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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
[9TH PROGRESS REPORT]**

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| | |
|----------------|---|
| Project title | Development of reliable and functioning policing systems, and enhancing of combating main criminal activities and police co-operation |
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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>=> Training Materials and guidelines on 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 (20 February 2007 – 20 May 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 training materials have been updated by the local trainers and members of the working groups on financial investigations. The relevant legislation was updated; new forms as well as the case studies were incorporated after having been further tested in the second round of trainings conducted in each project area. The development of such tools and the experience gained by the local trainers and many practitioners from the law enforcement and the judiciary in the project areas will undoubtedly have a positive impact on the results reached by the law enforcement and the judiciary in their fight against serious crime.

The roundtables held in each project area to remobilise the managers from counterpart institutions on the need to give a great and continued attention to the regional strategy adopted by the Ministers of Interior and Security delivered good results keeping the momentum on these question at high level.

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, Slovenia, The Netherlands and United Kingdom) in its daily implementation of the project.

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 were provided with an extensive 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. This with the objective 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 all the LPOs under both modules, 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) 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. The PMU deplores this situation which prevented Bosnia and Herzegovina to benefit even more from the project. This at the end has been limited by the commitment of the Bosnian practitioners, the Module 1 LPO in Sarajevo and the PMU efforts and patience.

With the presence of the LPOs which has been considerably 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 extend 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 extend 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 continued to be totally respected. The programme is very intensive with limited human resources and within a short time but the PMU, together with Module 1 LPOs and the counterparts in South-eastern Europe, remains strongly committed to see it fully implemented and delivering the expected results.

The second round of trainings on financial investigations is completed. It further raised awareness among practitioners from the law enforcement and the prosecution (and to a lesser extend 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.

The workshops on the intelligence-led policing held in each project area with Europol's support have greatly contributed to raise awareness in the region over this issue. Additional support should be further given to consolidate the first achievements. It would complement the update of the situation report which is also well on track thanks to an important work conducted in the project areas. The PMU, in close coordination with Europol which remains a solid and dedicated partner towards the project, is currently reflecting on the organisation of a regional activity within Europol Headquarters which would be dedicated to enhance the exchange of crime analysis data and criminal statistics between law enforcement institutions based on a common methodology and comparable reports. Certainly an ambitious programme but evident efforts are needed on this level in South-eastern Europe where the capacities in this regard are limited and the CARPO project will try its best to provide an additional and indispensable support.

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.

Within the limits of the available budget and in order to use the resources of the project in the most efficient way, 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.

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:

- **38 regional events – seminars & workshops**
 - 2 of which were implemented during present reporting period;
- **14 study visits** for the working groups' members to selected EU countries
 - 1 of which were implemented during present reporting period;
- **69 in-country seminars & workshops**
 - 12 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 February 2007 – 20 May 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 | <ul style="list-style-type: none"> ▪ 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] |
| | <ul style="list-style-type: none"> ▪ 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] |
| | <ul style="list-style-type: none"> ▪ 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] |
| | <ul style="list-style-type: none"> ▪ 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] |
| | <ul style="list-style-type: none"> ▪ 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] |
| | <ul style="list-style-type: none"> ▪ 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] |

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| | <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] |
| 1.1.1.5 b | 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 |
| | In-project area workshops on the intelligence-led policing | February - May 2007 |
| | <ul style="list-style-type: none"> ▪ Albania | 22-23 February 2007 |
| | <ul style="list-style-type: none"> ▪ Bosnia and Herzegovina | 16-17 April 2007 |
| | <ul style="list-style-type: none"> ▪ Croatia | 18-19 April 2007 |
| 1.1.1.6 | <ul style="list-style-type: none"> ▪ Kosovo (Serbia) | 26-27 February 2007 |
| | <ul style="list-style-type: none"> ▪ Montenegro | 12-13 March 2007 |
| | <ul style="list-style-type: none"> ▪ Serbia | 21-22 May 2007 |
| | <ul style="list-style-type: none"> ▪ “the former Yugoslav Republic of Macedonia” | 14-15 March 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] |

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| 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> |
|------------------|---|---|
| 1.1.3.1 | Short-term experts to assess activities underway in the countries of the region in fields covered under the present project in order to avoid duplication and seek synergies | On-going [permanent task] |
| 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] |

The preparation of the **update of the situation report on organised and economic crime in South-eastern Europe (2007 report)** is well on track.

