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**Project: Development of Reliable and Functioning Policing Systems
and Enhancing of Combating Main Criminal Activities
and Police Co-operation**

Final version EN

**Strengthening police capacities
against serious crime in South-eastern Europe**

**TRI-ANNUAL REPORT
[8TH PROGRESS REPORT]**

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1 PROJECT SUMMARY

The Project “Development of reliable and functioning policing systems and enhancing of combating main criminal activities and police co-operation” is a joint project between the European Union and the Council of Europe, under the CARDS Regional Programme 2002 – 2003.

The project started in March 2004 and will last until June 2007 (39 months).

The project areas are: Albania, Bosnia and Herzegovina, Croatia, Montenegro, Serbia¹ and “the former Yugoslav Republic of Macedonia”.

The objective of the project is to strengthen the capacities of the above-mentioned beneficiary countries to develop and implement regional strategies against serious forms of crime, based on the *acquis* of the European Union and other European standards and practices by:

- providing them with the necessary tools against economic and organised crime (**Module 1**);
- enabling them to deliver comprehensive training against trafficking in human beings, smuggling and illegal migration (**Module 2**).

The project covers, through a series of in-country and regional activities (e.g. seminars, study visits, trainings) **the following issues:**

- the development of a regional strategy on tools against organised and economic crime;
- the strengthening of financial investigations capacities aimed at the confiscation of proceeds from crime and experience exchange among the financial intelligence units in the region;
- the use of special investigative means and intelligence in accordance with human rights standards;
- the creation of effective mechanisms to protect witnesses of serious crime;
- the strengthening of capacities for co-operation in criminal matters;
- the development of training strategies in all matters related to trafficking in human beings, smuggling and illegal migration;
- the development of curricula and training materials on trafficking in human beings, smuggling and illegal migration.

The overall intervention logic of the project can be summarised as to:

- develop regional strategies and benchmarks;
- develop country-specific implementation plans for specific tools and fields of crime;
- develop, test and produce training materials in local languages to support the implementation of the strategies;
- review progress made in the implementation of the strategies and thus in the progress made towards the *EU acquis* and European standards and practices.

Through the two modules, the project **combines a horizontal approach** (tools which are common to most forms of economic and organised crime) **with a vertical approach** (trafficking in human beings, smuggling and illegal migration as the specific field of crime).

¹ The project area includes also Kosovo (Serbia), currently under the interim administration of UNMIK in accordance with the United Nations Security Council resolution 1244 (1999).

Finally, **close co-ordination and synergies with other organisations and projects** supporting measures against economic and organised crime, trafficking in human beings, smuggling and illegal immigration are sought in the implementation of the project.

MODULE 1 - PROVIDE TOOLS AGAINST ECONOMIC AND ORGANIZED CRIME		MODULE 2 - DELIVER COMPREHENSIVE TRAINING AGAINST TRAFFICKING IN HUMAN BEINGS, SMUGGLING AND ILLEGAL MIGRATION	
<p>Output 1.1 Develop a regional strategy on economic and organized crime</p>	<p>Output 1.2 Strengthen capacities for financial investigations aimed at confiscation of proceeds from crime</p>	<p>Output 1.3 Support effective use of special investigative means and intelligence</p>	<p>Output 1.4 Support the creation of effective mechanisms to protect witnesses of serious crime</p>
<p>Output 1.5 Strengthen capacities for international co-operation in criminal matters</p>	<p>Output 2.1 Develop and support a training strategy</p>	<p>Output 2.2 Develop and test training curricula and materials on trafficking in human beings, smuggling and illegal migration</p>	<p>Output 2.3 Develop and test training curricula and materials on trafficking in human beings, smuggling and illegal migration</p>
<p>=> Analysis of the economic and organized crime situation</p>	<p>=> Implementation strategy for financial investigations</p>	<p>=> Implementation strategy to enhance the use of SIMS</p>	<p>=> Implementation strategy for witness protection measures</p>
<p>=> Benchmarks to meet European standards and practices on economic and organized crime</p>	<p>=> Training Materials on financial investigations and confiscation</p>	<p>=> Implementation strategy to enhance the use of intelligence</p>	<p>=> Implementation strategy for witness protection</p>
<p>=> Regional strategy and review of progress</p>	<p>=> Information and experience exchange among FIUs</p>	<p>=> Training Materials on the use of SIMS and intelligence</p>	<p>=> Training Materials on international co-operation in criminal matters</p>
			<p>=> Strategies for the ratification and implementation of ETS 182</p>
			<p>=> Training strategy on trafficking in human beings, smuggling and illegal migration</p>

2 GENERAL INTRODUCTION

2.1 General project activities carried out during the reporting period

2.1.1 Overview

During the reporting period (October 2006 - February 2007), the Project Management Unit (PMU) implemented the programme of activities as agreed with the European Commission, the Council of Europe, the consortium partners and the counterpart institutions in the project areas.

The development of training materials under different outputs under Module 1 and 2 has been finalised. The training materials were further developed and tested by local trainers through numerous trainings conducted in each project area. Thanks to these trainings, they managed to further raise their skills and techniques and to share them with colleagues and practitioners. The development of tools and experience gained as such will most probably have an impact on the results reached by the law enforcement and the judiciary in their fight against serious crime.

Several consortium partners (quite often the same ones) remained very active and committed for the benefit of the project. The PMU continued to rely on a great support from Europol and EU countries' specialised services (from Germany, Ireland, Slovak Republic, United Kingdom) in its daily implementation of the project.

The PMU, together with IOM Brussels Coordinator's team continued to keep, on a regular basis, all the local and international partners in the project areas fully informed on the project's results. The PMU, thanks to its network of Module 1 local project officers (LPOs), has also made sure that all the EC Delegations in South-eastern Europe continued to be provided with the information on the implementation of activities in their respective area as well as at the regional level and fully updated on their results and follow up. The intention behind this communication is to diminish as much as possible the risk of overlapping with other projects and initiatives and to effectively contribute to the necessary coordination at regional level among the international and regional organisations and / or partners active in the field of fighting organised and economic crime in South-eastern Europe, the PMU and IOM Brussels.

Thanks to the active involvement of the Module 1 LPOs, the CARPO project continued to benefit from a real exposure among the counterparts' institutions, the decision makers, the civil society and the media. As a result, the momentum continued to be kept at a high level which contributed to a positive outcome on the project's results. In this respect, the CARPO website (www.coe.int/carpo) and Newsletter (available on the CARPO website and issue on a quarterly basis) continued to be frequently feeded with general and specific information related to the project. These tools are highly appreciated and often consulted by numerous practitioners and institutions in the region as well as partners all over Europe. They succeeded in raising even further the visibility and results achieved by the CARPO project.

Following the agreement between the European Commission and the Council of Europe, the funding institutions, to extend the project within the remaining original budget, the CARPO project will continue to implement activities between 1 October 2006 and 30 June 2007. Nevertheless, to make the best use out of the limited resources left, the PMU will focus on further supporting the project areas in the fields of crime analysis and financial investigations aimed at the confiscation of proceeds from crime. This proposal has been welcomed and officially endorsed by the project areas and the consortium partners during the Sarajevo High level meeting of Heads of Police held on 21 September 2006.

2.1.2 Senior Representatives and Module Co-ordinators

As stressed since the very beginning of the project, the PMU has been able to rely on active and committed counterparts in particular at the levels of senior representatives and Module 1 co-ordinators. This has continued to be the case during this first part of the extension phase with the notable exception of the Bosnian counterparts. No contact at all has been established since the Sarajevo High level meeting with neither the senior representative, nor the Module 1 coordinator.

