clean-up would require a long period of time or great expense, the offender shall be punished by imprisonment of one to eight years.

(4) The attempt of the offence specified in Paragraph 1 of this Article shall be punished.

(5) If the court pronounces a suspended sentence for offences specified in Paragraphs 1 through 4 of this Article, it may order the offender to undertake within a set period of time particular stipulated measures of protection from ionising radiation or other stipulated protection measures.

	<p>(6) Whoever organises committing of offences specified in Paragraph 1 of this Article, shall be punished by imprisonment of one to eight years.</p> <p>(7) The attempt of the offence specified in Paragraph 1* of this Article shall be punished.</p> <p style="text-align: center;"><b>Article 267 Illegal Construction of Nuclear Plants</b></p> <p>Whoever contrary to regulations permits or commences to construct nuclear power plant, a nuclear fuel production plant or processing plant for used nuclear fuel, shall be punished by imprisonment of six months to five years.</p>
<p>Murder, grievous bodily injury</p>	<p style="text-align: center;"><b>Article 113 Murder</b></p> <p>Whoever causes death of another, shall be punished with imprisonment from five to fifteen years.</p> <p style="text-align: center;"><b>Article 114 Aggravated Murder</b></p> <p>Whoever: 1) causes death of another in a cruel or insidious manner; 2) causes death of another by callous violent behaviour; 3) causes death of another and with premeditation endangers the life of other person; 4) causes death of another during commission of robbery or compound larceny, 5) causes death of another for gain, to commit or conceal another offence, from callous revenge or other base motives; 6) causes death of an official or serviceman during discharge or related to discharge of their duty; 7) causes death of a child or pregnant woman; 8) causes death of a member of his family whom he previously abused; with premeditation causes death of several persons, and this not being a case of manslaughter in a heat of passion, infanticide or mercy killing shall be punished with imprisonment from thirty to forty years.</p> <p style="text-align: center;"><b>Article 115 Manslaughter in a Heat of Passion</b></p> <p>Whoever causes death of another while brought into a sudden heat of passions through no fault of his own by assault, abuse or serious insult of the killed person, shall be punished with imprisonment from one to eight years.</p> <p style="text-align: center;"><b>Article 116 Infanticide</b></p> <p>A mother who causes death of her child at childbirth or immediately after delivery, while in state of disorder caused by delivery, shall be punished with imprisonment from six months to five years.</p> <p style="text-align: center;"><b>Article 117 Mercy Killing</b></p> <p>Whoever causes death of an adult from mercy due to serious illness of such person and at such person's serious and explicit request, shall be punished with imprisonment from six months to five years.</p> <p style="text-align: center;"><b>Article 118 Negligent Homicide</b></p> <p>Whoever causes death of another by negligence, shall be punished with imprisonment from six months to five years.</p> <p style="text-align: center;"><b>Article 121 Serious Bodily Harm</b></p> <p>(1) Whoever causes serious injury of another or causes serious impairment of health of another, shall be punished with imprisonment from six months to five years. (2) Whoever causes serious injury or health impairment of another resulting in endangering of life of that person or destroying or permanent and considerable damage or weakening of a vital function of his body or an organ, or permanent serious health impairment or disfigurement, shall be punished with imprisonment of one to eight years. (3) If death of the injured person results from acts specified in Paragraphs 1 and 2 of this Article, the offender shall be punished with imprisonment of two to twelve years. (4) Whoever commits the act specified in Paragraphs 1 and 2 of this Article from negligence, shall be punished with</p>

\* Transl. remark: Probably a proof-reading omission and should read *Paragraph 6*.



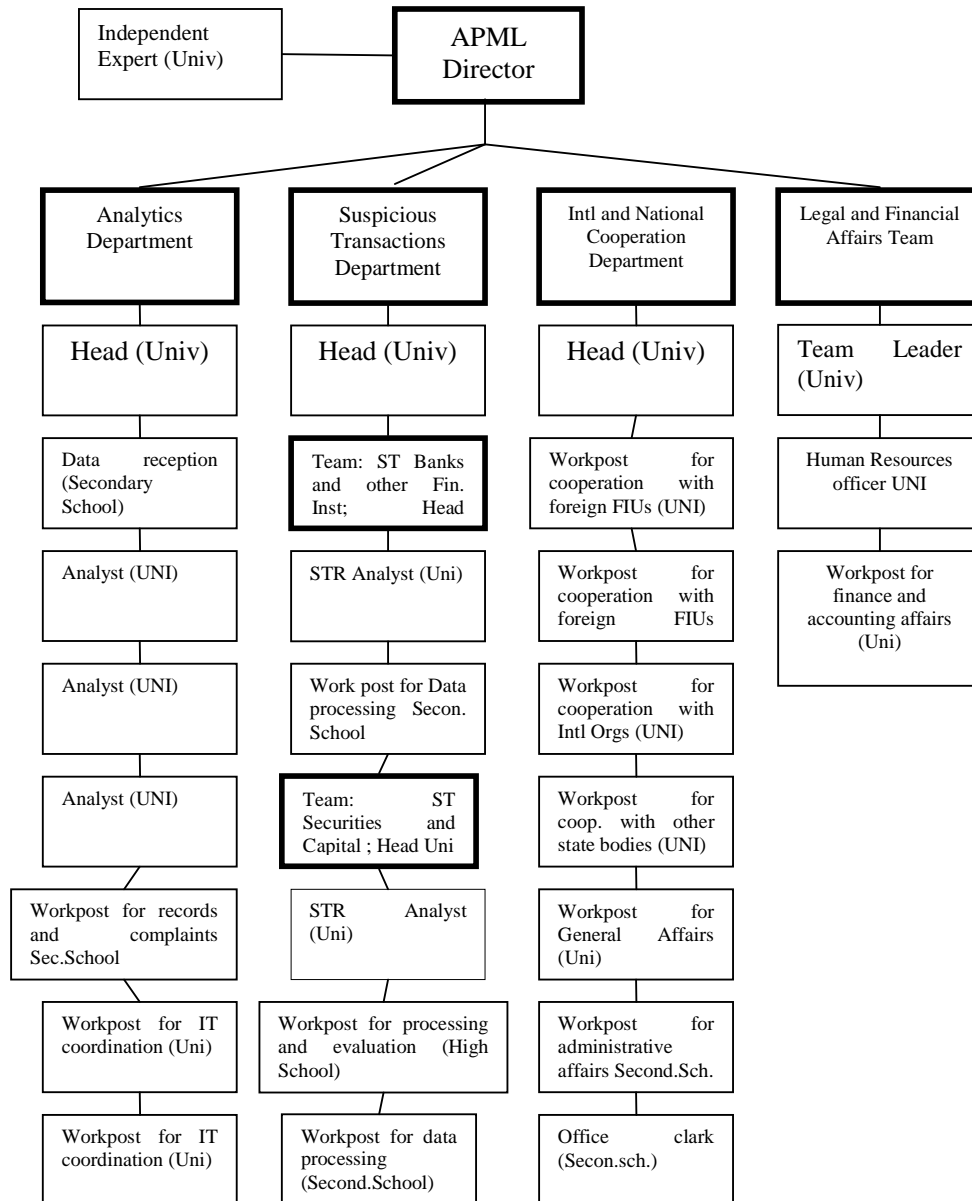
	<p>imprisonment up to three years. (5) Whoever commits the act specified in Paragraphs 1 through 3 of this Article in a heat of passion, if brought in a sudden heat of passions through no fault of his own by assault, abuse or serious insult of the injured person, shall be punished for the offence specified in Paragraph 1 by imprisonment up to three years, and for the offence specified in Paragraph 2 by imprisonment from three months to four years, and for the offence specified in para 3 by imprisonment six months to five years.</p> <p style="text-align: center;"><b>Article 122 Light Bodily Injury</b></p> <p>(1) Whoever causes light injury or minor health impairment, shall be punished with fine or imprisonment up to one year. (2) If the injury is caused by a weapon, dangerous implement or other means suitable to inflict serious injury or serious health impairment, the offender shall be punished with imprisonment up to three years. (3) A court may pronounce judicial caution to the perpetrator referred to in Paragraph 2 of this Article, if he was provoked by rude or violent conduct of the injured party. (4) Prosecution for the offence referred to in Paragraph 1 of this Article shall be instituted by private action.</p>
Kidnapping, illegal restraint and hostage-taking	<p style="text-align: center;"><b>Article 134 Abduction</b></p> <p>(1) Whoever by use of force, threat, deceit or otherwise removes or holds another with the intent to extort money or other property gain from that person or another or to coerce that person or another to do or refrain from doing something or to endure, shall be punished with imprisonment from one to ten years. (2) Whoever threatens the abducted person for the purpose of accomplishing the aim of abduction with murder or grievous bodily harm, shall be punished with imprisonment from three to twelve years. (3) If the abducted person is held more than ten days or treated in cruel manner or his health is seriously impaired or other serious consequences resulted or whoever commits the offence specified in Paragraph 1 of this Article against a juvenile, shall be punished with imprisonment of three to fifteen years. (4) If due to the offence specified in Paragraphs 1, 2 and 3 of this Article result in death of the abducted person or the offence is committed by an organised group, the offender shall be punished with imprisonment of five to eighteen years.</p> <p style="text-align: center;"><b>Article 132 Unlawful Depriving of Liberty</b></p> <p>(1) Whoever unlawfully detains another, keeps him in custody or otherwise unlawfully deprives him of liberty or restricts his freedom of movement, shall be punished with imprisonment up to three years. (2) If the offence specified in Paragraph 1 of this Article is committed by an official through abuse of position or authority, such person shall be punished with imprisonment of six months to five years. (3) If unlawful depriving of liberty exceeded thirty days or was committed in cruel manner or if such act resulted in serious impairment of health of the person unlawfully deprived of freedom or if other serious consequences resulted, the offender shall be punished with imprisonment of one to eight years. (4) If the offences specified in Paragraphs 1 and 3 of this Article result in death of the person unlawfully deprived of liberty, the offender shall be punished with imprisonment from two to twelve years. (5) An attempt of the offence specified in Paragraph 1 of this Article is punishable.</p>
Robbery or theft	<p style="text-align: center;"><b>Article 203 Theft</b></p> <p>(1) Whoever steals another's movable Item with intent to obtain unlawful material gain for himself or another by appropriation thereof, shall be punished with fine or imprisonment up to three years. (2) The attempt of the offence specified in Paragraph 1 shall be punished.</p> <p style="text-align: center;"><b>Article 204 Aggravated/Compound Larceny</b></p> <p>(1) A person committing the offence of theft (Article 203) shall be punished with imprisonment of one to eight years, if the theft was committed: 1) by forcing or breaking into closed buildings, rooms, safes, cabinets or other closed spaces or by otherwise overcoming major obstacles; 2) by several persons; 3) in a particularly dangerous or brazen manner; 4) by someone having on his person a weapon or</p>