After the update of the questionnaire was prepared by the PMU and the former senior official from Europol who compiled the 2006 report, it was sent on 21 March 2007 to the senior representatives and to the heads of delegation to the European Committee on Crime Problems (CD-PC) of the Council of Europe. Up to these officials, together with the support of the working group members on crime analysis established in each project area, to ensure its completion by 5 May 2007.

As of last year, the PMU has contracted a former senior official from Europol (specialised in crime analysis matters) to compile in a comprehensive and straightforward report all the replies. At this stage, the PMU has collected most of the replies (but is still missing the Montenegrin and Macedonian ones) which show a new qualitative improvement compared to last year's replies (which were themselves better than the ones received the first year of the project for most of the project areas). Still a number of questions remain unanswered, many replies are still lacking reliable data (having at the basis huge difficulties to collect them) and contradicting to certain extend information available from other sources. Thus the exercise is not as fully satisfactory as it could have been expected but the fact remains that it forces the project areas to investigate this field of collecting and processing data on organised and economic crime on a more systematic way than it was done previously. Knowing where the entire project areas are coming from, this in itself constitutes already an improvement and should be put on the credit of the CARPO project. Another consequence of the project's action in this regard is the willingness

from some project areas to build crime analysis units in charge of collecting and analysing data in a more coordinated and structured manner.

The short-term expert is at present fully engaged in the process, further analysing and compiling the data and information received. A first draft of the report is expected by 8 June 2007.

Between 22 February and 22 May 2007, 7 **in-project area workshops on the intelligence-led policing** took place. These activities have been organised with the support of the Analysis unit from Europol.

The objective of this two-day workshop held in each project area was to raise awareness of investigators and analysts from all the institutions in charge of criminal investigations on the issues related to crime analysis (what is intelligence? the intelligence cycle and analysis, the organised crime threat assessment (OCTA)) and for them to learn more about the methodologies and procedures followed by Europol in this respect. An important part of the discussions focused also on the difference between strategic and operational analysis, the collection plan for data and the evaluation of source and information. The dissemination of information through analysis reports but also situation report (such as the one prepared under the CARPO project and which is oriented towards the current organised crime situation) and the threat assessment report prepared by Europol (which analyses more the scope and impact of criminality and more future oriented).

These workshops lead by a Europol staff member and expert in crime analysis gathered on average around 25 practitioners (but in some project areas up to 40 like in Kosovo (Serbia)) from institutions in charge of the criminal investigation (mainly from law enforcement side). All the workshops were opened by a senior ranking officer from the organised crime Department or an equivalent institution.

Participants actively learned about analysis work files and Europol Systems operating within Europol and in its co-operation with its member States. Many practical aspects were covered and lively discussions took place supported by many practical examples to be solved. These workshops were an excellent opportunity for local participants to exchange ideas and experience concerning the intelligence led-policing which is a total new concept in South-eastern Europe. Additional activities should be supported to further deepen the understanding of this concept among practitioners but also policy makers which the project might not have the resources to support.

3.2.2 Conclusions and next steps

Activity 1.1.1:

Remaining activities under 1.1.1 are well engaged with the submission by the project areas of their replies to the 2007 questionnaire updating the situation report on organised and economic crime in South-eastern Europe.

The short-term expert, former senior staff from Europol, is currently reviewing (together with the PMU) the content of the replies, confronting it with other sources in order to compile the most objective report as possible. Although the replies constitute a large part of the report's content, it should be recalled that this report is a Council of Europe document and it is up to the latter to estimate what should be included or not in the report, not up to the project areas.

This report will further help policy makers in the region, but also elsewhere in Europe, to elaborate better informed anti-crime public policy and decisions. It should also enhance more and more public awareness on this matter which is essential. Finally, it will help to maintain the pressure on the decision makers to ensure better results in their fight against serious crime.

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 with the organisation of the Sarajevo High level meeting on 21 September 2006.