With the presence of the LPOs which has been reduced during the extension phase (in order to limit the costs and to focus all the budgetary means available on the organisation of activities), they have been requested even more than previously and always responded positively. Their total engagement to support the CARPO project should be underlined and largely contributed to the excellent results reached so far in this extension phase.

2.1.3 Local project officers (LPOs) and other staff issues

As already mentioned in previous progress reports, the PMU continued to be in contact as much as possible with the different EC Delegations located in the various project areas, either directly or through the LPOs. EC Delegation's officers were invited, as usual, to participate in the main activities taking place in their project area. LPOs also ensured that a proper debriefing on all the activities be made available to the EC Delegations to ensure a proper follow-up on the EC's side.

The network building among the law enforcement institutions and the judiciary continued to deliver excellent results and to be greatly beneficial for the practitioners taking part in all the activities and to a larger extent for the project's achievements. It certainly contributed to maintain the momentum among the counterparts at a high level which has been underlined by many partners in the region and among the international organisations.

Module 1 LPOs have continued, although to a less extent than during the first phase of the project, to update the information available on the legal, institutional and operational aspects related to the two outputs more specifically tackled in this extension phase. Their compilation work on all the developments taking place in the field of organised and economic crime and police issues constitutes a rich and very useful source of information for the PMU and the short-term experts.

2.2 Assessment of the progress made in the implementation of the project and next steps

The work plan and timetable foreseen for the present extension phase agreed upon with the counterparts and endorsed by all the project's partners on 21 September in Sarajevo, has been respected. Although the programme is very concentrated with around 30 activities to organise with limited human resources and within a short time, the PMU is strongly committed to see it fully implemented and respected by all the counterparts and partners.

The second round of trainings on financial investigations is already well on track. It further raised awareness among practitioners from the law enforcement and the prosecution (and to a lesser extent from the judiciary) which is, by essence, a long process. These activities have been well complemented by the organisation of roundtables gathering operational managers, local trainers, senior counterparts and representatives from training institutions to assess the level of implementation of the specific parts of the Brijuni strategy related to financial investigations and confiscation of proceeds from crime. These activities have in a way put an additional pressure on the counterparts to assure the proper follow up leading to the full

implementation of the strategy in each project areas. They have also showed that effective financial investigations have been conducted in several project areas thanks to the work accomplished under the CARPO project. These roundtables will help to further keep the momentum on this issue.

In addition, the PMU plans to organise at least two regional activities to give an additional support to the project areas to establish a special Agency executing seizure and confiscation orders (which is missing in all project areas except Albania) and on the efficient application of civil law tools/reversal burden of proof in the process of freezing seizure and confiscation of proceeds (also missing to a large extend everywhere except in Albania). The PMU also expects some project areas to request some assistance in drafting legislation or reviewing the current legislation in place on these two issues with European standards.

The pragmatic and flexible approach adopted by the PMU which, through a constant interaction with the counterparts and project partners, continues to deliver excellent results and will continue to remain during the present extension phase.

The PMU intends also to continue to keep the momentum on the Brijuni strategy to the largest extend possible and certainly in the fields of crime analysis and financial investigations.

The PMU remains open for any additional activities suggested by the project areas (e.g. workshops on drafting of legislation; study visits - bilateral meetings) and which were not planned in the initial project description but would fully fall under the general scope and further strengthen the overall objective of the project. It will do its utmost best, with all the partners involved in the CARPO project, to help the project areas moving the lines, strengthening their capacities and obtaining better results in their fight against serious crime.

3 MODULE 1

3.1 Introduction

Activities under Module 1 continue to be implemented according to the timetable foreseen and have succeeded to fulfil their objectives.

Since the inception of the project, the PMU in co-operation with the CARPO project's long-term adviser, consultants and experts from consortium partners as well as experts from other institutions and services from EU countries, and with the support of the Module 1 LPOs and its counterparts in the project areas, managed to implement a high number of specific activities:

- **36 regional events – seminars & workshops**
 - 1 of which were implemented during present reporting period;
- **14 study visits** for the working groups' members to selected EU countries
 - 0 of which were implemented during present reporting period;
- **57 in-country seminars & workshops**
 - 8 of which were implemented during present reporting period.

3.2 Output 1.1

3.2.1 Specific activities carried out during the reporting period

The following specific activities under Output 1.1 (Development of a regional strategy on organised and economic crime) have been implemented from the inception phase to date **[activities implemented during this reporting period (20 October 2006 – 20 February 2007) are highlighted]**:

ACTIVITY 1.1.1: PREPARE AN ANALYSIS OF THE ECONOMIC AND ORGANISED CRIME SITUATION

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date:</i>
1.1.1.1	Regional meeting to establish a working group of crime analysts and intelligence officers, to review the current state of knowledge on the economic and organised crime situation in South-eastern Europe (including corruption), to train participants in new methodologies, and to agree on the framework for a regional in-depth analysis	Completed [during inception phase]
1.1.1.2	▪ Albania: in-country visit by short-terms experts to assist the working groups in the analysis of project area-specific data	Completed [during 1 st reporting period]
	▪ Bosnia and Herzegovina: in-country visit by short-terms experts to assist the working group in the analysis of country-specific data	Completed [during 1 st reporting period]
	▪ Croatia: in-country visit by short-terms experts to assist the working group in the analysis of project area-specific data	Completed [during 1 st reporting period]
	▪ Kosovo (Serbia): in-country visit by short-terms experts to assist the working in the analysis of project area-specific data	Completed [during 1 st reporting period]
	▪ Serbia: In-country visit by short-terms experts to assist the working group in the analysis of project area-specific data	Completed [during 1 st reporting period]
	▪ Montenegro: in-country visit by short-terms experts to assist the working in the analysis of project area-specific data	Completed [during 1 st reporting period]

	<ul style="list-style-type: none"> ▪ “The former Yugoslav Republic of Macedonia”: in-country visit by short-term experts to assist the working group in the analysis of project area-specific data 	Completed [during 1 st reporting period]
1.1.1.3	Follow up regional seminar for the members of the working groups for further training and to work on the regional analysis	Completed [during 1 st reporting period]
1.3.2.2	Study visit for analysts and intelligence officers on criminal intelligence systems, crime analysis and pro-active policing as well as data protection, in view of project area-specific implementation plans	Completed [during 2 nd reporting period]
1.3.2.2	Study visit for analysts and intelligence officers on criminal intelligence systems, crime analysis and pro-active policing as well as data protection, in view of project area-specific implementation plans	Completed [during 2 nd reporting period]
1.3.2.2	Study visit to Europol for crime analysts and intelligence officers	Completed [during 4 th reporting period]
1.3.2.2	Study visit of the Criminal Intelligence Analysis Department of the Ministry of Interior of Croatia	Completed [during 4 th reporting period]
1.3.2.2	7 th Colloquium on Cross-Border Crime	Completed [during 4 th reporting period]
1.1.1.4	Regional seminar to finalise the preparation of a situation report on economic and organised crime in South-eastern Europe	Completed [during 3 rd reporting period]
1.1.1.5 a	Towards the end of the project, support the preparation of an update of the situation report on organised and economic crime in South-eastern Europe (2006 report)	Completed [during 7 th reporting period]
<u>1.1.1.5 b</u>	Towards the end of the project, support the preparation of an update of the situation report on organised and economic crime in South-eastern Europe (2007 report)	February – June 2007