	<p>dangerous implement for attack or defence; 5) during a fire, flood, earthquake or other calamity; 6) by taking advantage of the helplessness or other grave condition of a person; (2) The penalty specified in Paragraph 1 of this Article shall also be imposed to a perpetrator of the offence of theft if the value of stolen Items exceeds the amount of four hundred and fifty thousand dinars or if the stolen object represents a cultural or natural asset. (3) if the value of stolen goods exceeds one million dinars, the offender shall be punished with imprisonment of two to ten years.</p> <p style="text-align: center;"><b>Article 205 Grand Larceny</b></p> <p>(1) Whoever caught in the act of theft (Article 203) and with intent to keep the stolen object uses force against a person or threat of direct attack against the life or body, shall be punished with imprisonment of one to ten years. (2) If the value of stolen goods exceeds one million five hundred thousand dinars, the offender shall be punished with imprisonment of two to twelve years. (3) If the offence specified in Paragraphs 1 through 3 of this Article is committed by several persons or intentional serious bodily harm is inflicted to a person, the offender shall be punished with imprisonment of three to fifteen years,</p> <p style="text-align: center;"><b>Article 206 Robbery</b></p> <p>(1) Whoever by use of force against a person or threat of direct attack upon the life or body appropriates another's movable object with intent by appropriation thereof to acquire unlawful material gain for himself or another, shall be punished with imprisonment of two to ten years. (2) If the value of appropriated goods exceeds the amount of one million five hundred thousand dinars, the offender shall be punished with imprisonment of three to fifteen years. (3) If the offence specified in Paragraphs 1 and 2 of this Article is committed by several persons or intentional serious bodily harm is inflicted to a person, the offender shall be punished with imprisonment of three to fifteen years. (4) If the value of appropriated goods specified in Paragraph 1 of this Article does not exceed ten thousand dinars, and the intent of the offender was to acquire a small material gain, the offender shall be punished with imprisonment up to three years. (5) The attempt of the offence specified in Paragraph 4 of this Article shall be punished.</p>
Smuggling	<p style="text-align: center;"><b>Article 230 Smuggling</b></p> <p>(1) Whoever takes goods across the customs line evading customs control measures or who takes goods across the customs line evading customs control while armed, in a group or using force or threat, shall be punished by imprisonment of six months to five years and fined. (2) Whoever engages in sale, distribution or concealment of uncleared goods or organises a network of dealers or middlemen for distribution of such goods, shall be punished by imprisonment of one to eight years and fined. (3) The goods that are subject of the offence specified in Paragraphs 1 and 2 of this Article shall be seized. (4) A vehicle or other means of transportation whose hidden or secret places were used for transport of goods subject to the offence specified in Paragraph 1 of this Article, or which is intended for committing of such criminal offences shall be impounded if the owner or user of such vehicle was aware or should have been aware or was obliged to be aware of it, and if the value of goods that are subject of the offence exceeds one third of the value of such vehicle at the time of commission of the offence.</p>
Extortion	<p style="text-align: center;"><b>Article 214 Extortion</b></p> <p>(1) Whoever with intent to acquire unlawful property gain for himself or another, by force or threat causes another person to act to the prejudice of his or another's property, shall be punished with imprisonment of one to eight years.</p> <p>(2) If by the offence specified in Paragraph 1 of this Article material gain exceeding four hundred and fifty thousand dinars is acquired, the offender shall be punished with imprisonment of two to ten years.</p> <p>(3) If by the offence specified in Paragraph 1 of this Article material gain exceeding one million five hundred thousand dinars is acquired, the offender shall be punished with imprisonment of two to twelve years.</p>

