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Economic Crime Division  
Directorate General of  
Human Rights and Legal Affairs

# **Technical cooperation against economic crime Activity report 2007**

**Provisional  
Strasbourg, 29 January 2008**

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The opinions expressed in this technical report  
 do not necessarily reflect official positions of  
 the Council of Europe.

# 1 Introduction

Economic crime undermines democracy, the rule of law, human rights and economic and social progress, that is, the very objectives which the Council of Europe stands for. This includes corruption, organised crime, trafficking in human beings, cybercrime, money laundering and other forms of serious crime.

The Council of Europe has been taking measures against such crimes for some three decades, and not merely to prevent and control crime but to make a positive contribution to democracy, the rule of law and human rights.

The strategy of the organisation is implemented through an approach consisting of three inter-related elements:

- Setting European standards, in particular in the form of conventions, protocols, recommendations and resolutions aimed at the prevention and control of crime in general or particular forms of crime
- Monitoring compliance with European or other international standards. Relevant monitoring mechanisms include in particular the Group of States against Corruption (GRECO), MONEYVAL (focusing on international anti-money laundering and counter-terrorist financing standards) and now also GRETA with regard to trafficking in human beings
- Technical cooperation aimed at building capacities to enable countries to ratify and implement relevant standards or to follow up on recommendations resulting from monitoring exercises. Technical cooperation, in turn, informs monitoring and standard setting mechanisms of relevant issues and new questions arising.

The 3rd Summit of Heads of State and Government (Warsaw, 2005) confirmed the important role of the Council of Europe in ensuring the security of European citizens. The Declaration and the Action Plan adopted at the Summit tasked the Council of Europe to undertake specific measures against economic and other forms of serious crime, including technical cooperation projects.

In 2007, a large number of technical cooperation activities against economic crime were carried out involving a wide range of countries and organisations. The purpose of the present report is to make the Council of Europe's work in this area more transparent and to inform partners of the activities implemented. It not only covers measures funded by the Council of Europe from its regular budget, but also all economic crime-related projects financed through extra-budgetary contributions.

## 2 Projects and activities in 2007

### 2.1 Overview

In 2007, some 250 activities were carried out under 13 projects. One of these has been fully funded from the regular budget of the Council of Europe and is subject to the annual approval of the Council of Europe budget. All others were either joint multi-annual projects of the Council of Europe and the European Commission or funded through voluntary contributions. The combined budgets of all projects on economic crime underway in 2007 amounted to some € 25 million while expenditure in 2007 exceeded € 3.7 million.

The Project on Economic Crime (DG1/143) is also known as the "Octopus Programme" and is funded from the ordinary budget of the Council of Europe. Its budget is rather limited but it nevertheless serves as an umbrella linking all other economic crime-related projects funded by extra-budgetary contributions, and it provides resources for the development of new projects and for pragmatic responses to emerging needs. In 2007, about half of its budget was used for activities against cybercrime including the Octopus Interface Conference.

The Project on Cybercrime is co-financed by a voluntary contribution from Microsoft. It has global coverage and is aimed at the implementation of the Convention on Cybercrime and its Protocol on xenophobia and racisms. It feeds into the work of the Cybercrime Convention Committee (T-CY).

The MOLI projects are aimed at the strengthening of systems against money laundering (AML) and the financing of terrorism (CFT) in line with Council of Europe and other relevant standards and MONEYVAL recommendations. In 2007, MOLI projects were implemented in the Russian Federation (MOLI RU2) and Ukraine (MOLI UA2) which build on activities carried out in both countries since 2003. The PACO Serbia project and the MOLICO project in Moldova also contain important AML/CFT components. These projects are joint projects of the Council of Europe and the European Commission.

The PACO Serbia project is aimed at economic crime, cybercrime and AML/CFT. The MOLICO project in Moldova consists of two components, namely corruption and AML/CFT. This is a joint project with the European Commission but is also co-funded by the Swedish International Development Cooperation Agency (Sida).

Other corruption projects aimed at the implementation of Council of Europe standards and GRECO recommendations include the RUCOLA 2 project focusing on the strengthening of preventive legislation in the Russia Federation and the Project against Corruption in Ukraine (UPAC). Both are joint projects of the CoE and the EC.

In autumn 2007, three new projects against corruption were launched, namely, the Project against Corruption in Azerbaijan (with funding from the United States Agency for International Development), in Georgia (with funding from the Netherlands) and in Turkey (joint project of the CoE and the EC).

Ukraine was supported in the strengthening of its capacity to cooperate internationally against crime through the UPIC joint project of the CoE and the EC.

The CARPO regional police project against serious crime in South-eastern Europe – also a joint CoE/EC project – was completed in June 2007.

A number of additional projects were designed in 2007 and are expected to be launched in 2008.

**Projects in 2007**

<i>Project number</i>	<i>Title</i>	<i>Start</i>	<i>End</i>	<i>Budget (Euro)</i>	<i>Source of Funding</i>
2004/DG1/143	Economic crime/Octopus 2007	01/01/07	31/12/07	180 000	CoE
2004/DG1/c35	CARPO Regional Police Project in South-eastern Europe	01/03/04	30/06/07	4 440 000	EC/CoE
2005/DG1/VC/566	PACO Serbia Project against economic crime	01/12/05	31/05/08	1 565 000	EC/CoE
2004/DG1/VC/342	Ukraine - International cooperation in criminal matters (UPIC)	01/12/05	30/11/08	1 680 000	EC/CoE
2005/DG1/VC/565	Project against money laundering in Ukraine (MOLI-UA 2)	01/05/06	30/04/09	5 300 000	EC/CoE
2004/DG1/VC/344	Ukraine - Project against corruption (UPAC)	01/06/06	31/05/09	1 750 000	EC/CoE
2006/DG1/VC/949	Russian Federation - Strengthening standards and practices for the prevention of corruption (Rucola 2)	01/07/06	30/11/07	209 000	EC/CoE
2006/DG1/VC/912	Project against corruption and money laundering in Moldova (MOLICO)	01/08/06	31/07/09	3 500 000	EC/Sida/CoE
2005/DG1/VC/567	Project on Cybercrime	01/08/06	28/2/09	984 258	Microsoft/CoE
2005/DG1/VC/563	Project against money laundering and terrorist financing in the Russian Federation (MOLI-RU 2)	01/1/07	31/12/09	3 150 000	EC/CoE
2005/DG1/VC/779	Project against corruption in Georgia (GEPAC)	01/09/07	28/02/09	700 000	Netherlands
2007/DG1/VC/1062	Turkey: Ethics for the prevention of corruption	01/10/07	30/09/09	1 500 000	EC/CoE
2006/DG1/VC/951	Project against economic crime in Azerbaijan	01/10/07	31/03/09	700 000	USAID