ACTIVITY 1.1.2: ESTABLISH BENCHMARKS IN TERMS OF MEETING EUROPEAN STANDARDS AND PRACTICES ON ECONOMIC AND ORGANISED CRIME

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.1.2.1	Regional meeting of experts from consortium partners to determine requirements under relevant European and other international instruments with regard to the priority fields of crime and tools	Completed [during inception phase]
1.1.2.2	Setting-up indicators and adoption of a template for the project areas compliance reports	Completed
<u>1.1.2.2</u>	Short-term experts to assess the current level of compliance by project areas with these instruments on the basis of existing reports	On-going [in-house]
1.1.2.3	Regional seminar to establish benchmarks and agree on the indicators and a template for the project area compliance reports	Completed [during 1 st reporting period]
other	Short-term experts and PMU to finalise the benchmarks	Completed [during 2 nd reporting period]

ACTIVITY 1.1.3: DEVELOP THE REGIONAL STRATEGY AND REVIEW PROGRESS MADE

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
<u>1.1.3.1</u>	Short-term experts to assess activities underway in the countries of the region in fields covered under the present	on-going [permanent task]

	project in order to avoid duplication and seek synergies	
1.1.3.2 a	Regional seminar to develop a draft regional strategy on tools against organised and economic crime	Completed [during 4 th reporting period]
1.1.3.2 b	Regional seminar to review the draft regional strategy on tools against organised and economic crime	Completed [during 4 th reporting period]
1.1.3.3	Regional expert level meeting to finalise the regional strategy on tools against organised and economic crime followed by the High level meeting of Ministers and Senior officials to endorse the regional strategy	Completed [during 4 th reporting period]
1.1.3.4	1st Follow up meeting on the implementation of the regional strategy on tools against organised and economic crime and project area specific actions	Completed [during 6 th reporting period]
1.1.3.5	2nd Follow up meeting on the implementation of the regional strategy on tools against organised and economic crime and project area specific actions / preparation of the Sarajevo High level meeting of September 2006	Completed [during 6 th reporting period]
1.1.3.6	High level meeting of Heads of Police from South-eastern Europe to review progress made in the implementation of the regional strategy and project area specific actions	Completed [during 7 th reporting period]
other	Work on the draft template and main elements of the regional strategy	Completed [during 2 nd reporting period]

3.2.2 Conclusions and next steps

Activity 1.1.1:

Activities under 1.1.1 are completed.

The preparation of the questionnaire in view of the updating of the 2006 situation report has started. It will be even more simplified than the 2006 questionnaire to ensure the working group members on crime analysis concentrate their efforts on the major trends observed in 2006 with regard to the organised and economic crime situation in their respective project areas. They should also provide analysis (covering the entire period of the project to allow for possible comparisons) related to the most important criminal activities taking place.

As recalled in previous progress reports, there is a serious need for a substantive analysis of the scope, nature and characteristics of organised and economic crime in South-eastern Europe. This type of analysis did not exist before the project started. The CARPO project has tried to fill this gap convinced that this report will help policy makers in the region, but also elsewhere in Europe, to elaborate better informed anti-crime public policy and decisions. A special emphasis shall be given by the PMU on this sensitive issue between now and the end of the project's extension period.

As a complementarity to the elaboration of a situation report on organised and economic crime, the PMU will organise, with Europol's support (Analysis Unit), in-project area workshops on the intelligence-led policing (new and proactive way of policing based on intelligence) starting end of February in Albania and Kosovo (Serbia).

Activity 1.1.2:

The activities under 1.1.2 are completed. The assessment of the current level of compliance by the project areas with the finalised benchmarks and indicators is an on-going process though supporting the implementation of the regional strategy and the project areas' specific action plans (the development of which was based on the adopted benchmarks).

Activity 1.1.3:

Activities under 1.1.3 are completed.

The regional strategy continues naturally to provide the project areas with the most relevant and practical tools to better fight organised and economic crime. Within the extension phase, the PMU will continue to support with the consortium partners the implementation of the strategy dedicating a special effort to outputs 1 and 2 (crime analysis and financial investigations capacities). It will continue to permanently monitor the state of play of the strategy's implementation, keeping the momentum as high as possible within the senior officials and among the practitioners. As stressed many times, the workload remains heavy and the process, by definition, requests time and important human and financial resources, the CARPO project will contribute to its best.

3.3 Output 1.2

3.3.1 Specific activities carried out during the reporting period

The following specific activities under Output 1.2 (strengthening of financial investigations capacities aimed at the confiscation of proceeds from crime and experience exchange among the financial intelligence units in the region) have been implemented after the inception phase to date [activities implemented during this reporting period (20 October 2006 – 20 February 2007) are highlighted]:

ACTIVITY 1.2.1: DEVELOP AND SUPPORT AN IMPLEMENTATION STRATEGY FOR FINANCIAL INVESTIGATIONS

Activity:	Description:	Status / Place / Date
1.2.1.1	Regional thematic seminar to review relevant European and other international standards and reach agreement on the approach to financial investigations for confiscation	Completed [during inception phase]
1.2.1.2	▪ Albania: decision maker seminar in view of the establishment of working groups "financial investigations"	Completed [during 2 nd reporting period]
	▪ Bosnia and Herzegovina: decision maker seminar in view of the establishment of working groups "financial investigations"	Completed [during first reporting period]
	▪ Croatia: decision maker seminar in view of the establishment of working groups "financial investigations"	Completed [during 2 nd reporting period]
	▪ Kosovo (Serbia): decision maker seminar in view of the establishment of working groups "financial investigations"	Completed [during 1 st reporting period]
	▪ Montenegro: decision maker seminar in view of the establishment of working groups "financial investigations"	Completed [during 1 st reporting period]
	▪ Serbia: decision maker seminar in view of the establishment of working groups "financial investigations"	Completed [during 1 st reporting period]
	▪ "The former Yugoslav Republic of Macedonia": decision maker seminar in view of the establishment of working groups "financial investigations"	Completed [during 1 st reporting period]
1.2.1.3	▪ Albania: technical level seminar to identify gaps and opportunities in legislation (back-to-back with	Completed [during 2 nd reporting period]

	decision-maker seminars)	
	▪ Bosnia and Herzegovina: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars)	Completed [during 1 st reporting period]
	▪ Croatia: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars)	Completed [during 2 nd reporting period]
	▪ Kosovo (Serbia): technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars)	Completed [during 1 st reporting period]
	▪ Montenegro: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars)	Completed [during 1 st reporting period]
	▪ Serbia: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars)	Completed [during 1 st reporting period]
	▪ “The former Yugoslav Republic of Macedonia”: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars)	Completed [during 3 rd reporting period]
1.2.1.4	Study visit on financial investigations	Completed [during 1 st reporting period]
1.2.1.4 a	Study visit and regional workshop for members of the working groups in view of developing implementation strategies for each project area	Completed [during 1 st reporting period]
1.2.1.4 b	Regional workshop for members of the working groups in view of developing implementation strategies for each project area (back to back with activity 1.2.2.1)	Completed [during 3 rd reporting period]
1.2.1.5	Assist working groups in development of amendments to legislation if necessary, as well as of guidelines for practitioners (per request)	On-going
	Kosovo (Serbia): assist working groups in development of amendments to legislation if necessary, as well as of guidelines for practitioners (per request)	Completed [during 3 rd reporting period]
Other	Harmonised template for the national implementation strategy on financial investigation with guidelines for its drafting prepared by the short-term experts and advisors to the project, vetted by the countries and adopted	Completed [during 1 st reporting period]