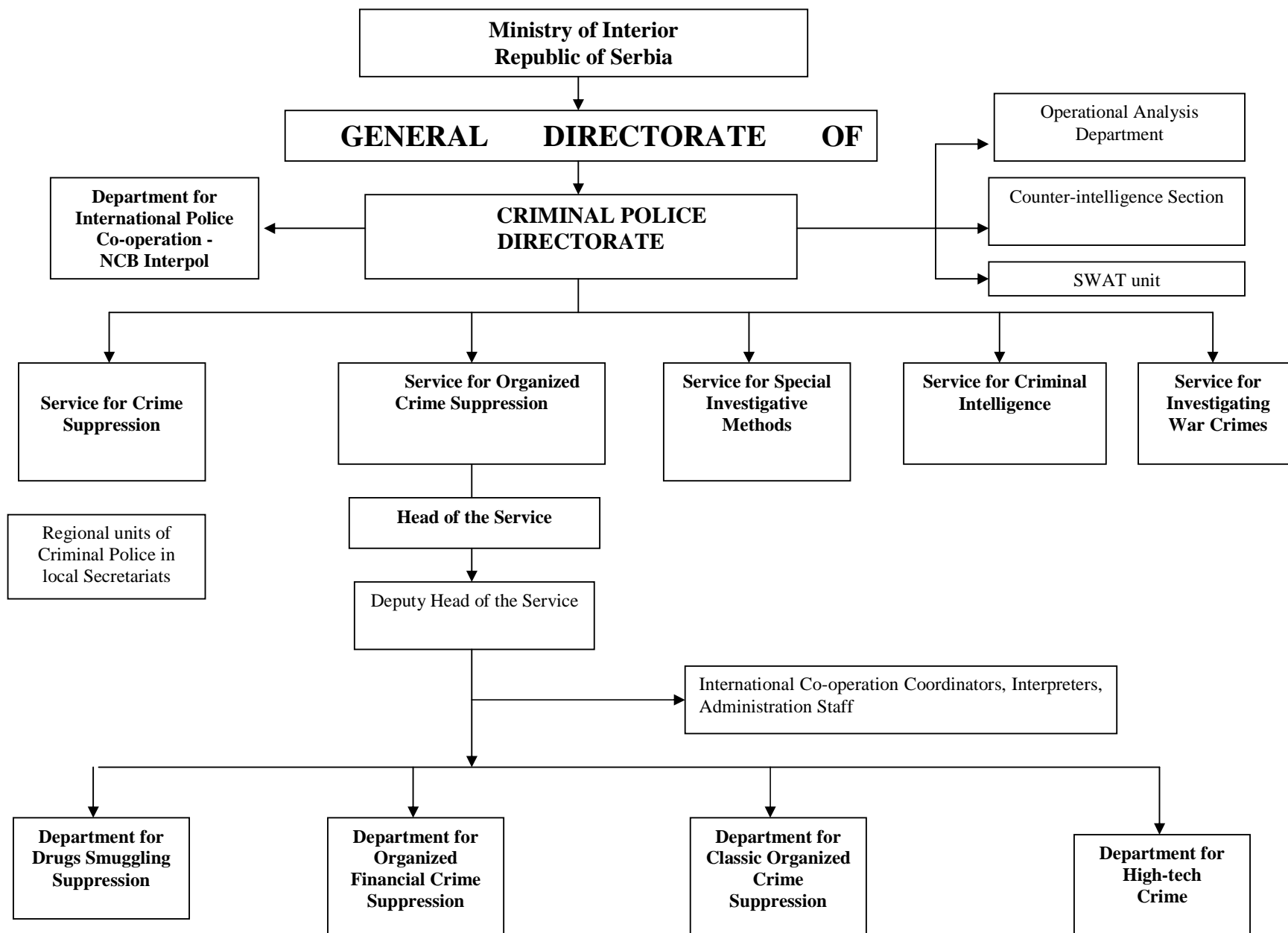
	<p>(4) Whoever engages habitually in offences specified in Paragraphs 1 to 3 of this Article, or if the offence is committed by an organised group, shall be punished with imprisonment of three to fifteen years.</p>
Forgery	<p style="text-align: center;"><b>Article 226 Forging Value Tokens</b></p> <p>(1) Whoever fabricates or alters value tokens with intent to use them as genuine or to give them to another to use, or who uses such forged hallmarks as genuine or obtains them to such end, shall be punished by imprisonment up to three years.</p> <p>(2) If the overall value of value tokens specified in Paragraph 1 of this Article exceeds one million five hundred thousand dinars, the offender shall be punished by imprisonment of one to eight years.</p> <p>(3) Whoever by removing a stamp invalidating a value token or otherwise endeavours to give such value token an appearance as if unused in order to re-use them, or who re-uses the already used value tokens or sells them as valid, shall be punished by fine or imprisonment up to one year.</p> <p>(4) Forged value tokens shall be confiscated.</p> <p style="text-align: center;"><b>Article 227 Making, Acquiring and Giving to Another of Means for Counterfeiting</b></p> <p>(1) Whoever makes, acquires, sells or gives to another to use means for producing forged money or forged securities, shall be punished by imprisonment of six months to five years.</p> <p>(2) Whoever makes, acquires, sells or gives to another to use means for producing forged credit cards or forged value tokens, shall be punished by fine or imprisonment up to two years.</p> <p>(3) The means specified in Paragraphs 1 and 2 of this Article shall be impounded.</p>
Piracy	<p style="text-align: center;"><b>Article 198 Violation of Moral Right of Author and Performer</b></p> <p>(1) Whoever under his name or the name of another publishes or puts into circulation copies of another's copyrighted work or performance or otherwise publicly presents another's copyrighted work or performance, in entirety or in part, shall be punished with a fine or imprisonment up to three years.</p> <p>(2) Whoever without the author's permission alters or adapts another's copyrighted work or alters another's recorded performance, shall be punished with a fine or imprisonment up to one year.</p> <p>(3) Whoever puts into circulation copies of another's copyrighted work or performance in a manner insulting the honour and reputation of the author or performer, shall be punished with a fine or imprisonment up to six months.</p> <p>(4) Things referred to under Paragraphs 1 through 3 of this Article shall be confiscated.</p> <p>(5) Prosecution for offences specified in Paragraph 2 of this Article is initiated by the prosecution, and for offences referred to in Paragraph 3 of this Article by private action.</p> <p style="text-align: center;"><b>Article 199 Unauthorised Use of Copyrighted Work or other Work Protected by Similar Right</b></p> <p>(1) Whoever without permission publishes, records, copies or otherwise presents in public, in part or entirety, a copyrighted work, performance, phonogram, videogram, show, computer programme or database, shall be punished with a fine or imprisonment up to three years.</p> <p>(2) The punishment specified in Paragraph 1 of this Article shall also be imposed on a person who puts into circulation or with intent to put into circulation keeps illegally multiplied or illegally put into circulation copies of copyrighted work, performance, phonogram, videogram, show, computer program or database.</p> <p>(3) If the offence referred to in Paragraphs 1 and 2 of this Article was committed with intent to acquire material gain for oneself or another, the offender shall be punished with imprisonment from three months to five years.</p> <p>(4) Whoever produces, imports, puts into circulation, sells, rents, advertises for sale or renting, or keeps for commercial purposes, equipment and devices whose basic or prevailing purpose is to remove, bypass or forestall technological measures intended for prevention of violation of copyright and other similar</p>