## 2.2 Project on Economic Crime (Octopus)

Title	Effective measures against economic crime (DG1/143)
Project area	Europe
Budget	€ 180 000
Funding	Council of Europe cooperation programme
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	2007
Objective	To strengthen capacities against economic crime in member States
Activities and results in 2007	<ul style="list-style-type: none"> <li>▪ Preparation and launch of three new projects against corruption in Azerbaijan, Georgia and Turkey including mobilisation of €2.7 million in extra-budgetary resources</li> <li>▪ Preparation of a new joint project of the CoE and the EC to support the cooperation among prosecutors against serious crime in South-eastern Europe. The PROSECO project is expected to start in early 2008 with a budget of €1.65 million</li> <li>▪ Expert Seminar for Eastern Europe and Central Asia: "Criminalisation of Corruption", 26-28 March 2007, Almaty, Kazakhstan--3 Participants from Azerbaijan; 3 Participants from Armenia; 3 Participants from Georgia; 3 Participants from Ukraine; 3 Participants from Moldova. (15 Participants, 1 Expert-B. Penko) and 1 Secretariat member. Activity is coorganised with: UNODC, OECD, OSCE.</li> <li>▪ Preparation of Project Proposal on "Women and Children Rights in Ukraine"</li> <li>▪ Review the Draft Law on Financing of Political Parties and Electoral Campaigns of Armenia (November - December 2007)</li> <li>▪ Support to Anti-corruption Agency in Kosovo for the preparation of the new anti-corruption Strategy and Action Plan for Kosovo (2008-2009)</li> </ul>
Assessment and follow up	<ul style="list-style-type: none"> <li>▪ The successful preparation and launching of specific anti-corruption projects in Azerbaijan and Georgia in 2007 finally helped meet a need that had been identified for some years. It is noteworthy that these projects are funded by the Netherlands (Georgia) and USAID with whom a funding agreement has been concluded for the first time</li> <li>▪ The preparation of the PROSECO in South-eastern Europe will allow the CoE to follow up on activities carried out under the PACO programme and the CARPO project in this region</li> <li>▪ Further projects against would need to be developed for Armenia (corruption and money laundering), Georgia (money laundering) as well as for countries and areas of South-eastern Europe in particular with regard to corruption and the question of financial investigations</li> </ul>

## 2.3 Project on Cybercrime

Title	Project on Cybercrime
Project area	Europe
Budget	€ 984 258
Funding	Council of Europe and Microsoft (additional contributions required)
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	September 2006 – February 2009
Objective	To promote broad implementation of the Convention on Cybercrime (ETS 185) and its Protocol on Xenophobia and Racism (ETS 189)
Activities and results in 2007	<p>In terms of expected Output 1 – Legislation implementing the Convention on Cybercrime and its Protocol on Xenophobia and Racism:</p> <ul style="list-style-type: none"> <li>▪ Since the inception of the project, the Convention on Cybercrime was presented to representatives from more than 150 countries around the world through different types of meetings. In 2007, some 40 activities were carried out, including the Octopus Interface Conference on Cybercrime in June 2007.</li> <li>▪ Specific advice on draft laws was provided to: <ul style="list-style-type: none"> <li>▪ Argentina (workshop in November 2007 with subsequent analysis of draft legislation)</li> <li>▪ Brazil (review and comments on draft legislation in February 2007)</li> <li>▪ Colombia (workshop reviewing the draft law in October 2007)</li> <li>▪ Egypt (meetings with public authorities in February 2007, written analysis of the draft law in May 2007 and follow up conference and discussions in November 2007)</li> <li>▪ India (meetings with public authorities in February 2007, written analysis of the draft law in May 2007 and follow up discussions in September 2007)</li> <li>▪ Indonesia (meetings with public authorities and analysis of the draft law in November 2007)</li> <li>▪ Nigeria (analysis of draft legislation in December 2007)</li> <li>▪ Pakistan (analysis of the draft law in February 2007)</li> <li>▪ Philippines (analysis of the draft law in June 2007 and a follow up workshop resulting in additional comments in October 2007)</li> <li>▪ Serbia (series of workshops in 2006/7 and a written analysis of legislation in October 2007)</li> </ul> </li> <li>▪ Meetings with representatives from countries of central, eastern and south-eastern Europe also indicated that further legislative work is required in countries that already ratified the Convention, such as in Albania, Bosnia and Herzegovina, “the Former Yugoslav Republic of Macedonia” and Ukraine. In Bulgaria amendments to existing legislation are underway and a workshop to analyse these amendments took place in December 2007.</li> <li>▪ In order to facilitate the analysis of cybercrime legislation against the provision of the Convention, “profiles” have been prepared for more than 40 countries of which 22 have been published in June 2007. The profiles for countries that have ratified the Convention were reviewed and improved in November 2007 and will serve as bases for in-country workshops which are to be conducted in the coming months and which will aimed at further improving cybercrime legislation.</li> <li>▪ In sum, the legislative processes that the project was able to support and initiate in 2006/7 exceeded the expectations, in particular considering that with many of the non-European countries, the CoE had little contact</li> </ul>

before. The Convention is used as a guideline or "model law" in a large number of countries.

In terms of expected Output 2 – Strengthening of capacities for the investigation, prosecution and investigation of cybercrimes:

- The focus of the project has been on creating the legal basis for more effective investigations, prosecution and adjudications in line with the procedural law provisions of the Convention.
- Several hundred police officers and prosecutors participated in activities around the world where the procedural provisions of the Convention were explained. The project contributed to a number of training events specifically aimed at forensic investigators and others at prosecutors.
- While law enforcement officers of many countries have made much progress in developing their subject-matter skills and while this is also partly true for prosecutors, the judiciary is clearly lacking behind. Steps have therefore been taken by the project to develop training modules for judges. A first training event was held in Bulgaria in mid-December 2007.