ACTIVITY 1.2.2: DEVELOP, TEST AND MAKE AVAILABLE MATERIALS ON FINANCIAL INVESTIGATIONS AND CONFISCATION FOR FURTHER TRAINING

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.2.2.1	Regional seminar to review training needs and discuss training concepts (back to back to activity 1.2.1.4b)	Completed [during 3 rd reporting period]
other	Harmonised template / guideline for project areas’ specific training material prepared by the short-term expert and delivered to the project areas for completion	Completed [during 4 th reporting period]
1.2.2.2	Short-term experts to assist working groups in developing target-group specific training materials in each project area	Completed [during 4 th reporting period]
1.2.2.2 a	Short-term expert preparing a general part of the training materials	Completed [in-house] February 2006
1.2.2.3	Regional workshop to review draft training materials and concepts for all the project areas	Completed [during 5 th reporting period]

1.2.2.4 a	Regional training-of-trainers	Completed [during 6 th reporting period]
1.2.2.4 b	1st round of in-project area training events by local trainers with expert support to test and further improve training materials	March - June 2006
	▪ Albania	Completed [during 6 th reporting period]
	▪ Bosnia and Herzegovina	Completed [during 6 th reporting period]
	▪ Croatia	Completed [during 6 th reporting period]
	▪ Kosovo (Serbia)	Completed [during 6 th reporting period]
	▪ Montenegro	Completed [during 6 th reporting period]
	▪ Serbia	Completed [during 6 th reporting period]
	▪ "The former Yugoslav Republic of Macedonia"	Completed [during 7 th reporting period]
1.2.2.4 c	Regional workshop of local trainers on Financial Investigations to review and upgrade the training materials	Belgrade 16-17 November 2006
1.2.2.4 d	2nd round of in-project area training events by local trainers with expert support to test and further improve training materials	November 2006 - April 2007
	▪ Albania	12-13 March 2007
	▪ Bosnia and Herzegovina	30-31 January 2007
	▪ Croatia	12-13 February 2007
	▪ Kosovo (Serbia)	17-20 April 2007
	▪ Montenegro	24-25 January 2007
	▪ Serbia	27-28 February 2007
	▪ "The former Yugoslav Republic of Macedonia"	9-10 November 2006
1.2.2.5	In-project area roundtables of operational managers and representatives of training institutions to review the strategy on financial investigations	December 2006 - April 2007
	▪ Albania	16 March 2007
	▪ Bosnia and Herzegovina	1 February 2007
	▪ Croatia	14 February 2007
	▪ Kosovo (Serbia)	16 April 2007
	▪ Montenegro	26 January 2007
	▪ Serbia	Date tbc
	▪ "The former Yugoslav Republic of Macedonia"	15 December 2006
1.2.2.9	Production of training materials in local language	Completed [during 7 th reporting period]

The **Regional workshop of local trainers on Financial Investigations to review and upgrade the training materials** took place on 16-17 November 2006 in Belgrade. It gathered all the local trainers on financial investigations and confiscation of proceeds from crime who participated in the ToT and lectured during the first round of in-project area trainings. In addition, 3 international experts were invited as well: one of the two trainers in the ToT (who is Police Education Advisor and based in Belgrade), the short-term expert who compiled the general part of the training manual and participated as external expert in the seven trainings and a Chief Investigator from the Landeskriminalamt Baden-Württemberg (LKA-BW) which is widely recognised as one of the most efficient law enforcement body in Europe in the field of financial investigations (managers and investigators from the LKA-BW have participated as experts in several regional meetings implemented under the CARPO project).

The objective of the workshop was threefold. Firstly, to learn about the advanced training on financial investigations organised by the LKA-BW and discuss how such training could be organised in South-eastern Europe. Secondly, to share among the local trainers the lessons learned from the preparation of the training manual and the first round of trainings. Thirdly, to discuss and agree on the methodology to incorporate a module on financial investigations and the training manual on financial investigations in the curriculum of training institutions and law faculties.

The debates were, as usual with the local trainers who certainly gained in confidence and expertise during the project, lively allowing for a useful debriefing among the participants for the benefit of the second round of trainings to start soon. The presence of the Police Education Advisor who had left an extremely positive impression to the local trainers certainly contributed to deepen the reflection on what went wrong and well during the trainings. A number of conclusions could be drawn including the need to send the manual to the trainees well in advance, the necessity for the trainers to be closely involved in the selection of trainees, the need to have a training as much as possible practically oriented and case based, the necessity to update the manual (in particular the legal changes, the amendments of the forms or the case studies), the value for the local trainers to exchange the case studies, the forms and even the manuals in order for the practitioners in one project area to learn how their colleagues in another project area are proceeding, and finally to have in each training one trainer coming from another project area again to promote experience sharing at regional level and the regional networking. Participants also expressed their interest for a regional co-operation in financial investigations (exchange of operative information on financial investigations and exchange of practice in the field of training on financial investigations).

On the other main aspect of the workshop dedicated to the incorporation of trainings on financial investigations and training manual in the curriculum of training institutions and law faculties, which would guarantee the sustainability of the project's achievements after its completion, the representatives from the training institutions made some concrete proposals and committed themselves to ensure such incorporation would take place even through the signature of an MoU between the training institutions and the respective Ministry of Interior (under the auspices of the CARPO project/Council of Europe).

The **second round of in-project area trainings on financial investigations** had already started in Skopje ("the former Yugoslav Republic of Macedonia") on 9-10 November 2006. The training took place at the Police Academy and gathered 24 trainees mainly criminal investigators (financial crime sector), prosecutors (although not sufficiently), junior lawyers and representatives from tax and customs administrations.

The local trainers managed to expose the main aspects contained in the manual and to spend a significant time on the resolution by trainees of case studies. They were often divided in working groups mixing different profiles and competences to enhance the experience exchange.

The relatively small number of prosecutors and absence of judges limited the discussions on the legal and practical possibilities to conduct financial investigations. Local trainers managed to compensate this reality. Another positive aspect, participants were invited to comment the manual and to give their opinion on its content and presentation which will be useful for the local trainers when they will have to update it. Similar to the first round of trainings, personalised certificates were delivered to all the trainees who participated actively in the training. This was greatly appreciated on their side and received as an encouragement to further pursue their efforts in becoming efficient financial investigators.

With the change of power following the general elections (and the move of staff, even at operational level, which goes with it), there seems to be a great need within the police and prosecutor's services for additional training on this issue due to a lack of awareness.

On 24-25 January 2007, another training on financial investigations took place in Podgorica (Montenegro). It gathered 23 trainees (a majority of police officers and prosecutors but no judges this time).

A general introduction was made, following the training manual, on methods and techniques to be used when conducting a financial investigation. Trainees received an extensive explanation on the different institutions concerned in Montenegro, their respective roles and the importance of international co-operation in the field of financial investigations.

Several case studies were presented and discussed to promote interaction among trainees. Mixed working groups were constituted with prosecutors and police officers delivering excellent presentations and lively discussions on the best and practical solutions to be given to the case studies. The essential issue of extended confiscation was also raised during the training.