Nevertheless, as recalled in previous progress report, the regional strategy provides the project areas with the most relevant and practical tools to better fight organised and economic crime. The implementation of the strategy is supported to the largest extend possible under the CARPO project but it will have to be further transformed in reality by the counterparts' decision makers even after the project's end. Within the extension phase, the PMU continues 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 February 2007 - 20 May 2007) are highlighted]:

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

| <i>Activity:</i> | <i>Description:</i> | <i>Status / Place / Date</i> |
|------------------|---|---|
| 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 | Completed |

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| | establishment of working groups "financial investigations" | [during 1 st reporting period] |
| | <ul style="list-style-type: none"> ▪ "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 | <ul style="list-style-type: none"> ▪ Albania: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars) | Completed [during 2 nd reporting period] |
| | <ul style="list-style-type: none"> ▪ 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] |
| | <ul style="list-style-type: none"> ▪ Croatia: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars) | Completed [during 2 nd reporting period] |
| | <ul style="list-style-type: none"> ▪ 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] |
| | <ul style="list-style-type: none"> ▪ Montenegro: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars) | Completed [during 1 st reporting period] |
| | <ul style="list-style-type: none"> ▪ Serbia: technical level seminar to identify gaps and opportunities in legislation (back-to-back with decision-maker seminars) | Completed [during 1 st reporting period] |
| | <ul style="list-style-type: none"> ▪ "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 |
| | <u>Kosovo (Serbia)</u> : 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] |
| <u>1.2.2.6</u> | Regional workshop on the creation of a special agency executing seizure and confiscation orders and good practices in the area of management of seized and confiscated proceeds | Tirana 14-15 March 2007 |
| <u>1.2.2.7</u> | Regional workshop on the efficient application of civil law tools in the process of freezing seizure and confiscation of proceeds | Przno 15-16 May 2007 |
| 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] |

On 14-15 March 2007 in Tirana (Albania), the PMU organised the **Regional workshop on the creation of a special agency executing seizure and confiscation orders and good practices in the area of management of seized and confiscated proceeds**. 26 participants

from the 7 project areas (one practitioner in the field of financial investigations, one prosecutor or judge with practical experience in this field and one expert from the Ministry of Justice in drafting criminal legislation). The objective was to promote the creation of such Agency which is an essential tool that most of the project areas are completely lacking. This was pointed out in all the specific parts on financial investigations of the Brijuni strategy. The location of Tirana had been chosen to further encourage the Albanian authorities to support the Agency and to give it the necessary means to function properly.

Participants benefited from extensive presentations of the regulations and practice in managing assets from EU countries: Belgium, Ireland, Slovenia and The Netherlands. The Albanian experience even if it is limited in the practice was presented as well. Serbian representatives had the opportunity also to present their current draft law.

Apart from these valuable presentations on the different models in place in Europe which lead to intensive discussions with the international experts present, the delegations were divided in working groups on the second day to draft the map and the main points of a future law on the creation of an Agency. For the project areas already having such legislation time was given to improve the current law and by drafting amendments inspired by the experience gained on the first day. Each project area made a presentation on what the future law would like and benefited from additional comments from both the experts and the participants. It was asked to each delegation to provide the PMU with a written text in English of the draft presented within the following two weeks.

On 15-16 May 2007, the PMU organised the **Regional workshop on the creation of a special agency executing seizure and confiscation orders and good practices in the area of management of seized and confiscated proceeds** in Pržno (Montenegro). 22 participants from the 7 project areas (one practitioner in the field of financial investigations, one prosecutor or judge with practical experience in this field and one expert from the Ministry of Justice in drafting criminal legislation). The approach was very similar to the one adopted for the Regional held in Tirana and which delivered unexpected and very positive results.

The objective was fourfold. Firstly, to present the international standards applicable in the field of extended confiscation. Secondly, to present and discuss the legal provisions and best practices in extended confiscation/reversal burden of proof in several EU countries. Thirdly, to benefit from the Albanian and Bosnian experiences with extended confiscation. Finally, to have participants drafting the outline of legal provisions on extended confiscation/reversal burden of proof. This topic has also been widely recognised by the project areas as an urgent tool to fight serious crime (see the Brijuni Regional strategy).

This workshop required an active participation from all participants on a technical subject. They were all well prepared following the instructions sent by the PMU.