In terms of expected Output 3 – Capacities of criminal justice bodies to cooperate internationally re-enforced:

- Regional conferences organised in Serbia and Ukraine, the global Octopus Conference held in Strasbourg in June 2007 had a strong focus on international cooperation against cybercrime. Participation of the CoE in a large number of events organised by other organisations helped explain the relevant provisions of the Convention further.
- In October 2007, a study was launched which is to document good practices in the implementation of the international cooperation provisions of the Convention. The results should be available by April 2008.
- The strengthening of the 24/7 points of contact in line with Article 35 of the Convention and the experience of the G8 High-tech crime subgroup received particular attention under the project. Further to the G8 training meeting in Rome in October 2006, a joint CoE/G8 workshop for contact points was part of the Octopus Interface Conference in June 2007. On that occasion a proposal was made to merge the Directory of Contact Points of the CoE and the G8 to avoid to risk of two competing networks. This proposal was approved by the G8 sub-group in November 2007, and practical arrangements will now need to be made to maintain this Directory.

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Assessment and follow up

The Project on Cybercrime since its inception in September 2006 helped establish the Convention as the primary reference standard for cybercrime legislation globally. In some 70 countries around the world legislative amendments are underway using the Convention and/or its Protocol as a reference. In terms of additional ratifications by European countries, the progress made in 2007 has been less satisfying although legislative work is underway in many of them. The call for ratification of the Justice and Home Affairs Council of November 2007 may help accelerate this process. Half of the EU countries still need to ratify the Convention, and eight member States of the Council of Europe have not yet signed the Convention.

Project activities in 2008 will focus on the following priorities:

Support to the strengthening of legislation in view of implementing the Convention and permitting accession:

- As in 2006/7, the Convention will be promoted as a guideline or "model
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law” for the development of cybercrime legislation around the world.

- While the promotion of ratification and accession to the Convention will remain essential, more focus will be put on the actual implementation of the provisions of the Convention. In addition to the studies that are underway, other practical tools will need to be developed.
- In Europe, activities will focus on promoting ratification of countries that are not yet parties (EU member States, Moldova, Montenegro, Russia, Turkey and others). In European countries that are already parties, workshops will be carried out to enhance the effectiveness of cybercrime legislation, such as in Albania, Bosnia and Herzegovina, Bulgaria and “the former Yugoslav Republic of Macedonia”).
- The project will continue the cooperation with countries around the world where legislative reforms have already been supported in 2007, such as Argentina, Colombia, Egypt, India, Philippines, as well as reach out to other countries.
- The project will contribute to the Internet Governance Forum in India in December 2008.

Strengthening of capacities for the investigation, prosecution and investigation of cybercrimes:

- Guidelines for the cooperation between law enforcement and service providers are to be finalised.
- A study on the question of data protection/privacy in the investigation of cybercrime will be completed in April and may lead to further activities in this regard.
- The Council of Europe will contribute to the training of investigators and prosecutors through this project and activities organised by other organisations.
- The project will carry out a series of activities aimed at the training of the judiciary.

International cooperation:

- A study on good practices in the implementation of the international cooperation provisions of the Convention will be completed by April 2008.
  - In cooperation with the G8 High-tech Crime Subgroup, the project will help maintain the Directory of Contact Points. In countries that have ratified the Convention but have not yet established such contact points their creation will be promoted.
  - Specific training activities will be carried out in order to strengthen the effectiveness of existing contact points.
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## 2.4 Project against Corruption, Money Laundering and the Financing of Terrorism in Moldova (MOLICO)

Title	Project against corruption, money laundering and the financing of terrorism in Moldova (MOLICO)
Project area	Moldova
Budget	€ 3 500 000
Funding	European Commission/Sweden
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	36 months (August 2006–July 2009)
Objective	<p>Project objective 1 – To ensure the implementation of Moldova’s anti-corruption strategy on the basis of annual action plans</p> <p>Project objective 2 – To strengthen the anti-money laundering/counter-terrorist financing (AML/CFT) system of Moldova in accordance with international standards and good practices as well as MONEYVAL recommendations</p>
Activities and results in 2007	<p>In terms of expected Output 1.1 – Efficient monitoring, coordination and management of the anti-corruption strategy ensured and annual action plans available, with the support of the project:</p> <ul style="list-style-type: none"> <li>▪ The Monitoring Group improved its working methods by conducting thematic on site controls inside public institutions</li> <li>▪ An independent corruption survey carried out in April 2007 provided substantial data that reflect the change in the perception of the public and the progress since the previous survey conducted under the PACO Moldova Project in 2005</li> <li>▪ On May 25<sup>th</sup>, the first training for the members of the monitoring group took place addressing the conduct of self risk assessments within central and local administration</li> <li>▪ The Annual Anti-corruption Conferences was organised in December 2007.</li> </ul> <p>In terms of expected Output 1.2 – Legislation improved to effectively prevent and control corruption as foreseen in the anti-corruption strategy and action plans and in accordance with GRECO recommendations and European and United Nations standards:</p> <ul style="list-style-type: none"> <li>▪ In 2007, Moldova ratified the UN Convention against Corruption and the Additional Protocol to the Criminal Law Convention on Corruption of the CoE</li> <li>▪ Project and Venice Commission experts provided guidance and recommendations with regard to draft laws on political parties and conflict of interest. Both laws were subject to high level public debates, jointly organised with the Parliament.</li> <li>▪ In May 2007, the CCCEC adopted a revised version of the CCCEC Methodology for corruption proofing of legislation that was subject to expert review by CoE experts. This methodology was complemented by a Guide on corruptibility expert review of draft legislative and other regulatory acts developed by the NGO Centre for Analyses and Prevention of Corruption (CAPC) also with CoE support.</li> <li>▪ Starting in May 2007, the project supported the CCCEC and CAPC in conducting 12 seminars for representatives of central and local authorities.</li> </ul> <p>In terms of expected Output 1.3 – Strengthen the capacity of anti-corruption prosecutors to prosecute, supervise and manage corruption-related offences:</p>

- The MOLICO Project provided assistance to the anti-corruption prosecutors by designing and conducting specialised training. The event ensured the participation of 40 specialised anticorruption prosecutors.
- Study visit to the Romanian Anticorruption Prosecution Office and other Romanian agencies. In November 2007, the process of developing guidelines for prosecutors and investigators on handling corruption cases was started.
- A needs assessment on IT equipment and know-how to improve the management of corruption cases was carried out.