Participants were satisfied with the training (and the local trainers) and recognised the great importance and benefit of financial investigations in practice.

The third training took place on 30-31 January 2007 in Sarajevo (Bosnia and Herzegovina). It gathered an important number of trainees (33) coming mainly investigators from the Financial Crime and Corruption Department within SIPA, the Cantonal Prosecutors' Offices, the Courts all over the territory and the tax police. Judges were particularly active which brought excellent discussions.

The objectives of the training were to raise awareness (this is one of the reasons why some of managers and senior officials were invited to participate at the training), enhance the knowledge and sharing of experience between police, judges, prosecutors and tax officers and finally to promote a certain specialisation on financial investigations among practitioners already familiar with the subject.

There was a big interest from this training and actually even more practitioners wanted to participate than what was allowed by the budget. It would thus be necessary to organise additional trainings to keep the momentum on this issue.

Despite this success, it is important to stress the importance of the continuity of the work among local trainers. It is also important if an additional training would be organised to have at least one trainer from the judiciary/prosecution side. In this project area, only one trainer from the four trained by the project remained. One trainer cancelled one day prior to the training and appeared in the afternoon on the second day. The presence of one of the Croatian local trainer helped to overcome this difficulty and to raise the quality of the lectures provided.

The training succeeded to achieve excellent results when trainees were divided by working groups to tackle case studies.

On 12-13 February 2007, a training was held in Topusko (Croatia). Around the three local trainers supported during the second day of the training by the external short-term expert, 25 participants coming mainly from the State police directorate level, the regional police level, and the deputy county State Attorney's Office.

After the successful two first trainings held back-to-back in Valbandon in April 2006 (see 5th progress report), a similar agenda was prepared and followed by the local trainers giving a large place, once again, to case "real" case studies which led to interesting discussions.

The training introduced the basic principles in financial investigations but managed also to help represented institutions to identify officials/practitioners who will be responsible to conduct financial investigations in practice.

As usual, as for the other trainings, the participants were asked to fill in an evaluation questionnaire prepared by the PMU which delivered excellent results. For the purpose of not overloading the progress reports with too much information, it has been decided not to report such results. Nevertheless, they are available upon request.

The series of in-project area **roundtables of operational managers and representatives of training institutions to review the strategy on financial investigations** started with “the former Yugoslav Republic of Macedonia” on 15 December 2006. It gathered around 10 participants: operational/regional chiefs of police, representatives from district prosecution services responsible for financial investigations and confiscation, representatives from training institutions, the senior representative and module 1 coordinators, the local trainers and the LPO.

The objective was to underline, in front of the managers, the importance of the concept of integrated financial investigations and the tools it offers to fight serious crime. It was also to give the local trainers a possibility to present the content of the training manual to their bosses and to give them a feedback on the two trainings and issues these trainings raised. In addition, the purpose was to discuss on training modules and the possible integration of the manual in the curricula of training institutions. Finally, an in-depth review took place on the implementation in practice of the Brijuni strategy in the field of financial investigations.

Despite uncontested progress compared with the situation at the beginning of the project, the practice to conduct integrated financial investigations, temporary measures and confiscation remains limited. The CPC law does not allow for temporary measures to be taken in pre-criminal procedure (but only after the court’s investigation began), which can present a real obstacle for the efficiency of such measures. There is no explicit legal basis for access (and monitoring) to bank data was even if participants said it was possible in practice. The strict hierarchical regime may also present an obstacle when it comes to the necessary communication between police and prosecutors at operational level. No statistics were given regarding the number of financial investigations, temporary measures and confiscation orders but the counterparts assured to send them to the PMU within the following two weeks. Yet, this remains to be done.

The PMU received the confirmation from the representative of the Police Academy (Director of Studies) that the manual on financial investigations and the training model organised under the CARPO project (including the local trainers) would be incorporated in the curriculum of the Police Academy starting September 2007.

The second roundtable took place on 26 January 2007 in Podgorica (Montenegro). It gathered 12 participants: operational/regional chiefs of police, representatives from district prosecution services responsible for financial investigations and confiscation, the senior representative and module 1 coordinators, the local trainers and the LPO. Unfortunately, there was no representative from the Courts, nor from training institutions which limited the scope of the discussions.

The objective was to underline, in front of the managers, the importance of the concept of integrated financial investigations and the tools it offers to fight serious crime. It was also to give the local trainers a possibility to present the content of the training manual to their bosses and to give them a feedback on the two trainings and issues these trainings raised. In addition, the purpose was to discuss on training modules and the possible integration of the manual in the curricula of training institutions. Finally, an in-depth review took place on the Brijuni strategy’s implementation in practice in the field of financial investigations.

Participants agreed on the good return created by the past activities organised under output 1.2 including the trainings on financial investigations.

The absence of judges both during the trainings and the roundtable was recognised as a problem, since judges are essential in the procedure for temporary freezing measures and confiscation. The PMU assured it would try, in co-operation with the senior representative, to convince the judiciary to be more involved in the coming activities and said it was ready to support the organisation of a third training mainly for judges.

Representative from Special prosecutor's service (responsible for organised crime) said that the trainer from prosecution service considerably raised the awareness on financial investigations in the service which resulted in a number of confiscation cases. Temporary measures were enforced in 4 cases against 25 suspects in 2005 and in 6 cases against 40 suspects in 2006 (cca 8 MIO €). Most cases were related to money laundering criminal offences with abuse of powers as predicate offence and are still in the investigation phase (although there has been no final judgment for money laundering in Montenegro).

Representatives from the police raised the need for more training manuals to be distributed for practitioners. The proposed establishment of specialised units for financial investigations as part of the units for economic crime was not adopted during the last reorganisation in the police, so the plan is to train all the economic crime investigators (50% were already trained) who would conduct financial investigations also in cases of other criminal offences. If a third training could be organised, which was widely requested, it would involve investigators from other units (organised and general crime). Counterparts also suggested to train more trainers following the organisational changes in the police.

Other obstacles identified were the absence of a specialised agency for handling seized/confiscated property and the absence of legal possibility for extended confiscation / reversal burden of proof. These essential issues would be further supported by the CARPO project through two regional workshops on both topics. The PMU also encouraged, once more, the project areas to use the possibility offered by the project for assistance in legal analysis and drafting of laws.

The third roundtable took place in Sarajevo (Bosnia and Herzegovina) on 1 February 2007. It gathered around 10 participants: operational/regional chiefs of police, representatives from the State prosecution, one representative from the Police Academy, one representative from the Courts, two local trainers (two others were missing) and the LPO. The senior representative and module 1 coordinators were not present. This one more time questioned the serious lack of support the project suffered from Bosnian counterparts at senior level.

The objective was to underline, in front of the managers, the importance of the concept of integrated financial investigations and the tools it offers to fight serious crime. It was also to give the local trainers a possibility to present the content of the training manual to their bosses and to give them a feedback on the two trainings and issues these trainings raised. In addition, the purpose was to discuss on training modules and the possible integration of the manual in the curricula of training institutions. Finally, an in-depth review took place on the Brijuni strategy's implementation in practice in the field of financial investigations.

The second training which succeeded to present to many trainees from the country the concept of financial investigations and its main goals also raised the issue of the continuation of the work by local trainers since the trainer from the Prosecutor's Office was absent and the trainer from the tax service cancelled his participation just one day prior to the start of the training. The roundtable gave the opportunity for a large exchange of views on these issues. It was decided to include as a third trainer a lecturer at the Faculty for Criminal Sciences in Sarajevo who has

been very active so far in the trainings, knows the subject of financial investigations and is committed towards the CARPO project.