Excellent presentations made by some of the best experts in this field in Europe coming from Denmark, Germany, The Netherlands and United Kingdom stimulated active discussions among participants. The experiences from South-eastern Europe, mainly Albania and Bosnia and Herzegovina, were useful for the participants as well demonstrating that extended confiscation is possible and applicable in the region.

On the second day, the participants (practitioners and legal experts from the Ministry of Justice) were divided in small working groups to draft the outline of a future law on extended confiscation/reversal burden of proof. Taking advantage of the experts' presence, they managed to present their work in a convincing and comprehensive way. The PMU requested that these presentations be sent within the following two weeks in order for it to ensure the proper follow up towards the relevant authorities.

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] | |
| <u>1.2.2.4 c</u> | Regional workshop of local trainers on Financial Investigations to review and upgrade the training materials | Completed [during 8 th reporting period] |
| 1.2.2.4 d | 2 nd 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 | Completed [during 8 th reporting period] |
| | ▪ Croatia | Completed [during 8 th reporting period] |
| | ▪ Kosovo (Serbia) | 17-20 April 2007 |
| | ▪ Montenegro | Completed [during 8 th reporting period] |
| | ▪ Serbia | 27-28 February 2007 |
| ▪ "The former Yugoslav Republic of Macedonia" | Completed [during 8 th reporting period] | |
| <u>1.2.2.5</u> | 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 | Completed [during 8 th reporting period] |

| | | |
|---------|---|---|
| | ▪ Croatia | Completed [during 8 th reporting period] |
| | ▪ Kosovo (Serbia) | 16 April 2007 |
| | ▪ Montenegro | Completed [during 8 th reporting period] |
| | ▪ Serbia | Date tbc |
| | ▪ “The former Yugoslav Republic of Macedonia” | Completed [during 8 th reporting period] |
| 1.2.2.6 | Production of training materials in local language | Completed [during 7 th reporting period] |

The **second round of in-project area trainings on financial investigations** which had already started early November in “the former Yugoslav Republic of Macedonia” continued on 27-28 February 2007 in Novi Sad (Serbia). The training gathered 25 trainees, essentially judges, prosecutors, police officers and representatives of from the Serbian FIU.

Since the local trainers are issued from both the judiciary and the law enforcement, it was easy for the trainees to find competent counterparts in the discussion as well as to grasp the need for co-ordinated, approach of all structures involved / engaged in financial investigations and taking of the proceeds of the crime.

It was obvious from the experience and evaluation after two training activities (first one was held in May 2006, in Belgrade) that there is a huge need and good reception for future similar trainings to be organised by the training institutions (the project might consider to organise a third training if remaining funds allow to do so). Ideally such training should take place in the Southern part of Serbia in order to cover as much of the territory as possible. The decentralised approach has many benefits and should be further promoted. In addition, it was agreed that close contacts with regular training institutions will be kept in order to find the most appropriate to incorporate financial investigations trainings into the regular school system.

As for all the other in-project area trainings, a thorough evaluation of the training was made by all the trainees. The results, excellent, are available upon request to the PMU. As a reward for their active participation in the training, all trainees received a personalised certificate.

On 12-13 March 2007, a second training was held in the premises of the Ministry of Interior in Tirana (Albania). 20 trainees attended mainly from the law enforcement and the special unit for financial investigations within the prosecutor’s office (but only a limited number of representatives from the Court’s side could attend). Some prosecutors who attended the first day could not do so on day 2 due to prior professional commitments.

After an extensive presentation by local trainers of the concepts of financial investigations and the methods to be followed in this respect, theoretical aspects were followed by a large part dedicated to case studies and discussions (although not in working groups which could have been of benefit for the trainees).

Most of the participants did not have experience in conducting financial investigations so the training turned to be very useful and practical for them. If the special unit for financial investigation in the Prosecutor’s service had numerous (21) cases in the recent years which resulted in temporary confiscation of properties, the main issue remains the management and handling of these confiscated properties and objects since the responsible Agency is not yet operational. .

Among the suggestions made by the trainees to further raise their knowledge were presentation of more international cases on the confiscated and sequestered properties, cases also related to the money laundering and economic financial crime and cases on corruption.

From 17 to 20 April 2007, a training took place at the Police Academy of Kosovo (Serbia) located in Vushtrri. Around 32 representatives from the Courts (each district) the Prosecutor's Office (each district) but also police officers, audit Officers and representatives from tax and customs administrations attended the meeting.