	<p>rights, or who uses such equipment or devices with an aim to violate copyright or other similar right, shall be punished with a fine or imprisonment up to three years.</p> <p>(5) The things referred to in Paragraphs 1 through 4 shall be seized and destroyed.</p> <p style="text-align: center;"><b>Article 201 Violation of Patent Rights</b></p> <p>(1) Whoever without permission produces, imports, exports, offers for circulation, puts into circulation, stores or uses for commercial operations a patented product or procedure, shall be punished with a fine or imprisonment up to three years.</p> <p>(2) If the offence referred to in Paragraph 1 results in material gain or damage in an amount exceeding one million dinars, the offender shall be punished with imprisonment from one to eight years.</p> <p>(3) Whoever without permission publishes or otherwise presents in public the essence of another's patent that has been applied for, before such patent is published in the manner set out by law, shall be punished with a fine or imprisonment up to two years.</p> <p>(4) Whoever without permission applies for a patent or fails to give or gives incorrect name of inventor in the application, shall be punished with imprisonment from six months to five years.</p> <p>(5) The things referred to in Paragraphs 1 and 2 shall be seized and destroyed.</p>
Insider trading and market manipulation	

### 4.3 Organigramme of the APML



#### 4.4 Organigramme of the Ministry of Interior



#### 4.5 Legislative Provisions Defining the Powers of Supervisory Bodies (Financial Institutions)

	Institution/ business	1		2		3		4	
		Legislative act	Provision	Legislative act	Provision	Legislative act	Provision	Legislative act	Provision
<b>A. Institutions supervised by the National Bank of Serbia</b>									
A1	<b>Banks</b>	- AML/CFT Law  - Law on the National Bank	- Article 82.1, 84.1  - Article 4, 63	- Law on Banks  - Decision on Bank Supervision	- Article 102, 104  - Section 2.2 and Section 4	- Law on the National Bank  - Law on Banks	- Article 64  - Article 102	- Law on Banks  - Law on Economic Crimes  - Decision on Bank Supervision	- Article 112 (institution), 113 and 118 (management)  - Article 85  - Section 7, 8, and 9 (institution)
A2	<b>Exchange bureaus</b>	- AML/CFT Law  - Law on the National Bank  - Law on Foreign Exchange Operations  - Decision on Supervision of Exchange Transactions	- Article 82.1, 84.1  - Article 4, 63  - Article 39, 45  - Section 1	- Decision on Supervision of Exchange Transactions	- Section 1, 4.2, 3 and 4	- Law on NBS  - Decision on Supervision of Exchange Transactions	- Article 64  - Section 4.3 and 4	- Law on Foreign Exchange Operations  - Law on Minor Offences	- Article 39.3 (institution)  - Article 76
A3	<b>Voluntary pension fund management companies</b>	- AML/CFT Law  - Law on the National Bank  - Law on Pension	- Article 82.1, 84.1  - Article 4, 63  - Article 67	- Law on Pension Funds  - Decision on Pension Fund Supervision	- Article 68  - Article 2	Law on NBS  Law on Pension Funds  - Decision on	- Article 64  - Article 68  - Article 4	- Law on Pension Funds  - Decision on Pension Fund Supervision	- Article 17 (management) and 69 (institution and management)  - Article 9 (institution and management), 14 (management)

		Funds				Pension Fund Supervision			
A4	Financial leasing providers	- AML/CFT Law - Law on the National Bank - Law on Financial Leasing	- Article 82.1, 84.1 - Article 4, 63 - Article 13(h)	- Law on Financial Leasing - Decision on Lessor Supervision	- Article 13(h) - Section 2	Law on NBS Law on Financial Leasing	- Article 64 - Article 13(h)	- Law on Financial Leasing - Decision on Lessor Supervision	- Article 13(h) (institution and management) - Section 6, 12 and 13 (institution and management)
A5	Insurance companies and intermediaries	- AML/ CFT Law - Law on the National Bank - Law on Insurance	- Article 82.1, 84.1 - Article 4, 63 - Article 18, 142, 148	- Law on Insurance	- Articles 150	Law on NBS Law on Insurance	- Article 64 - Articles 153, 155	- Law on Insurance	- Articles 161 (institution and management), 179 (management)
<b><i>B. Institutions supervised by the Securities Commission</i></b>									
B1	Broker-dealer companies	- AML/ CFT Law - Law on Securities Market	- Article 81.3 and 84.2 - Article 220	- Law on Securities Market - Rules for Financial Market Supervision	- Article 221 - Article 4	- Law on Securities Market - Rules for Financial Market Supervision	- Article 221 - Article 12, 14, 16	*	*
B2	Investment fund management companies	- AML/ CFT Law - Law on Investment Funds	- Article 81.3 and 84.2 - Article 80	- Law on Investment Funds	- Article 81	- Law on Investment Funds	- Article 81	- Law on Investment Funds	- Article 82
<b><i>C. Businesses supervised by: a) the Ministry of Finance, b) the Ministry of Telecommunications and Information Society, and c) the Foreign Currency Inspectorate</i></b>									
C1	Credit and loan intermediaries (a)	- AML/ CFT Law	- Article 82.1,	*	*	*	*	*	*



			84.4						
C2	Persons engaged in factoring and forfeiting activities	(a)	- AML/ CFT Law - Article 82.1, 84.4	*	*	*	*	*	*
		(c)	- AML/ CFT Law - Law on Foreign Exchange Operations - Article 44, 46, 52	- Law on Foreign Exchange Operations	- Article 52	*	*	*	*
C3	Persons engaged in provision of guarantees (a)		- AML/ CFT Law - Article 82.1, 84.4	*	*	*	*	*	*
C4	Providers of money transfer services	(a)	- AML/ CFT Law - Article 82.1, 84.4	*	*	*	*	*	*
		(b)	- AML/ CFT Law - Article 82.1, 84.5	*	*	*	*	*	*
		(c)	- AML/ CFT Law - Law on Foreign Exchange Operations - Article 44, 46, 52	- Law on Foreign Exchange Operations	- Article 52	*	*	*	*

#### 4.6 Data on Staffing of Supervisory Bodies (All Institutions)

	Supervisory body	Number of staff of the departments/ divisions involved in AML/ CFT				Number of obligors		Number of obligors per filled staff positions	
		2007		2008		2007	2008	2007	2008
		Positions classified	Positions filled	Positions classified	Positions filled				
1	APML	*	*	29	27			*	*
2	National Bank of Serbia								
2.1	Bank Supervision (excluding exchange bureaus)	*	14	*	14	36	34	*	2.43
2.2	Exchange bureau supervision	*	46	*	46	2,086	2,370	*	51.52
2.3	Insurance supervision	11	11	11	11	20	24	1,82	2,18
2.4	Pension fund supervision	16	12	16	16	7	9	0.58	0.56
3	Securities Commission	*	*	*	39	111	115	*	2.95
4	Tax Administration	*	*	*	*	*	*	*	*
5	Ministry of Trade and Services	*	*	*	111	790	1,074	*	9.68
6	Foreign Currency Inspectorate	*	*	*	71	*	*	*	*
7	Administration for Games of Chance	*	*	15	7	114	108	*	15.43
8	Ministry of Finance								
8.1	Department of Accountancy and Audit	*	*	3	3	*	*	*	*
8.2	Department supervising postal communication	*	*	*	*	*	*	*	*
8.3	Department supervising credit and loan intermediaries, factoring and forfeiting, guarantees, and money transfer business	*	*	*	*	*	*	*	*
9	Ministry of Telecommunications and Information Society	*	*	*	6	1	1	*	0.17
10	Bar Association	*	*	*	*	*	*	*	*
11	Chamber of Certified Auditors.	*	*	*	*	*	*	*	*