Among the problems identified by the participants were: the lack of an Agency for handling confiscated proceeds, the absence of extended confiscation in practice, a weak support by middle and senior managers to conduct financial investigations in practice, a lack of co-operation among institutions (as a proposal to overcome this, it was suggested to create a law enforcement/prosecution task force for financial investigations or a specialised unit on the State level with powers on the whole territory of Bosnia and Herzegovina regarding major profits generated by criminal offences).

Concerning the three major training institutions concerned by the project (Faculty for Criminal Sciences, Police academy and Centre for judicial education), it was agreed, especially by the representative from the Police Academy, to include a training module on financial investigations in their curricula, to hire new trainers and to widely promote the use of the training manual both in the training institutions but also in the specialised units operating against organised and economic crime. The representative from the Police Academy said in addition that he would convince the Police Academy from the Republika Srpska to do the same.

Regarding the implementation of the strategy by the Bosnian authorities, it was recognised that many tasks had not been accomplished on the institutional reform level and on the legislative side. Basically, there is general lack of support for this efficient tool which could efficiently help combating organised and economic crime in the country while on the practitioners' side the willingness to create specialised units is real. The future signature of a MoU promoting regional co-operation and exchange of information on financial investigations might force the authorities to take further action in this field.

Finally, participants from the police side (Ministry of Security, SIPA) had no data available on temporary measures in financial investigations. The representative from the Prosecution did not have data but informed there had been some cases (date will be communicated to the LPO). Representative from the court presented 5 cases (judgements) where proceeds were confiscated. All were money laundering cases related to tax evasion. Discussion showed that not all proceeds were confiscated, but just the money found on bank accounts. Prosecution and court will consider possible guidelines to include the question of confiscation of proceeds in every guilty decision agreement.

The last roundtable under this reporting period was held in Zagreb on 14 February 2007. It gathered 10 participants: operational/regional chiefs of police (including the Chief of USKOK, the Chief and deputy-chief of criminal police, the Chief of Economic crime unit), representatives from training institutions, the senior representative, the local trainers and the LPO (no one from the Court's side attended).

The objective was to underline, in front of the managers, the importance of the concept of integrated financial investigations and the tools it offers to fight serious crime. It was also to give the local trainers a possibility to present the content of the training manual to their bosses and to give them a feedback on the two trainings and issues these trainings raised. In addition, the purpose was to discuss on training modules and the possible integration of the manual in the curricula of training institutions. Finally, an in-depth review took place on the Brijuni strategy's implementation in practice in the field of financial investigations.

After a presentation on the outcome of trainings by local trainers, the discussion focused on the problems which occurred during these trainings: absence of judges, need for a stronger support for financial investigations in practice in the police, need to determine the scope of criminal offences when financial investigations would be obligatory, lack of statistics on financial investigations and confiscations, etc).

The representative from the Police Academy considered the training manual as an excellent and handy product for the students. He assured he would have a meeting the following day with the responsible persons from the Academy to praise the good work of the trainers and on the need to include the topic in the programs of the Academy. An agreement will also be signed with the local trainers on the future co-operation. Criminal police will support the proposal, since the programs of the Academy need to be confirmed by the Police headquarters. USKOK will take care of contacting the judicial academy to propose to include financial investigations and confiscations in their curriculum. The need for another training with a majority of judges was expressed.

Regarding the strategy, its implementation is in good part done. The proposal to establish specialised units in police for financial investigations was not adopted but a discussion on a specialisation is still ongoing. Police and prosecution service have signed an agreement on co-operation and may consider including also specifics related to financial investigations. The revision of the CPC is planned for 2007, which will overcome the problem of art 219 (bank data access). Police does not keep statistics on financial investigations/temporary measures. But many cases were mentioned in which financial investigations were conducted and temporary measures implemented.

In conclusion, the roundtable has confirmed the rather good implementation of the Brijuni strategy on output 1.2 in Croatia.

ACTIVITY 1.2.3: FACILITATE INFORMATION AND EXPERIENCE EXCHANGE AMONG THE FINANCIAL INTELLIGENCE UNITS IN THE COUNTRIES OF THE REGION

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.2.3.1	Regional seminar for members of the FIUs of the region to review problems and opportunities, as well as training requirements, with regard to information exchange among them	Completed [during 1 st reporting period]
1.2.3.2	Regional training seminar for staff of FIUs on information exchange, in particular in view of Egmont Group and other relevant standards and practices	Completed [during 1 st reporting period]
1.2.3.3	Regional training seminar on information exchange among FIUs in view of Egmont Group and other relevant standards and practices and reach an agreement on a draft MoU on information exchange	Completed [during 2 nd reporting period]
1.2.3.4	International seminar on co-operation between financial intelligence units, the police and public prosecution and training seminar on information exchange	Completed [during 3 rd reporting period]

Activities under 1.2.3 are completed. For the conclusions and assessment please refer to the Third Quarterly Report issued on 20 June 2005.

3.3.2 Conclusions and next steps

Activity 1.2.1:

The activities under 1.2.1 are completed. For the conclusions please refer to the Fourth Progress Report issued on 15 November 2005. The CARPO project stands ready, as regularly recalled to the counterparts in the project areas, to provide (per-request) any legal expertise in the development of amendments to legislation or support in drafting any legislation under Output 1.2.

Activity 1.2.2:

Activities will continue to focus on the organisation of the second training in the project areas where it has not taken place yet (Albania, Kosovo (Serbia) and Serbia). Same will apply for the remaining roundtables on financial investigations to be organised in the same project areas. So far, the second round of trainings has delivered good results and further raised awareness among practitioners (with the only exception of judges who should be the target group of any additional training which could be implemented) to conduct financial investigations. The roundtables showed that this has started to become reality and is even widely conducted such as in Croatia or in Montenegro. In general, the judicial sector should be further encouraged to participate in the trainings on financial investigations since a good co-operation between law enforcement and judges is the best way to obtain tangible results in this field. Following its wide diffusion in the project areas, the training manual is being used more and more by practitioners and will be further distributed during this second round of trainings. As a result of discussions held during the roundtables and the strong request by managers and practitioners to structure the regional co-operation, the PMU will reflect on the preparation of a draft MoU (similar to the one existing within the CARIN network) aimed at fostering regional co-operation and exchange of information on financial investigations. It will also organise regional activities related to the creation of an Agency executing seizure and confiscation orders and on the efficient application of civil law tools in the process of freezing seizure and confiscation of proceeds. Per request, the PMU will continue to provide legal expertise in development of amendments to legislation and implementing the project area's action plan under Output 1.2.

Activity 1.2.3:

Activities under 1.2.3 are completed. For the conclusions and assessment please refer to the Third Quarterly Report issued on 20 June 2005.