In terms of expected Output 1.4 – Improve cooperation among law enforcement and criminal justice bodies through joint training on investigation, prosecution and adjudication of corruption offences as well as international cooperation:

- The first course carried out by the “International Language Course Centre” involved up to 60 participants in different level groups and lasted from June until December 2007.

In terms of expected Output 1.5 – Strengthened the capacities of the CCCEC to analyse corruption-related phenomena and trends, as well as to design and implement measures for the prevention of corruption:

- DAPP (prevention department) representatives participated in two study visits, to the Commission for the Prevention of Corruption of Slovenia (June 2007) and the Service Central for the Prevention of Corruption of France (November 2007). The visits provided access to best practices in conducting risk assessment and research of corruption phenomenon.
- The following materials were published and elaborated with MOLICO support: Activity report on 5 years of the CCCEC; Anti-corruption Strategy and Action Plan 2007 – 2009; a CCCEC documentary film.

In terms of expected Output 1.6 – Prevention plans implemented and internal controls reinforced within the judiciary, prosecution, police, CCCEC and other bodies at risk:

- As main outcome of the training on risk assessments, the Superior Council of Magistrates (SCM) developed in May 2007 the first integrity plan related to the criminal panel of the Supreme Court of Justice. Based on this first step, SCM took further the initiative for adopting the risk assessment methodology and ensures its implementation at national level. A decision in this regard was adopted by the Council in September 2007 and the implementation phase – in all 51 courts from Republic of Moldova – started in November 2007. The first implementation activities were 4 introductory trainings for up to 250 judges, organised with Council of Europe expert support. The preliminary results are expected in the first half of 2008.
- In October 2007, a second round of trainings was started for high level officials from law enforcement agencies (CCCEC, prosecution office, Ministry of Internal Affaires, customs service and border guards) and justice sector institutions (Ministry of Justice, Judicial execution Department, Penitentiaries, Centre for judicial expertises).

In terms of expected Output 1.7 – Implementation of the law on the financing of political parties ensured and Output 1.8 – Corruption and conflicts of interest in the political process reduced

- The activities under the outputs 1.7 and 1.8 are postponed due to delays
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in adoption of the relevant legislative framework.

In terms of expected Output 1.10 – Promote an active role of civil society and media against corruption and reduce the tolerance of the public to corruption:

- In October 2007, consultations were carried out for initiating the training modules for PR officers within law enforcement agencies.

In terms of expected Output 2.1 – Relevant legislation in line with international standards and best practices:

- Adoption of the package of new AML/CFT legislation:
  - new AML/CFT law of Moldova (July 2007)
  - ratification of Council of Europe Convention on Laundering, Search, Seizure and Confiscation of Proceeds from Crime and the Financing of Terrorism (ETS nr. 165–XVI, from 13/07/07)
  - amendments to the tax amnesty law (July 2007)
  - National AML/CFT strategy and action plan for 2007 (May 2007)
  - Changes to 17 laws induced by new AML/CFT law.
- The 25<sup>th</sup> MONEYVAL Plenary in December 2007 decided to lift the compliance enhancing procedure on the basis of the adoption of the new legislation.

In terms of expected Output 2.2 – Competencies, status and organisational set-up of the FIU in line with Moneyval recommendations and international best practices:

- The FIU received access to the WorldCheck database and tested LexisNexis database.

In terms of expected Output 2.3 – System of collection, processing, analysis, protection and exchange of information on transactions designed and procured for the FIU.

- An analysis of the FIU's IT needs was conducted by the long-term advisor and the FIU team in January–March 2007.
- In July the visit of a Ukrainian IT expert was organised in the framework of the project in order to establish requirements for IT hardware and software. Procurement procedure started in November 2007.

Output 2.4. Capacity of the FIU to co-operate with the FIUs of other countries in accordance with the Egmont Group standards will have increased:

- By the end of November 2007, FIU had signed 13 Memoranda of Understanding ( MOUs) with other Egmont Group members. Study visits to FIUs of Ukraine, Belgium and Cyprus were organised by the MOLICO project.
  - 11 – 13 December 2006, study visit to Kiev, Ukraine. The visit included attendance at a round table conference on AML/CFT legislation organized by MOLICO–UA–2 project, examination of procedures currently in use in the Ukraine, to learn the capacities and specifications of the IT equipment used by Committee for Financial Monitoring in Kiev and an exchange of information as to current typologies and problems;
  - 16 – 18 April 2007, study visit to Brussels, Belgium to learn the experience of the Belgian FIU and other governmental agencies with the implementation of the 3rd EU Directive;
  - 20 – 23 November 2007, study visit to Cyprus, Greece to learn the experience of the Cypriot FIU and other governmental agencies.
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Output 2.5. National AML/CFT strategy including effective mechanisms to ensure co-operation between the FIU and law enforcement, criminal justice and regulatory authorities adopted and implemented:

- The National AML/CFT strategy was adopted by the Government in June 2007 as well as an action plan for its implementation. The Interagency Working Group for the implementation of the Strategy is going to be created in the beginning of 2008 on the basis of governmental decision.

Outputs 2.6 and 2.7 – To improve the capacity of reporting entities, regulators and supervisors, law enforcement and criminal justice bodies to comply fully with obligations under the AML/CFT law:

- New legislation (new AML/CFT law and changes to 17 laws adopted in November 2007) gives new tools to state agencies involved in AML/CFT as well as to the reporting entities.

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Assessment and follow up

The implementation of the anti-corruption objective of the project was very dynamic during the year. Up to 100 hundred activities were organised for different target groups of the project in co-operation with national and international partners.

Taking into consideration the number of activities, consolidated curricula and a strategy for training activities under different outputs of the project need to be established in 2008 on the basis of an in-depth needs assessment in co-operation with the main stakeholders.

The increasing efficiency and transparency of the mechanisms, established for the implementation of the national anti-corruption strategy in Moldova, remains the main assumption for the objective and needs to be addressed on high political level in 2008.

The activities aiming to raise public and mass media awareness of corruption and training of investigative journalists are to be initiated in January–March 2008 in order to ensure the timely implementation of output 1.10 of the project: active role of civil society and media against corruption promoted and tolerance of the public to corruption reduced.