#### 4.7 Data on AML/ CFT-Related Trainings Attended by the Staff of Supervisory Bodies (All Institutions)

APML						
Year	N	Topic of training	Provider of training	Venue of training	Duration of training	Number of staff attended
2005	1	International Visitor Leadership Program USA, "Combating International Crime"	US	USA – cities /Washington, New York City, Miami, El Paso, Reno, Carson City	3 weeks	1
	2	Workshop on financial investigation and implementation aspects of anti–money laundering and the financing of terrorism	IMF	Roma	5 days	1
	3	Co-operation & exchange of information amongst securities regulators and FIU	Securities Commission of Republic of Serbia	Madrid (IOSCO)	5 days	1
2006	1	AML/CFT training (PACO Project)	Council of Europe	Berlin	2 days	2
	2	Regional Workshop on Prevention of Money Laundering	USAID	Belgrade	2 days	1
2007	1	Risk-based approach	Within EU financed project PACO Serbia, implemented by CoE	Belgrade	19.2-20.2.2007	4
	2	Seminar on Financial Investigations and Confiscation of Proceeds of Crime (Project on Development of Reliable and Effective Systems of Policing and Strengthening of Fight against the main criminal activities and police cooperation, CARPO Project)	Council of Europe/ European Commission	Novi Sad, Serbia	27.2-28.2.2007	1
	3	Advanced Seminar on Money Laundering	US (Treasury Department Office of Technical Assistance)	Belgrade	12.3-15.3.2007	4
	4	Seminar on Money Laundering within the Police Cooperation in the Fight against Human Trafficking, Smuggling, and Illegal Migrations	Serbian Ministry of Interior and Austrian Ministry of Interior	Belgrade	21.5-23.5.2007	1
	5	Regional Conference on money laundering, seizure and confiscation of proceeds, in relation to drugs trafficking cases	OSCE	Belgrade	24.5-25.5.2007	1
	6	Seminar on Prevention of Money Laundering (within the context of compliance)	Financial Technology Transfer Agency, Luxembourg in cooperation with Serbian Bank Association	Belgrade	1.10-3.10.2007	2
	7	International Seminar on Combating Terrorism Financing	Financial Integrity Network	Brienz, Switzerland,	15.10-17.10.2007	2
	8	Ninth Annual Summit on International Crime	Crans Montana Forum	Monaco	25.10-26.10.2007	1

	9	Regional Conference of Financial Intelligence Units	Polish General Inspector of Financial Information and US Treasury Department Technical Assistance Office	Warsaw, Poland	15.11-16.11.2007	
	10	EBRD Regional Anti-Money Laundering Seminar, Balkans	European Bank for Reconstruction and Development	Bečići, Montenegro	21.11-22.11.2007	1
	11	Study Visit to the Headquarters of Guardia di Finanza and National Anti-Mafia Directorate	OSCE	Rome, Italy	3.12-7.12.2007	1
	12	Improvement of Quality of Data Exchange between Financial Intelligence Units in South Eastern European Countries	German Agency for Technical Cooperation	Skopje, "the former Yugoslav Republic of Macedonia"	14.12.2007	3
	13	Money, Laundering, Assets seizure and Assets forfeiture in relation to drug Trafficking /regional conference/	OSCE	Belgrade	1 day	1
	14	AML seminar /Money Laundering through foreign trade, corruption, smuggling money and goods	USA treasury and technical assist.	Belgrade	2 days	2
2008	1	Training on i2 Analyst Notebook 7	OSCE	Belgrade	18.02-22.02.2008	3
	2	Confiscation and Freezing of Proceeds from Crime	TAIEX	Belgrade	28.2-29.2.2008	1
	3	Specialist training on "Modern methodology of Fight against Organized Crime"	Center for Security Studies, Belgrade	Belgrade	February 2008-May 2008	1
	4	Workshop on Certain Aspects of AML	TAIEX	Belgrade	8.4-9.4.2008	5
	5	Compliance and AML	Serbian Bank Association and	Belgrade	10.6-12.6.2008	5
	6	AML/CFT Information Technology Seminar for FIU-s	IMF	Joint Vienna Institute, Vienna, Austria	23.6-27.6.2008	2
	7	Study visit to FIU Spain on Role of FIU in CFT	TAIEX	FIU Spain, Madrid	21.6-22.6.2008	5
	8	II Regional Conference of FIU on combating the financing of terrorism, especially cyber-terrorism	Polish General Inspector of Financial Information and US Treasury Department Technical Assistance Office	Warsaw, Poland	29.9-30.9.2008	2
	9	Inter-Regional Workshop on Seizure, Confiscation and Sharing/Returning of Proceeds/Instrumentalities of Crime Transferred to Foreign Jurisdictions	UNODC	Belgrade	11.11-13.11.2008	1
	10	Specialist Training on Fight Against Organized Crime	Center for Security Studies, Belgrade	Belgrade	September 2008-December 2008	1
2009	1	Sub-Regional Workshop: Domestic Legal Implications of UN SC resolutions and Financial Sanctions against Terrorism	UNODC, OSCE, Ministry of Foreign Affairs of Romania	Bucharest, Romania	1.4-2.4.2009	1
	2	Seminar on Risk Based Approach in Supervision over AML/CFT Measures	OSCE	Belgrade	6.4-7.4.2009	5
	3	Development of Customs Investigation Techniques	TAIEX	Belgrade	28.5.2009	2
	4	Workshop on Risk-Based Approach in AML and CFT	TAIEX	Belgrade	1.6.-2.6.2009	4
	5	Specialist Training on Fight Against Organized Crime	Center for Security Studies,	Belgrade	March 2009-June	1

			Belgrade		2009	
--	--	--	----------	--	------	--

**NATIONAL BANK OF SERBIA**

**Division for Supervision of Payment and Exchange Operations**

Year	N	Topic of training	Provider of training	Venue of training	Duration of training	Number of staff attended
2005	1	Not available				Not available
2006	1	Compliance functions in banks	Association of Serbian banks	Palic	17 – 20 April 2006	4
	2	Anti Money Laundering	MMF's representatives	Belgrade	11. and 12 May 2006	5
	3	"Anticorruption days"	Government of R Serbia	Belgrade	18. and 19 May 2006	3
	4	Conference of Council for Compliance functions in banks	Association of Serbian banks	Belgrade	05.09.2006	10
	5	"Money laundering and predicate offence in Serbia 2000-2005"			04. October 2006	2
	6	"Anti money laundering"	National Bank of Serbia	Belgrade	02 November 2006	15
	7	"Anti money laundering"	Deutsche Bundesbank	Frankfurt	27.11 – 01.12.2006	1
2007	1	"Anti money laundering"	Association of Serbian banks	Belgrade	25. January 2007	7
	2	"Off site supervision of carrying out measures for anti money laundering in banks"	MMF - workshop for supervisors	Vienna	05 – 09. Mart 2007	1
	3	AML Workshop	PAKO project of Europe Council , workshop	Becej, Serbia	22 – 25 May 2007	2
	4	"Prevention on money laundering"	US Treasury, Office of Technical Assistance	Belgrade	11 – 14 June 2007	12
	5	"Risk Based Approach and AML/CFT"	PACO Serbia (Council of Europe/ European Commission)	Belgrade	09 July 2007	10
	6	"Corporative management, compliance and prevention on money laundering"	Academy of Banking and Finance	Belgrade	22 – 26 October 2007	1
	7	"Fight against financial delinquency and money laundering"	Central Bank of France	Paris	19 – 23 November 2007	1
2008	1	"Fight Against Counterfeiting"	Central Bank of France	Paris	19 – 23 May 2008	1
	2	"Compliance and Prevention of Money Laundering"	Financial Technology Transfer Agency	Belgrade	10 – 12 June 2008	5
	3	"Combating Money Laundering"	Deutsche Bundesbank	Frankfurt	17 – 21 November 2008	1
	4	"Prevention of money Laundering: Practical Approach"	ATTF Luxembourg	Luxembourg	11 – 20 December 2008	1