The training was opened by the Head of the Police Academy who emphasised the importance of establishing a permanent course on financial investigations to keep the momentum for police officers on this issue.

The training was conducted in accordance with the instructions given by the PMU and the short-term expert. Main topics tackled included the legal, procedural and institutional dimensions including the use of numerous examples from the practice. The absence of an international prosecutor who worked previously within UNMIK and dedicated many efforts to support the local trainers and the CARPO project and who had lectured in the first training could be felt especially on the practical side. Nevertheless, the local trainers gained a huge knowledge under the project which they managed to deliver to the trainees in a convincing way. At the end, certificates prepared by the Council of Europe were delivered to all the trainees who successfully had followed the training.

The continuation of in-project area **roundtables of operational managers and representatives of training institutions to review the strategy on financial investigations** took place with the meeting organised on 16 March 2007 in Tirana (Albania). In the premises of the Council of Europe Office in Tirana, participants included representatives from the special prosecution service and police, the chief of the FIU, the chief of the Agency for management of seized and confiscated assets, from the Police Academy, the local trainers and the Module 1 coordinator.

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.

Regarding the practical organisation and attendance in the trainings, the limited number of judges participating in the trainings was deplored. Additional efforts should be taken by the management on Court's side to request that judges attend this type of trainings. This would be further encouraged by the Module 1 coordinator.

On the training level, it was agreed that the Police Academy will proceed with specialised trainings on financial investigations in which CARPO local trainers (including prosecutor and judge) would be fully involved. The Academy will engage also its professors to attend an additional training, if it can be organised, to gain expertise for future lecturing. The first training planned by the Academy will take place in April. The need for additional CARPO trainings (for judges and prosecutors) was clearly expressed. The representative from the Police Academy as well as one senior prosecutor present will convince the Head of the School for magistrates to include the training manual and courses on financial investigations in its curriculum.

Regarding the strategy's implementation, some points already been tackled: such as a closer co-operation between the institutions or the drafting of joint orders for co-operation between police, prosecution and the Ministry of Finances is under discussion with a possible agreement in 2007. The Agency the management of seized and confiscated assets was established by a

law in 2004. Since then it is not operational because two by-laws were not adopted yet. They are still under revision.

The representative from the special prosecution service underlined that 21 cases of financial investigations were conducted in a recent past (which was partly due to the efforts deployed under the CARPO project) and proceeds were temporary seized. No data were available outside this service.

A new roundtable of operational managers and representatives of training institutions to review the strategy on financial investigations was held on 16 April 2007 in Pristina - Kosovo (Serbia). The 15 participants included representatives at senior level from law enforcement (UNMIK and KPS), prosecutors, training institutions, senior representative and Module 1 coordinator, the local trainers, the short-term expert 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.

The roundtable tackled all the topics in a constructive and efficient manner. After a general presentation on the excellent achievements of the activities organised under output 1.2 in Kosovo (Serbia) and recalling the main interest to develop the conduct of financial investigations, the very active local trainers presented their work and results obtained from the trainings. Many participants advocated for the project to support, if possible, a third training which would then result in having trained most of the practitioners concerned by the use of financial investigations in the project area.

The representative of the Police Academy confirmed that, thanks to the CARPO project, training modules and the training manual were already used in the School. This will be further extended in the coming months to specialised trainings as well.

Regarding the implementation of the regional strategy, it was agreed that a significant part had been achieved thanks to the project's support.

Finally, no dates have yet been set out by the Serbian counterparts for the organisation of the roundtable of operational managers and representatives of training institutions to review the strategy on financial investigations. The PMU has tried to fix a date on a number of occasions but without success so far. This can be partly explained by the political situation and the lack of any decision until very recently (14 May 2007) to establish a government. This has hampered to a certain extent the implementation of the project in Serbia. With the constitution now of a government, the PMU expects things to go more smoothly even if time remaining to finalise several activities is short.

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] |

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|---------|---|---|
| 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 Moue 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 had been completed at the end of the original project's duration (for the conclusions please refer to the Fourth Progress Report issued on 15 November 2005). In addition and to further support the implementation of the Brijuni strategy in the field of financial investigations, the PMU had proposed to organise additional activities. This was highly welcomed by the counterparts since it responds to specific needs that have been expressed these recent months and in the strategy in their respective specific action plan.