The main progress reached under the AML/CFT component is the adoption of the new legislative framework compliant with international standards. Organisation of training activities under consolidated curricula developed for law enforcement and criminal justice representatives and other target groups was adversely affected by the absence of the Long Term Adviser (this position was however filled in December 2007). Training activities and providing technical equipment for the FIU remain major priorities for 2008.

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## 2.5 CARPO Regional Police Project against Serious Crime in South-eastern Europe

Title	Development of Reliable and Functioning Policing Systems and Enhancing of Combating Main Criminal Activities and Police Co-operation
Project area	South-eastern Europe: Albania, Bosnia and Herzegovina, Croatia, Serbia and Montenegro, "The former Yugoslav Republic of Macedonia"
Budget	€ 4 444 000
Funding	European Commission (CARDS)/Council of Europe (co-financing)
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe) (Module 1 and overall project management) International Organisation for Migration, IOM (Module 2)
Duration	39 months (March 2004 – June 2007)
Objectives	<p>To strengthen the capacities of the above-mentioned project areas 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:</p> <ul style="list-style-type: none"> <li>▪ providing them with the necessary tools against organised and economic crime (Module 1) and</li> <li>▪ enabling them to deliver comprehensive training against trafficking in human beings, smuggling and illegal migration (Module 2)</li> </ul>
Activities and results in 2007	<p>A regional strategy developed on tools against organised and economic crime in accordance with the acquis of the EU and European standards and practices and based on an analysis of the organised and economic crime situation and benchmarks to determine progress towards the EU acquis and European standards:</p> <ul style="list-style-type: none"> <li>▪ An updated situation report on organised and economic crime in South-eastern Europe was prepared (2007 report) and published in June 2007 (02-06/07)</li> <li>▪ workshops (7) on the intelligence-led policing (Tirana, Sarajevo, Zagreb, Pristina, Podgorica, Belgrade, Skopje, 01-04/07)</li> <li>▪ Study visit of Serbian experts to Europol (The Hague, 27-28/06/07)</li> </ul> <p>Capacities for financial investigations aimed at the confiscation of proceeds from crime strengthened:</p> <ul style="list-style-type: none"> <li>▪ Regional workshop on financial investigations for local trainers to review and upgrade the training materials (Belgrade, 16-17/01/07)</li> <li>▪ 2nd round of in-project area trainings (7) on financial investigations by local trainers to test and further improve training materials (Tirana, Sarajevo, Zagreb, Pristina, Podgorica, Belgrade, Skopje, 01-04/07)</li> <li>▪ In-project area roundtables (7) for operational managers and representatives of training institutions to review the strategy on financial investigations (Tirana, Sarajevo, Zagreb, Pristina, Podgorica, Belgrade, Skopje, 01-04/07)</li> <li>▪ Regional workshop on the creation of a special agency executing seizure and confiscation orders and good practices in the managing seized and confiscated assets (Tirana, 14-15/03/07)</li> <li>▪ Regional workshop on the efficient application of civil law tools in the process of freezing seizure and confiscation of proceeds (Przno, 15-16/05/07)</li> <li>▪ Preparation, update and publication of the revised manual on financial investigations and confiscation of proceeds from crime (02-06/07)</li> <li>▪ Preparation of a regional Memorandum of Understanding (MoU) on the co-operation and exchange of information on financial investigations in</li> </ul>

South-eastern Europe (02-03/07)

- Advisory Board meeting to review and discuss the content of the MoU (Strasbourg, 20/04/07)
- 3rd round in-project area training (1) on financial investigations by local trainers to test and further improve training materials (Novi Sad, 06-07/06/07)
- Workshops (3) on the drafting of legislation on the Agency managing seized and confiscated assets and on extended confiscation (Podgorica, Pristina, Skopje, 06/07)
- Regional conference of practitioners to exchange experience in conducting in conducting financial investigations, inter-agency and cross-border co-operation and of Heads of Police from South-eastern Europe to sign the MoU (Belgrade, 28/06/07)
- Preparation of a study on extended confiscation of proceeds from crime in South-eastern Europe (06/07)

The creation of effective mechanisms to protect witnesses of serious crime supported:

- In-project area trainings (2) by local trainers on procedural protective measures (Tirana, Skopje 06/07)

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Assessment and follow up

The project had an ambitious work programme during the extension phase (October '06 - June '07) which mainly concentrated on two issues identified as top priorities by the Heads of Police: further increase the capacities of the project areas with regard to crime analysis and financial investigations. Numerous national and regional trainings involving practitioners from the law enforcement and the judiciary were organised fostering common regional approaches and methodologies in these fields. The sustainability of the project's achievements on the long-term was further reinforced through the involvement of local trainers and expertise in many activities as well as the preparation of the updated situation report on organised and economic crime in South-eastern Europe and the updated training manual on financial investigations and confiscation of proceeds from crime. The adoption and signature by the Heads of Police from South-eastern Europe of a Memorandum of Understanding on the Co-operation and exchange of information related to the identification, seizure and confiscation of proceeds from crime should significantly consolidate regional co-operation.

With the successful conclusion of the CARPO project which improved the tools and capacities of countries of this region to tackle organised and economic crime more efficiently, it would be highly recommendable to have the CoE remain a key partner in South-eastern Europe. As specific follow up, an activity should be organised in May or June 2008 to assess the implementation of the MoU on proceeds from crime. This could lead to further actions and the formulation of a regional project proposal.

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## 2.6 Rucola 2 Project against Corruption in the Russian Federation

Title	Russian Federation – Development of legislative and other measures for the prevention of corruption
Project area	Russia
Budget	€ 209 988
Funding	European Commission/Council of Europe
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	16 months (11 July 2006 – 30 November 2007)

**Objectives** Overall objective: to contribute to the effective implementation of the Council of Europe’s Criminal Law Convention on Corruption and the United Nations Convention against Corruption by the Russian Federation

Project direct objective and outputs: The direct objective is to support the State Duma Anti-Corruption Commission in the development of legislative and other measures aimed at the prevention of corruption, and in particular:

- To develop methodologies for assessing and preventing corruption risks in legislation and test them in pilot areas of legislation (health, education and public procurement). Legislative proposals to reduce such risks in the indicated areas of legislation to be prepared;
- Proposals for a national corruption prevention strategy (including legislative and institutional proposals) to be developed;
- The materials produced within the framework of the Project for Harmonisation of Russian Anti-Corruption Legislation with International Standards (2005) to be published and disseminated.