3.4 Output 1.3

3.4.1 Specific activities carried out during the reporting period

The following specific activities under Output 1.3 (use of special investigative means and intelligence in accordance with human rights standards) have been implemented after the inception phase to date [**no activities were implemented during this reporting period (20 October 2006 – 20 February 2007)**]:

ACTIVITY 1.3.1: DEVELOP AND SUPPORT AN IMPLEMENTATION STRATEGY TO ENHANCE THE USE OF SIMS

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.3.1.1	Regional thematic seminar to review relevant European and other international standards and reach agreement on the approach to the issue of special investigative means	Completed [during inception phase]
1.3.1.2	Establish working group SIMS	Completed
other	Updating information on the institutional and legal framework governing SIMS in all project areas	Completed [during inception phase]
1.3.1.2	Study visits for members of working group on the use of SIMS	Completed [during 2 nd reporting period]
1.3.1.2	Study visits for members of working group on the oversight mechanisms over the use of SIMS	Completed [during 2 nd reporting period]
1.3.1.3	Short-term experts to support working groups in the drafting of implementation strategies	Completed [during 2 nd reporting period]
1.3.1.3 b	Regional workshops for members of the working groups in view of developing implementation strategies for each project area	Completed [during 3 rd reporting period]
<u>1.3.1.4</u>	Short-term experts to assist working group review the legal basis for the use of special investigative means in each project	On-going

	area (Criminal Procedure Codes and by-laws) and assist in the development of proposals for amendments	
Other	Serbia and Montenegro/Serbia: short-term experts prepare a written expertise on the draft Government's Order on obligations of service providers regarding the interception of telecommunications	Completed [during 3 rd reporting period]
<u>Other</u>	Support for the specialised units for undercover operations to join the International Network of Undercover Units	On-going

ACTIVITY 1.3.2: DEVELOP AND SUPPORT AN IMPLEMENTATION STRATEGY TO ENHANCE THE USE OF INTELLIGENCE

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.3.2.1	Regional thematic seminar to review relevant European and other international standards and reach agreement on the approach to the enhance of the use intelligence	Completed [during 1 st reporting period]
1.3.2.2	Study visits for analysts and intelligence officers on criminal intelligence systems, crime analysis and pro-active policing as well as data protection, in view of project area-specific implementation plans	Completed [during 2 nd reporting period]
1.3.2.3	Short-term experts to support working groups in the finalisation of implementation strategies (per request)	Completed [during 3 rd reporting period]
1.3.2.4 a	Regional seminar on data protection in relation to the use of criminal intelligence	Completed [during 6 th reporting period]

For additional information on past, current and planned activities under this output see Activity 1.1.1 which is closely associated with Activity 1.3.2. Activities on both are run in parallel.

ACTIVITY 1.3.3: DEVELOP, TEST AND MAKE AVAILABLE TRAINING MATERIALS ON THE USE OF SIMS AND INTELLIGENCE FOR FURTHER TRAINING

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.3.3.1	Regional seminar to review training needs and discuss training concepts	Completed [during 3 rd reporting period]
	Short-term experts to assist working groups in the development of training materials and guidelines on SIMS and undercover operations	Completed
1.3.3.2	▪ Albania: expert workshop on SIMS and undercover operations	Completed [during 6 th reporting period]
	▪ Bosnia and Herzegovina: expert workshop on SIMS and undercover operations	Completed [during 5 th reporting period]
	▪ Kosovo (Serbia): expert workshop on SIMS and undercover operations	Completed [during 6 th reporting period]
	▪ Montenegro: expert workshop on SIMS and undercover operations	Completed [during 5 th reporting period]
	▪ Serbia: expert workshop on SIMS and undercover operations	Completed [during 5 th reporting period]
	▪ "the former Yugoslav Republic of Macedonia": expert workshop on SIMS and undercover operations	Completed [during 5 th reporting period]

1.3.3.3	Regional training workshop on the use of technology in relation to the implementation of SIMS	Completed [during 7 th reporting period]
1.3.3.4	Up to ¾ operational trainings on handling undercover operations for selected specialists from the project areas	Completed [during 7 th reporting period]
	“the former Yugoslav Republic of Macedonia”:	Completed [during 5 th reporting period]

3.4.2 Conclusions and next steps

Activity 1.3.1 and 1.3.2

Activities under 1.3.1 – which focused on the identification of gaps and opportunities in the area of special investigative means – were completed during the previous reporting period.

To support the implementation of the implementation strategies, the project will continue to provide (per-request) legal expertise in development of amendments to legislation and implementing the national action plan under Output 1.3.

Activity 1.3.3

As already agreed with the counterparts and specified in the previous progress reports, it is unfeasible to prepare and publish a comprehensive training material – due to a vast number of different issues under the umbrella of “SIMS” and even more due to the confidentiality of most of the issues related to the implementation of SIMS and undercover operations.

3.5 Output 1.4

3.5.1 Specific activities carried out during the reporting period

The following specific activities under Output 1.4 (creation of effective mechanisms to protect witnesses of serious crime) have been implemented after the inception phase to date [**no activities were implemented during this reporting period (20 October 2006 – 20 February 2007)**]:

ACTIVITY 1.4.1: DEVELOP AND SUPPORT IMPLEMENTATION STRATEGIES FOR WITNESS PROTECTION MEASURES IN EACH COUNTRY

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.4.1.1	Regional seminar to review relevant European and other international standards and reach agreement on the approach to witness protection	Completed [during inception phase]
1.4.1.2	Establish working groups on "witness protection"	Completed
1.4.1.2	Study visit for members of the WG on specialised witness protection units	Completed [during 1 st reporting period]
1.4.1.3	<ul style="list-style-type: none"> ▪ Albania: in-country workshop to support the working group in the development of implementation strategies, in particular in view of the creation of specialised witness protection units in each country 	Completed [during 2 nd reporting period]
	<ul style="list-style-type: none"> ▪ Bosnia and Herzegovina: in-country workshop to support the working group in the development of implementation strategies, in particular in view of the creation of specialised witness protection units in each country 	Completed [during 2 nd reporting period]
	<ul style="list-style-type: none"> ▪ Kosovo (Serbia): in-country workshop to support the 	Completed

	working group in the development of implementation strategies, in particular in view of the creation of specialised witness protection units in each country	[during 1 st reporting period]
	<ul style="list-style-type: none"> ▪ Montenegro: in-country workshop to support the working group in the development of implementation strategies, in particular in view of the creation of specialised witness protection units in each country 	Completed [during 1 st reporting period]
	<ul style="list-style-type: none"> ▪ Serbia: in-country workshop to support the working group in the development of implementation strategies, in particular in view of the creation of specialised witness protection units in each country 	Completed [during 2 nd reporting period]
	“The former Yugoslav Republic of Macedonia”: in-country workshop to support the working group in the development of implementation strategies, in particular in view of the creation of specialised witness protection units in each country	Completed [during 1 st reporting period]
Other	“The former Yugoslav Republic of Macedonia”: short-term experts prepare a written expertise on the draft Witness Protection Law on the request of the Government.	Completed [during 1 st reporting period]
Other	Serbia and Montenegro/Serbia: short-term experts prepare a written expertise on the draft Witness Protection Law on the request of the Government.	Completed [during 1 st reporting period]
1.4.1.2	Study visit for members of the WG on specialised witness protection units	Completed [during 3 rd reporting period]
1.4.1.2 b	Bilateral study/working visit for two members of the newly established witness protection unit of “the former Yugoslav Republic of Macedonia” to the Croatian WPU	Completed [during 3 rd reporting period]
1.4.1.3	Regional workshops for members of the working groups in view of developing implementation strategies for each country	Completed [during 3 rd reporting period]
1.4.1.4	International seminar to promote cooperation in the field of witness protection	Completed [during 5 th reporting period]
1.4.1.5	Expert assistance of the working groups in reviewing the legal basis in view of procedural and non-procedural measures for the protection of witnesses (per request)	Completed [during 7 th reporting period]