Following the completion of two excellent regional workshops, the PMU will ensure that a proper follow up be given in the support provided by the project so that a significant progress can be made in the drafting of efficient laws on the creation of a specialised Agency managing seized and confiscated assets as well as on extended confiscation.

The PMU has already received several requests by the project areas (Albania, Kosovo (Serbia), Montenegro, Serbia) to further support with international experts the drafting of such legislations or to amend the current laws.

As announced in the previous progress report, the PMU has prepared, with the support of a short-term expert, a draft regional MoU on the co-operation and exchange of information on financial investigations. The project areas have highly welcomed this document which they consider would greatly improve their future co-operation in this field. The Module 1 coordinators have met in Strasbourg on 20 April 2007 to further review and discuss the content of the MoU which is very practical oriented. Additional exchanges took place by e-mails and the final text is ready for translation. It will be officially signed by the Heads of Police from all the project areas on 20 June 2007 in Strasbourg. On 19 June, the PMU plans to organise a meeting with practitioners to exchange experience in conducting financial investigations, inter-agency and cross-border co-operation. Representatives from the CARIN Network will expose their views and working methods on the way to improve regional co-operation in this field.

Activity 1.2.2:

Activities related to the second round of trainings are now completed. The level has significantly improved with the first round of trainings meaning that the local trainers are now fully prepared to support the local training capacities. This observation, combined with the firm engagement from the training institutions to take over once the CARPO project will end later in June, allows the PMU to be rather optimistic on the continuation of the trainings and the sustainability on the long run of the project's achievements on 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 implemented during this reporting period (20 February 2007 - 20 May 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] |
| 1.3.1.4 | Short-term experts to assist working group review the legal basis for the use of special investigative means in each project area (Criminal Procedure Codes and by-laws) and assist in the development of proposals for amendments | On-going |
| 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] |

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| 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] |
| 1.3.3.2 | Short-term experts to assist working groups in the development of training materials and guidelines on SIMS and undercover operations | Completed |
| | ▪ 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] |
| <u>1.3.3.3</u> | 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, we 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 implemented during this reporting period (20 February 2007 - 20 May 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 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"> ▪ 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 | Completed |

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| | established witness protection unit of “the former Yugoslav Republic of Macedonia” to the Croatian WPU | [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] |
| 1.4.2.2 | 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] |
| | 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] |
| 1.4.2.4 a | ▪ 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 deplores, 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 project areas. If such requests should still 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, to the extend possible, successfully completed.

The PMU recently received official requests from Albania and “the former Yugoslav Republic of Macedonia” to organise in-project area trainings by local trainers on procedural protective measures. They should both take place in the course of June 2007. It seems that Serbia is also keen to organise such training. Yet the official request has not been sent to the Council of Europe.

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 implemented during this reporting period (20 February 2007 - 20 May 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 | Completed² [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 | <i>Serbia:</i> 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] |

² With the exception of Bosnia and Herzegovina.

| | | |
|---------|---|---|
| 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 conventions³.

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) | |
| | ▪ Pristina (Serbia and Montenegro) | |
| | ▪ Skopje (“ the former Yugoslav Republic of Macedonia”) | |
| 1.5.2.2 | 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 |
| 1.5.2.4 | Project area training events | |
| | ▪ Kosovo (Serbia) | Completed [during 7 th reporting period] |
| 1.5.2.5 | Production of a compendium on international cooperation in criminal matters | On-going |
| | ▪ “The former Yugoslav Republic of Macedonia” | On-going |
| | ▪ Serbia | To be confirmed |
| | ▪ Montenegro | |

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.

³ Montenegro not being an automatic successor to the relevant ratified international conventions by Serbia and Montenegro in this field.

Even during the 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:

Regarding the finalisation of the update of the Manual on Judicial Co-operation against corruption and organised crime, a serious work has been conducted in the recent weeks to update the list of contact persons which was not at all valid anymore. The PMU has requested from the new contact persons to check what changes and/or developments have occurred with regard to their national legislation and/or international treaties. It was decided to concentrate only on these main points and to remind the countries of their commitments to update and continue co-operating on these matters. It is expected to have an updated Manual ready by the end of June 2007.