The expected results included a set of recommendations, concepts, methodologies, legislative proposals to be made available to the project partner – the State Duma Anti-Corruption Commission – in order to permit the Russian Federation to meet its obligations under the United Nations and Council of Europe anti-corruption conventions

Activities 2007	<p>In 2007 the following activities were carried out:</p> <ul style="list-style-type: none"> <li>▪ A meeting of Russian and international experts in order to study the legislative provisions enforced in the Western Europe regulating health with regard to preventing corruption and make comparative analysis with the provisions of the Russian law in the field, applying the relevant methodology – 22 February 2007, Moscow</li> <li>▪ A meeting of Russian and international experts to elaborate the first recommendations for creating a national anti-corruption strategy – 22 February 2007, Moscow</li> <li>▪ A meeting of Russian and international experts to elaborate and evaluate the legislative proposals to strengthen the anti-corruption effort in the spheres of education, healthcare and public procurement – 20 March 2007, Moscow</li> <li>▪ A meeting of Russian and international experts to present the legislative proposals to strengthen the anti-corruption effort in the spheres of healthcare, education and public procurement – 25 April 2007, Moscow</li> <li>▪ A meeting of Russian and international experts to present recommendations and legislative proposals on the strategy and measures for corruption prevention – 25 April 2007, Moscow</li> <li>▪ A meeting of Russian and international experts in order to study the</li> </ul>
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	<p>experience of other countries in the sphere of creation and functioning of a specialised body responsible for the co-ordination of national efforts in the sphere of combating and prevention of corruption – 19 November 2007</p> <ul style="list-style-type: none"><li>▪ A publication prepared and published to disseminate the materials produced within the framework of the RUCOLA 1 Project for the Harmonisation of Russian Anti-Corruption Legislation with International Standards and RUCOLA 2 – December 2007</li></ul>
Assessment and follow up	<p>The project contributed to the preparation of proposals for domestic legislation that were made available to the project partner, the Anti-corruption Commission of the State Duma, in the spheres of education, healthcare and public procurement in order to permit the Russian Federation to meet its obligations under the United Nations and Council of Europe anti-corruption Conventions.</p> <p>The project facilitated the accession of the Russian Federation to GRECO in 2007.</p> <p>The advice provided by the project fed into the work regarding the establishment of a specialised anti-corruption body in the Russian Federation.</p> <p>The reports prepared in the framework of the project were used by the Inter-Institutional Working group created by the President's Decree to prepare 1) legislative proposals related to the implementation of the provisions of the CoE Criminal Law Convention and the UN Convention against corruption; 2) the drafting of the Anti-corruption Law that should be adopted in 2008.</p> <p>The CoE developed excellent cooperation with the Anti-corruption Commission of the State Duma under the RUCOLA projects. This momentum should be used to prepare a new project to support the Russian Federation in the implementation of the anti-corruption legislation, the preventive measures developed from 2005 to 2007 and the strengthening of specialised anti-corruption services.</p>

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## 2.7 Russia – Project against Money Laundering and Terrorist Financing (Moli–Ru 2)

Title	Follow up project "Protection against money laundering and terrorist financing " (MOLI–RU2)
Project area	Crime prevention/money laundering
Budget	€ 3.15 million
Funding	European Commission (TACIS Regional Co-operation Programme)
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	42 Months (January 2007 – June 2010)
Objectives	<p>The Council of Europe is supporting the Russian financial intelligence unit Rosfinmonitoring in achieving the following objectives:</p> <ul style="list-style-type: none"> <li>▪ The overall objective is to contribute to the prevention and control of money laundering and terrorist financing in the Russian Federation in accordance with European and other international standards and best practices</li> <li>▪ The direct objective is to enhance the human capacities of key institutions of the anti-money laundering system of the Russian Federation (Rosfinmonitoring, judiciary, prosecution, law enforcement and financial sector). This includes the improvement of the legislative basis on which these institutions operate.</li> </ul>
Activities and results in 2007	<p>In view of Output 1 (Legislation of the Russian Federation compliant with all applicable European and international standards; the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism applied in practice), the following activities were carried out in 2007:</p> <ul style="list-style-type: none"> <li>▪ Working conference on the main issues of the AML/CFT policy in the Russian Federation – MOLI–RU–2 Project</li> <li>▪ Legal working group meeting</li> <li>▪ Seminar of criminal assets confiscation systems in the European countries</li> </ul> <p>In view of Output 2 (Rosfinmonitoring training strategy elaborated and implemented), the following activities were carried out in 2007:</p> <ul style="list-style-type: none"> <li>▪ Round Table on important issues of personal training in financial monitoring qualification</li> <li>▪ Seminar on international AML/CFT standards for the heads and other competent representatives of the Central Federal District</li> <li>▪ Study visit of the Russian AML/CFT professionals to the Austrian FIU</li> <li>▪ Study visit of the Russian AML/CFT professionals to the Czech FIU</li> </ul> <p>With regard to Output 3 (AML/CFT Training Centre further developed) no activities took place in 2007.</p> <p>In view of Output 4 (law enforcement agencies, and in particular the Ministry of Interior and Federal Security Service as well as prosecutors and judges, have their training plans in investigating and dealing with money laundering and terrorist financing cases and are able to implement them) and Output 5 (regulators and supervisors of the financial and legal services sector supported in elaborating and implementing training plans in countering money laundering and terrorist financing including national legislation and international standards and best practices), the following activities were carried out in 2007:</p>

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- Seminar on international AML/CFT standards for the law enforcement agencies, regulators and supervisors of financial services as well as heads of the Interregional offices of Rosfinmonitoring
  - Seminar for judges on criminal proceedings in money laundering and terrorist financing cases
  - Seminar for the Regional structures of law enforcement and regulatory bodies, Rosfinmonitoring Interregional office and for the reporting organizations at the North West District
  - Seminar for the Regional structures of law enforcement and regulatory bodies, Rosfinmonitoring Interregional office and for the reporting organizations at The Siberian Federal District
  - Seminar for the Regional structures of law enforcement and regulatory bodies, Rosfinmonitoring Interregional office and for the reporting organizations at the South Federal District
  - Seminar for the Regional structures of law enforcement and regulatory bodies, Rosfinmonitoring Interregional office and for the reporting organizations at Privolzhsky Federal District

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Assessment and follow up

The project will have a duration of three and a half years. Activities in 2007 were thus designed to set the ground for more comprehensive work in 2008 and 2009. Achievements in 2007 show that the project is on track. Intermediate training was provided to law enforcement agencies, financial monitoring specialists and obliged institutions which will enable them to take active part in the development of detailed training plans and strategies. Study visits served the same purpose but their added value was also the possibility of direct discussions with foreign partners on day-to-day cooperation which led to positive conclusions on how to make this co-operation even more effective. The work of the legal group had been initiated under the previous MOLI project and is continuing under MOLI-RU 2 with the legislative review. Activities in 2008 will focus on the preparation and delivery of the training plans/strategies for relevant sectors.