**Insurance Supervision Department**

Year	N	Topic of training	Provider of training	Venue of training	Duration of training	Number of staff attended
------	---	-------------------	----------------------	-------------------	----------------------	--------------------------

2008	1	Insurance fraud and financial crime Utilizing the insurance industry and insurance products	CEF/PFS Program	Ljubljana, Slovenia	22-23 October 2008	2
2009	1	Risk based approach in Supervision of Anti money laundering and counter financing of terrorism	OSCE	Belgrade, Serbia	6-7 April 2009	3
	2	Regional seminar on Selected Insurance Core Principles	FSI	Vienna, Austria	20-24 April 2009	1
	3	AML/CFT Course on Financial Supervision and Risk Based Approach	IMF	Vienna, Austria	25- 29 May 2009	2
	4	Workshop on RBA approach in AML/CFT	European Commission TAIEX	Belgrade, Serbia	1-2 June 2009	3

### Voluntary Pension Fund Supervision Department

Year	N	Topic of training	Provider of training	Venue of training	Duration of training	Number of staff attended
2006	1	Anti Money Laundering and Combating Financing of Terrorism	IMF	Belgrade	2 days	5
2008	1	Compliance and Prevention of Money Laundering	ATTF Luxembourg (Financial Technology Transfer Agency)	Belgrade	3 days	1

### Securities Commission (Supervision Department)

Year	N	Topic of training	Provider of training	Venue of training	Duration of training	Number of staff attended
2006	1	Project against economic crime in the Republic of Serbia	Council of Europe		1 day	2
2008	1	Forming of the project group for improvement law provision on preventing money laundering and financing of terrorism	Council of Europe		5 days	10
	2	Value at risk methodology	National Bank of Serbia		1 day	7

### MINISTRY OF TRADE AND SERVICES (MARKET INSPECTION)

Year	N	Topic of training	Provider of training	Venue of training	Duration of training	Number of staff attended
2007	1	Expert round table "Working version of the Draft Law on Prevention of Money Laundering and Terrorist Financing"	PACO Serbia	Serbia	1 day	2
2008	1	Workshop on Certain Aspects of Anti Money Laundering	JHA&MF RS	Serbian Chamber of Commerce	2 days	1

## 4.8 Example of Supervisory Measure Taken by the National Bank of Serbia in Respect of a Voluntary Pension Fund Management Company

### 1) *Brief outline of measure*

According to Article 17.4 (*establishing the Governor's power to adopt regulations*) and Articles 21.1 (*establishing the Governor's power to pass decisions*) of the Law on the National Bank, and Article 67 (*establishing the NBS's power to supervise implementation of the Law on Pension Funds*) of the Law on Pension Funds, in the procedure of on-site supervision of the Pension Fund, the Governor of NBS issues a decision, that the Fund is ordered to provide a full adoption of regulations and procedures governing AML, with the following reasoning:

- The Fund does not implement the previous AML Law, which is contrary to Article 4, Paragraph 2, Indents 5 (*defining as obligors investment funds and other financial market institutions*) and 6 (*defining as obligors stock exchanges, broker-dealer associations, custody banks, banks authorized to trade in securities and other individuals/entities engaged in transactions involving securities, precious metals and precious stones*) of the Law;
- The Fund has not implemented the AML procedure, which is contrary to the Indent 2, Paragraph 1 (*defining obligation to establish by its internal acts a system of risk management*) in relation to Indent 4, Paragraph 3 (*defining the qualitative manner of operational risk control*) of the Decision on Risk Control Rules in Pension Funds.

The decision concludes that Fund has only after ending the on-site supervision undertaken measures in order to comply with the previous AML Law and Indent 2, Paragraph 1 (*defining obligation to establish by its internal acts a system of risk management*) in relation to Indent 6, Paragraph 3 (*establishing the minimal contents of AML prevention procedures*) of the Decision on Risk Control Rules in Pension Funds, while in the period of conducting the on-site supervision it has not adopted these regulations.

Such reasoning is made on the basis of Article 69, Paragraph 1, Indent 2 (*defining the NBS's power to issue orders*) of the Law on Pension Funds, and of Indent 9, Paragraph 1 (*defining the NBS's power to issue warning notices*) and Indent 12, Paragraphs 1 and 2 (*specifying the manner of implementing the orders issued by the NBS*) of the Decision on Pension Fund Supervision.

### 2) *References to laws and regulations*

- **Law on the National Bank of Serbia**

#### **Article 17**

The Governor shall be responsible for the accomplishment of the NBS's objectives, and in particular for:

- 4) Adoption of regulations and decisions within the scope of authority of the NBS which, in accordance with this law, are not within the scope of authority of the Monetary Board or the Council;

#### **Article 21**

For the purposes of performing tasks within the scope of authority of the NBS, the Governor shall enact regulations, as well as pass decisions, unless otherwise provided for by this Law.

- **Law on Voluntary Pension Funds and Pension Schemes**

#### **Article 67**

The National Bank of Serbia shall conduct supervision of implementation of **this law**, enact, within its scope of competence, secondary legislation for the purpose of implementation of this law, and maintain a Register of Voluntary Pension Funds.

#### **Article 69, Paragraph 1, Indent 2**

If, in the course of supervision of the management company and the custody bank, it establishes any illegalities or irregularities, or non-compliance with the risk control rule, the National Bank of Serbia shall, depending on the severity of the established irregularities and the extent to which they threaten the interests of fund members, take one or more measures, as follows:

- 2) Issue an order that all established irregularities be eliminated in the time period no longer than 60 days from the day of receipt of the order;

- **Law on the Prevention of Money Laundering**

**Article 4, Paragraph 2, indents 5) and 6)**

For the purpose of this Law, the obligors shall be:

- 5) investment funds and other institutions operating in the financial market;
- 6) stock exchanges, broker-dealer associations, custody banks, banks authorized to trade in securities and other individuals/entities engaged in transactions involving securities, precious metals and precious stones;

- **Decision on Risk Control Rules in Operations of the Voluntary Pension Fund Management Company and Voluntary Pension Fund**

**Indent 2, Paragraph 1**

The fund management company shall be obliged to establish by its internal acts the system of management of all risks that arise from its operations which shall provide for their effective identification, measuring and control, as well as management of these risks (hereinafter: risk control), and especially: market risk, operational risk, liquidity risk and risk of harmonization of operations with regulations.