ACTIVITY 1.4.2: DEVELOP, TEST AND MAKE AVAILABLE TRAINING MATERIALS FOR FURTHER TRAINING OF ALL INSTITUTIONS INVOLVED IN THE PROTECTION OF WITNESSES

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.4.2.1	Regional workshop to review training needs regarding witness protection	Completed [during third reporting period]
other	Harmonised template / guideline for project areas’ specific training material prepared by the short-term expert and delivered to the countries for completion	Completed [during fourth reporting period]
<u>1.4.2.2</u>	Short-term experts to assist working groups in developing target-group specific training materials in each project area	On-going
1.4.2.2 a	Short-term experts preparing a general part of the training materials	Completed [during fifth reporting period]
1.4.2.3	Meeting of experts and reviewers to review the Handbook and discuss the methodology for the implementation of the related training on procedural protection measures.	Completed [during 5 th reporting period]
1.4.2.4	Regional training seminar for future trainers on procedural protective measures to test the training materials and concepts	Completed [during 7 th reporting period]
1.4.2.4 a	In-project area training events on procedural protective measures	September 2006 - June 2007

	▪ Albania	date tbc
	▪ Bosnia and Herzegovina	Completed [during 7 th reporting period]
	▪ Kosovo (Serbia): expert workshop on SIMS and undercover operations	date tbc
	▪ Montenegro: expert workshop on SIMS and undercover operations	Completed [during 7 th reporting period]
	▪ Serbia: expert workshop on SIMS and undercover operations	date tbc
	▪ “the former Yugoslav Republic of Macedonia”: expert workshop on SIMS and undercover operations	date tbc
1.4.2.4 b	Participation of specialists working in newly established witness protection units in regular/ad hoc training courses of established European witness protection units	February - September 2006
1.4.2.4 b	- Training of Macedonian Witness protection unit staff	Completed [during 5 th reporting period]
1.4.2.4 b	- Training of Macedonian Witness protection unit staff	Completed [during 7 th reporting period]
	- Training of specialists	Cancelled Latvia October 2006
	- Training of 2 staff members of the Croatian Witness protection unit	Cancelled Germany 11-22 September 2006
1.4.2.5	Production of training materials in local languages	Completed [during 7 th reporting period]

3.5.2 Conclusions and next steps

Activity 1.4.1:

As previously reported, activities under 1.4.1 have been completed. The PMU deplors, despite many encouragements to do so, that the sub-activity 1.4.1.5. (provide legal expertise to project areas in the field of procedural protective measures) has not been sufficiently used by the counterparts. If such requests should come during the extension phase, it would nevertheless consider it positively.

Activity 1.4.2:

Activities related to the development of training materials have been successfully completed.

The forthcoming activities mainly include:

- Additional in-project area trainings by local trainers on procedural protective measures²: Croatia (Albania in early June 2007 (dates tbc), Serbia in May 2007 (dates tbc) and “the former Yugoslav Republic of Macedonia” mid-June 2007 (dates tbc)). These trainings shall be attended like the previous ones, as much as possible, by an external evaluator to assess their effectiveness.

² Trainings in Albania and “the former Yugoslav Republic of Macedonia” are to be confirmed, given the limited number of trained local trainers.

3.6 Output 1.5

3.6.1 Specific activities carried out during the reporting period

The following specific activities under Output 1.5 (strengthening of capacities for co-operation in criminal matters) have been implemented after the inception phase to date **[no activities were implemented during this reporting period (20 October 2006 – 20 February 2007)]**:

ACTIVITY 1.5.1: DEVELOP STRATEGIES FOR THE RATIFICATION AND ACTUAL IMPLEMENTATION OF THE 2ND ADDITIONAL PROTOCOL TO THE EUROPEAN CONVENTION ON MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS (ETS 182)

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.5.1.1	Regional seminar on opportunities offered by ETS 182	Completed [during 1 st reporting period]
1.5.1.2	Review by short term experts of the gaps and opportunities in legislation and institutional capacities for the ratification and implementation of ETS 182	Completed³ [during 3 rd reporting period]
1.5.1.3	Regional seminar on elaboration of a strategy for the ratification and implementation of ETS 182	Completed [during 3 rd reporting period]
Other	<u>Serbia</u> : Workshop on the elaboration of a strategy for the ratification and implementation of the 2nd additional protocol to the European convention on mutual assistance in criminal matters (ETS 182)	Completed [during 3 rd reporting period]
Other	Workshop on strategies for the ratification and implementation of ETS 182	Completed [during 4 th reporting period]
1.5.1.4	Assist in the drafting of legislative amendments	Completed [during 7 th reporting period]
	Workshop on national legislation on mutual legal assistance in criminal matters and strategy for development of educational programs	Completed [during 5 th reporting period]

As previously reported, activities under 1.5.1 have been largely completed.

Previously planned activities in Albania, Bosnia and Herzegovina, Montenegro and Serbia were cancelled due to the absence of a clear detailed schedule from the relevant authorities and heavy workload. The specific activities in Montenegro and Serbia were cancelled due to the changes in the status of Montenegro which have specific consequences in relation to international co-operation in criminal matters standards and applicable conventions⁴.

ACTIVITY 1.5.2: DEVELOP, TEST AND MAKE AVAILABLE TRAINING MATERIALS FOR FURTHER TRAINING

<i>Activity:</i>	<i>Description:</i>	<i>Status / Place / Date</i>
1.5.2.1	Workshops to assess training needs in the field of international co-operation in criminal matters	Completed [during 4 th reporting period]
	▪ Sarajevo (Bosnia and Herzegovina)	
	▪ Podgorica (Serbia and Montenegro)	
	▪ Belgrade (Serbia and Montenegro)	
	▪ Tirana (Albania)	
	▪ Zagreb (Croatia)	

³ With the exception of Bosnia and Herzegovina.

⁴ Montenegro not being an automatic successor to the relevant ratified international conventions by Serbia and Montenegro in this field.

	<ul style="list-style-type: none"> ▪ Pristina (Serbia and Montenegro) ▪ Skopje (“ the former Yugoslav Republic of Macedonia”) 	
<u>1.5.2.2</u>	Short term experts to assist in the development of training materials and guidelines on international co-operation	
	Working meeting to develop a template training programme on international legal assistance in criminal matters	Completed [during 5 th reporting period]
	Co-operation Manual: update of the specific country/area chapters	Each project area On-going
<u>1.5.2.4</u>	Project area training events	
	<ul style="list-style-type: none"> ▪ Kosovo (Serbia) 	Completed [during 7 th reporting period]
<u>1.5.2.5</u>	Production of a compendium on international cooperation in criminal matters	On-going
	<ul style="list-style-type: none"> ▪ “The former Yugoslav Republic of Macedonia” 	On-going
	<ul style="list-style-type: none"> ▪ Serbia ▪ Montenegro 	To be confirmed

3.6.2 Conclusions and next steps

Activity 1.5.1:

As previously reported, activities under 1.5.1 have been to a large extent completed.

Even during the present extension phase, the PMU shall consider any request made by a project area to provide, per request, legal expertise to review legislation in the international co-operation in criminal matters field and prepare as necessary related amendments.

Activity 1.5.2:

During this extension phase of the CARPO project, the PMU expects to finalise the following activities:

- a) The publication of the updated project area chapters of the Co-operation manual
- b) The finalisation of the Compendium on international co-operation in criminal matters in Macedonian.