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## 2.8 Ukraine – Project against Money Laundering and the Financing of Terrorism (Moli-Ua 2)

Project title	Follow-up Project against Money Laundering and Terrorist Financing in Ukraine (MOLI-UA 2)
Project partner	State Committee for Financial Monitoring of Ukraine (SCFM)
Funding	European Commission (TACIS Regional Co-operation Programme)
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Budget	€ 5 300 000
Duration	36 months (1 May 2006 – 30 April 2009)
Objectives	<p>The project contributes to the prevention and control of money laundering and terrorist financing in Ukraine in accordance with the European and other international standards and best practices and its specific objectives are:</p> <ol style="list-style-type: none"> <li>1. To make Ukraine's legislation compliant with the 3<sup>rd</sup> EU Directive on the Prevention of the Use of the Financial System for the Purposes of Money Laundering or Terrorist Financing, and the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism</li> <li>2. To enhance the human capacities of key institutions of the anti-money laundering system of Ukraine (State Committee for Financial Monitoring, law enforcement agencies and judiciary and financial sector regulators/supervisors)</li> <li>3. To develop the organisational and technical infrastructure of the anti-money laundering and counter terrorist financing system.</li> </ol>
Activities and results in 2007	<p>In 2007 the implementation of this project has achieved the following results:</p> <ul style="list-style-type: none"> <li>▪ Elaboration of draft amendments to relevant legislation prepared in line with the 3<sup>rd</sup> EU Directive and the Council of Europe Convention CETS 198</li> <li>▪ Initiation of elaboration of training strategies for the FIU, financial sector, law enforcement agencies and the judiciary</li> <li>▪ Provision of training to 200 AML/CFT professional of Ukraine, both in the country and abroad</li> <li>▪ Completion of tender procedures to procure IT equipment, software and furniture for the regional offices of the SCFM and for the National Training Centre of the SCFM and its three branches.</li> </ul> <p>The following activities in 2007 helped produce these results:</p> <ul style="list-style-type: none"> <li>▪ Seminar on AML/CFT strategies in Ukraine (21325)</li> <li>▪ Seminar on the risk assessment approach for the financial markets regulators (21326)</li> <li>▪ Conference on the AML/CFT training strategies in Ukraine (21124)</li> <li>▪ Conference on AML/CFT legislation (21324)</li> <li>▪ Round tables on AML/CFT legislation (17762)</li> <li>▪ Interagency study visit to Cyprus (20794)</li> <li>▪ Experts meeting on IT issues (20724)</li> <li>▪ Publication of a AML/CFT handbook for the SCFM (21002)</li> <li>▪ Initiation of procurement procedure for the IT equipment for the SCFM and its regional offices (20707)</li> <li>▪ Initiation of procurement procedure for software for the Single Information System (20708 )</li> <li>▪ Initiation of procurement procedure for IT equipment for the INTC (20706)</li> <li>▪ Participation of the AML/CFT professionals from Ukraine in a training</li> </ul>

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- course on combating terrorist financing (Giessbach, Switzerland) (20227)
  - Publication of a handbook "Countering the legalisation of proceeds of crime and the terrorist financing" in Ukrainian language for the SCFM (20574)
  - Training for financial analysts (19991)
  - Interagency study visit to Spain – E-learning institute ATOS (19304)
  - AML/CFT training seminar for legislation drafters (19302)
  - Legal working group meeting – drafting amendment to the AML/CFT legislation (17760)
  - AML/CFT training seminar for prosecutors (18919)
  - English courses for the SCFM (19450)
  - Participation of the financial sector professionals of Ukraine in a seminar "Prevention of money laundering – a practical approach" organised by the Financial Technology Transfer Agency (ATTF) (19092)
  - Interagency study visit to Belgium (18884)
  - E-learning working group meeting (19052)
  - Meeting of the team leaders of the projects implemented by the COE in Ukraine (19051)
  - Printing and copying services for the MOLI-UA-2 project (18807)
  - Preparation of final technical specifications for the development of IT platform for the e-learning system (18924)
  - Preparation of a comparative analysis on the best practices in application of "fit and proper" standards (FATF No 23) in the banking, insurance and securities sectors in Europe on the examples of at least 4 European countries (18920 )
  - Preparation of practical guidelines for the Ukrainian authorities regarding the effective implementation of the United Nations Security Council Resolutions on terrorism (18921)
  - Preparation of final technical specifications for the development of IT infrastructure of the NITC (18922)
  - Preparation of final technical specifications for the development of IT infrastructure of the regional offices of the SCFM (18923)
  - Preparation of the final concept of the e-learning system including its content and methodology (18925)
  - Study visit to the "Instytut Maszyn Matematycznych" and Warsaw School of Economics for members of the e-learning working group (18429)
  - AML/CFT training course for banks (18504)
  - Follow-up analysis of the AML/CFT legislation of Ukraine (17759)
  - Meeting of the Working Group for E-learning (18400)
  - Workshop: Presentation of proposals for the development of IT infrastructure of the SDFM regional offices (18399)
  - Preparation of specific proposals for the development of IT infrastructure of the NITC (17757)
  - Preparation of specific proposals for the development of IT infrastructure of the SCFM regional offices (17756)
  - Follow-up meeting on the preparation of technical specification to create the e-learning system (17755)
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Assessment and follow up

The project impact to date can be summarised as follows:

The project delivered its activities through working groups composed of local professionals and COE international experts. This helped mobilise local beneficiaries to proactively participate in the delivery of results. This also helped enhance cooperation between different actors of the legislative process and between many different training institutions delivering AML/CFT courses.