**Indent 4, Paragraph 3**

The qualitative manner of operational risk control shall particularly include the procedures whereby the subject of control of this risk is more closely determined; the strategy of keeping data necessary for unhindered operations of the fund management company is established; adequate information system is established; the manner of estimate of the size of risk is determined; business flows that are especially jeopardized by this risk are determined; the manner of risk control by certain business flows is established; the database important for risk control is formed; the manner of verifying the parameters of the control of this risk is established.

**Indent 6, Paragraph 3**

Procedures for money laundering recognition and prevention shall particularly imply the establishment of rules of conduct of employees regarding money laundering recognition and prevention in operations of the fund management company or the fund, in line with operations that these employees perform and the function they discharge, as well as the regulation of the procedure of reporting to the competent body the transactions with regard to which there are reasons for suspicion that money laundering has taken place, i.e. the regulation of the procedure of denouncing persons who perform these transactions, in line with regulations that govern money laundering prevention.

- **Decision on the Manner of Conducting Supervision of the Voluntary Pension Fund Management Company**

**Indent 9, Paragraph 1**

If the fund management company fails to submit remarks or supplements to the minutes within deadlines prescribed hereby, or fails to contest in submitted remarks with strong arguments the findings from the minutes and/or supplements to the minutes whereby illegalities and irregularities have been determined or non-compliance with risk control rule has been established, the National Bank of Serbia shall take one or more measures, as follows:

- 1) It shall issue a written warning notice;

**Indent 12, Paragraphs 1 and 2**

The order for the elimination of established irregularities (hereinafter: the order) shall be directed to the fund management company with regard to whose operations significant irregularities have been established by supervision.

The decree whereby the order is issued shall order the fund management company to conduct one or more activities aimed at the elimination of irregularities established in its operations, it shall specify the manner of elimination and the deadline which may not exceed 60 days following the day of the reception of the order, and the manner in which this company is obliged to inform the National Bank of Serbia of the execution of the order, as well as the execution deadline.



## 4.9 Summarised Statistics on On-Site Inspections

### Banks

Year	No of obligors	No of obligors inspected	No of inspections involving AML/CFT	No of inspections dedicated to AML/CFT	Main irregularities identified (in respect of AML/CFT)	Supervisory action taken (in respect of AML/CFT)	Pecuniary sanctions (a) for AML/CFT; (b) other <sup>1</sup>
2006	37	17	5	0	<ul style="list-style-type: none"> <li>• Failure to (timely) provide the APML data on one or several interrelated cash transactions</li> <li>• Failure to provide the APML data on transactions or persons suspected to be in connection with money laundering</li> <li>• Failure to have adequate procedures for dealing and with and updated data on transactions for which there are reasons to be doubted in money laundering</li> </ul>	<ul style="list-style-type: none"> <li>• Written warnings (1)</li> <li>• Ordering letters (2)</li> <li>• Resolution on orders and measures (1)</li> </ul>	a. No data
							b. No data
2007	36	22	2	8	<ul style="list-style-type: none"> <li>• Failure to establish ultimate beneficial ownership of legal entity</li> <li>• Failure to (timely) provide the APML data on one or several interrelated cash transactions</li> <li>• Failure to provide the APML data on transactions or persons suspected to be in connection with money laundering</li> <li>• Failure to obtain written a written authorization when opening an account on the order of proxy</li> <li>• Failure to establish the reasons (purpose) for opening an account</li> <li>• Failure to establish and carry out permanent training for employees in AML/CFT matters</li> </ul>	<ul style="list-style-type: none"> <li>• Written warnings (8)</li> </ul>	(a+b)  RSD 16.8 mln (app. EUR 200.000)
2008	34	33	1	9	<ul style="list-style-type: none"> <li>• Identification of a client (legal person) performed on basis of non up-to-date documentation</li> <li>• Failure to establish ultimate beneficial ownership of legal entity</li> <li>• Failure to (timely) provide the APML data on one or several interrelated cash transactions</li> <li>• Failure to provide the APML data on transactions or persons suspected to be in connection with money laundering</li> <li>• Failure to obtain written a written authorization when opening an account on the order of proxy</li> <li>• Failure to establish the reasons (purpose) for opening an account</li> </ul>	<ul style="list-style-type: none"> <li>• Written warnings (7)</li> <li>• Ordering letters (1)</li> </ul>	(a+b)  RSD 22.7 mln (app. EUR 250.000)
<b>Total</b>	<b>72</b>	<b>8</b>	<b>17</b>			a.	
						b.	

<sup>1</sup> Pursuant to the Law on Banks

***Insurance companies***

Year	No of obligors	No of obligors inspected	No of inspections involving AML/CFT	No of inspections dedicated to AML/CFT	Main irregularities identified (in respect of AML/CFT)	Supervisory action taken (in respect of AML/CFT)	Pecuniary sanctions (a) for AML/CFT; (b) other
2005	19*	7	0	0	/	/	a.
							b.
2006	17*	10	0	0	/	/	a.
							b.
2007	20*	5	0	0	/	/	a.
							b.
2008	24*	7	2	0	/	/	a.
							b.
<b>Total</b>		<b>29</b>	2	0			a.
							b.

*\* both life and non life insurance companies*

*Note: 2 insurance companies that deal with life insurance have been supervised, amongst other areas, with respect to the implementation of the AML law. During these controls, no irregularities were identified in respect of AML/CFT sanctions*

*Voluntary Pension Funds and Management Companies*

Year	No of obligors	No of obligors inspected	No of inspections involving AML/CFT	No of inspections dedicated to AML/CFT	Main irregularities identified (in respect of AML/CFT)	Supervisory action taken (in respect of AML/CFT)	Pecuniary sanctions (a) for AML/CFT; (b) other
2006	4	-	-	-	*	*	a. b.
2007	7	5	5	-	<ul style="list-style-type: none"> <li>• Less significant irregularities established</li> <li>• Failure to have procedures for recognition and prevention of ML</li> <li>• Failure to implement internal procedures for compliance risk management</li> </ul>	<ul style="list-style-type: none"> <li>• Supervision procedure terminated</li> <li>• Order to provide full adoption of regulations governing AML</li> <li>• Order to provide full implementation of internal procedures</li> </ul>	a. b.
2008	9	-	-	-			
2009	9	4	4	0	<ul style="list-style-type: none"> <li>• Failure to comply procedures for recognition and prevention of ML with new AML</li> <li>• Failure to organize trainings and education for employees</li> <li>• Failure to make a list of indicators of suspicious transactions</li> </ul>	<ul style="list-style-type: none"> <li>• Two supervision procedures terminated and two are still in progress</li> <li>• Order to provide full adoption of regulations governing AML</li> <li>• Order to provide full implementation of internal procedures</li> </ul>	a. b.
<b>Total</b>		<b>9</b>	<b>9</b>	*			a. b.

\* Pecuniary sanctions imposed for (a) irregularities related to AML/CFT framework, (b) other irregularities.

***Securities market participants***

Year	No of obligors	No of obligors inspected	No of inspections involving AML/CFT	No of inspections dedicated to AML/CFT	Main irregularities identified (in respect of AML/CFT)	Supervisory action taken (in respect of AML/CFT)	Pecuniary sanctions (a) for AML/CFT; (b) other
2005	84	812	*	*	*	*	a. -
							b. -
2006	91	961	*	*	*	*	a. -
							b. -
2007	111	1417	*	*	*	*	a. -
							b. -
2008	115	1985	*	*	*	*	a. -
							b. -
Total		5175	*	*			a. -
							b. -

\* Pecuniary sanctions imposed for (a) irregularities related to AML/CFT framework, (b) other irregularities.

*Exchange dealers/ exchange bureaus*

Year	No of obligors	No of obligors inspected	No of inspections involving AML/CFT	No of inspections dedicated to AML/CFT	Main irregularities identified	Supervisory action taken (in respect of AML/CFT)	Pecuniary sanctions (a) for AML/CFT; (b) other
2005	1.739 <sup>2</sup>	3.279	3.279	*	<ul style="list-style-type: none"> <li>• Failure to recognize several inter-related transactions with the total sum amounting to or exceeding EUR 15.000</li> <li>• Failure to perform identification of the individuals/entities and to report to the APML</li> </ul>		a. -
	1.412 <sup>3</sup>						b. -
2006	2.072	2.915	2.915	*	<ul style="list-style-type: none"> <li>• Failure to recognize several inter-related transactions with the total sum amounting to or exceeding EUR 15.000</li> <li>• Failure to perform identification of the individuals/entities and to report to the APML</li> </ul>		a. -
	1.670						b. -
2007	2.086	3.221	3.221	*	<ul style="list-style-type: none"> <li>• Failure to recognize several inter-related transactions with the total sum amounting to or exceeding EUR 15.000</li> <li>• Failure to perform identification of the individuals/entities and to report to the APML</li> </ul>		a. -
	1.657						b. -
2008	2.370	2.762	*	*	<ul style="list-style-type: none"> <li>• Failure to recognize several inter-related transactions with the total sum amounting to or exceeding EUR 15.000</li> <li>• Failure to perform identification of the individuals/entities and to report to the APML</li> <li>• Late reporting to the APML</li> </ul>		a. -
	1.811						b. -
<b>Total</b>		<b>12.177</b>	<b>12.177</b>	*			a. -
							b. -

\* Pecuniary sanctions imposed for (a) irregularities related to AML/CFT framework, (b) other irregularities

<sup>2</sup> For all cases under this column, this is the number of exchange bureaus.

<sup>3</sup> For all cases under this column, this is the number of exchange dealers.

#### 4.10 Statistics on CTR-s/ STR-s Submitted by Obligor Financial and Non-Financial Institutions/ Businesses

2005															
Statistical Information on reports received by the FIU								Judicial proceedings*							
Monitoring entities, e.g.	reports about transactions above threshold	reports about suspicious transactions		cases opened by FIU		notifications to law enforcement/ prosecutors		indictments				convictions			
		ML	FT	ML	FT	ML	FT	ML		FT		ML		FT	
								cases	persons	cases	persons	cases	persons	cases	persons
Commercial banks	159105	134		88		64 (to: Police, Tax A., Prosec., FC Inspect.)									
Insurance companies															
Currency exchange	984														
Investment funds															
Financial leasing															
Securities' registrars															
Broker -dealers companies															
Traders (prec.stones/auto, etc)	400														
Casinos															
Pawnshops															
Real estate	50														
Lawyers															
Accountants/auditors															
National Bank	65														
Postal Telecommunication Enterprise	228	4													
Others	100														

\* Data on judicial proceedings are not available for 2005.

\*\* The Administration for the Prevention of Money Laundering does not have exact data on the number of persons indicted or convicted for the relevant periods.

2006															
Statistical Information on reports received by the FIU								Judicial proceedings							
Monitoring entities, e.g.	reports about transactions above threshold	reports about suspicious transactions		cases opened by FIU		notifications to law enforcement/prosecutors		indictments				convictions			
		ML	FT	ML	FT	ML	FT	ML		FT		ML		FT	
								cases	persons	cases	persons	cases	persons	cases	persons
Commercial banks	154644	621		62		66 (to: Police, Tax A., Prosec., SIA,FC Inspect. Customs)		2	**			-	**		
Insurance companies	1														
Currency exchange	532														
Investment funds															
Financial leasing															
Securities' registrars															
Broker -dealers companies	34														
Traders (prec.stones/auto, etc)	236														
Casinos															
Pawnshops															
Real estate	26														
Lawyers															
Accountants/auditors															
National Bank	1														
Postal Telecommunication Enterprise	219	1													
Others	34														

\*\* The Administration for the Prevention of Money Laundering does not have exact data on the number of persons indicted or convicted for the relevant periods.

2007															
Statistical Information on reports received by the FIU								Judicial proceedings							
Monitoring entities, e.g.	reports about transactions above threshold	reports about suspicious transactions		cases opened by FIU		notifications to law enforcement/prosecutors		indictments				convictions			
		ML	FT	ML	FT	ML	FT	ML		FT		ML		FT	
								cases	persons	cases	persons	cases	persons	cases	persons
Commercial banks	233380	1430		42		43 (to: Police, Tax A., Prosec., SIA,FC Inspect. Customs)		5	**			1	**		
Insurance companies															
Currency exchange	371														
Investment funds															
Financial leasing															
Securities' registrars															
Broker -dealers companies															
Traders (prec.stones/auto, etc)	166														
Casinos															
Pawnshops															
Real estate	28														
Lawyers															
Accountants/auditors															
National Bank															
Postal Telecommunication Enterprise	327	2													
Others	8														

\*\* The Administration for the Prevention of Money Laundering does not have exact data on the number of persons indicted or convicted for the relevant periods.



2008															
Statistical Information on reports received by the FIU								Judicial proceedings							
Monitoring entities, e.g.	reports about transactions above threshold	reports about suspicious transactions		cases opened by FIU		notifications to law enforcement/prosecutors		indictments				convictions			
		ML	FT	ML	FT	ML	FT	ML		FT		ML		FT	
								cases	persons	cases	persons	cases	persons	cases	persons
Commercial banks	351923	2860		65		67 (to: Police, Tax A., Prosec., SIA,FC Inspect. Customs)		14	19			2	**		
Insurance companies	2576	2													
Currency exchange	750														
Investment funds	1														
Financial leasing															
Securities' registrars															
Broker -dealers companies	150														
Traders (prec.stones/auto, etc)	211														
Casinos															
Pawnshops															
Real estate	1														
Lawyers															
Accountants/auditors															
National Bank															
Postal Telecommunication Enterprise	291	21													

\*\* The Administration for the Prevention of Money Laundering does not have exact data on the number of persons indicted or convicted for the relevant periods.

31 March 2009

31 March 2009															
Statistical Information on reports received by the FIU								Judicial proceedings							
Monitoring entities, e.g.	reports about transactions above threshold	reports about suspicious transactions		cases opened by FIU		notifications to law enforcement/prosecutors		indictments				convictions			
		ML	FT	ML	FT	ML	FT	ML		FT		ML		FT	
								cases	persons	cases	persons	cases	persons	cases	persons
Commercial banks	58547	605													
Insurance companies	729														
Currency exchange	116														
Investment funds															
Financial leasing															
Securities' registrars															
Broker -dealers companies	27														
Traders (prec.stones/auto, etc)	56														
Casinos					14			10						**	
Pawnshops															
Real estate															
Lawyers															
Accountants/auditors															
National Bank															
Postal Telecommunication Enterprise	55														
Others	35														