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Through the activities of the legal working groups draft amendments to the AML law have been prepared taking on board the provisions of the Warsaw Convention (CETS 198) and the 3<sup>rd</sup> EU Directive on AML/CFT. These had gone through all procedures to the Parliament and was finally adopted in June 2007. However, due to the previous dismissal of the Parliament the adoption was not legitimate. The parliamentary procedure will therefore need to start again. This will allow the working group to reintroduce certain provision and redraft the text.

The working group on E-learning prepared the concept of the future e-learning system of the SCFM. The content of the course is being elaborated so that the whole system can be put in place in 2008.

The IT working group has prepared 4 detailed specifications of the equipment to be purchased. Tenders have been announced and the procurement will be finalised in early 2008.

A number of training activities helped identify trainers who will be able to run training courses in the main AML/CFT sectors.

Activities in 2008 will be organised along the following priorities:

- completion of Output 1 (legal working group, legal opinions, high level conference)
  - start-up of the working group for national training strategy with the aim of completing the strategy by mid 2008
  - completion of the most urgent procurements, preparation of further procurement plans and specifications
  - further assistance to the INTC
  - detailed needs analysis for the extension of the Single Information System.
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## 2.9 PACO Serbia Project against Economic Crime

Title	Project against Economic Crime in the Republic of Serbia (Serbia and Montenegro)
Project area	Criminal justice, money laundering and terrorist financing, cybercrime
Budget	€ 1 578 200
Funding	European Agency for Reconstruction
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	24 months (December 2005 – May 2008)
Objectives	<ol style="list-style-type: none"> <li>1. To strengthen the institutional and legislative framework for preventing and combating economic crime (including money laundering, terrorist financing and cyber crime) and its effective implementation</li> <li>2. To increase the human and infrastructural capacities of institutions involved in detection and prevention of money laundering and terrorist financing</li> <li>3. To increase the capacities of institutions involved in detection and prevention of cyber crime</li> </ol>
Activities and results in 2007	<p>Legislative proposals available to improve the institutional system and the structure of the criminal justice and law enforcement bodies:</p> <ul style="list-style-type: none"> <li>▪ 1<sup>st</sup> Working Group meeting to prepare the draft law on AML/CTF (Becej, 22-25/05/07)</li> <li>▪ 2<sup>nd</sup> Working Group meeting to prepare the draft law on AML/CTF (Fruska Gora, 2-7/07/07)</li> <li>▪ 3<sup>rd</sup> Working Group meeting to prepare the draft law on AML/CTF (Fruska Gora, 27-31/08/07)</li> <li>▪ Expet Roundtable on the harmonisation of the Serbian CC and CPC with international standards on corruption (Belgrade, 11/10/07)</li> <li>▪ Expet Roundtable on the harmonisation of the Serbian CC and CPC with international standards on money laundering, terrorist financing, search, seizure and confiscation of proceeds from crime (Belgrade, 24/10/07)</li> <li>▪ Expet Roundtable on the harmonisation of the Serbian CC and CPC with international standards on cybercrime (Belgrade, 05/11/07)</li> <li>▪ Expert Roundtable on the draft law on Anti Money Laundering and Countering Terrorist Financing (Belgrade, 20/11/07)</li> </ul> <p>Human and infrastructural capacities of institutions detecting and preventing money laundering and terrorist financing increased:</p> <ul style="list-style-type: none"> <li>▪ Assessment mission on IT needs for the FIU (Belgrade, 9/02/07)</li> <li>▪ 4<sup>th</sup> Topical Workshop on AML/CTF (Palic Lake, 12-13/02/07)</li> <li>▪ 5<sup>th</sup> Topical Workshop on AML/CTF (Novi Sad, 26-27/02/07)</li> <li>▪ 6<sup>th</sup> Topical Workshop on AML/CTF (Belgrade, 28-29/03/07)</li> <li>▪ 1<sup>st</sup> Risk based approach training for financial institutions on terrorist financing and detection of suspicious transactions (Belgrade, 19-20/02/07)</li> <li>▪ Finalisation of the report on IT needs for the FIU and preparation of the documents for the CoE Tender Board</li> <li>▪ 2<sup>nd</sup> Risk based approach training for financial institutions on terrorist financing and detection of suspicious transactions (Belgrade, 13-14/06/07)</li> <li>▪ Participation of a Serbian delegation to the International training seminar on Combating Terrorist Financing (Giessbach, 15-17/10/07)</li> </ul>

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- Delivery of IT equipment to the FIU (Belgrade, 30/11/07)

Capacities of institutions involved in detecting and preventing cybercrime increased:

- Study visit to the Crown Prosecution Services (London, 21-26/01/07)
- 5<sup>th</sup> Topical Workshop on Cybercrime (Belgrade, 23/02/07) CEAD 17848
- Regional conference on Cybercrime (Belgrade, 19-21/03/07)
- Translation of the Explanatory Report of the Additional Protocol to the Cybercrime Convention
- Participation of Serbian experts to the Octopus Conference on Cybercrime (Strasbourg, 11-12/06/07)
- 1<sup>st</sup> meeting of the working group to prepare the manual tool for investigating cybercrime (Belgrade, 03/07/07)
- Expert Roundtable on the draft national AML/CTF Strategy (Belgrade, 09/07/07)
- 1<sup>st</sup> technical workshop on cybercrime (Belgrade, 3-7/09/07)
- 2<sup>nd</sup> technical workshop on cybercrime (Belgrade, 17-21/09/07)
- 2<sup>nd</sup> meeting of the working group to prepare the manual tool for investigating cybercrime (Belgrade, 18/09/07)
- 3<sup>rd</sup> meeting of the working group to prepare the manual tool for investigating cybercrime (Belgrade, 25/09/07)
- 4<sup>th</sup> meeting of the working group to prepare the manual tool for investigating cybercrime (Belgrade, 19/11/07)

#### Miscellaneous

- Steering Group Meeting (Belgrade, 19/06/07)
- Steering Group Meeting (Belgrade, 10/12/07)

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#### Assessment and follow up

During the year 2007, and despite a difficult political situation, the project deployed its full capacities on the 3 objectives and significantly supported the Serbian authorities (particularly the Ministry of Justice and the Financial Intelligence Unit) to improve their capacities (institutional and operational) and legislation to address economic crime. Practitioners from the judiciary and specialised institutions were provided with additional training and tools in the fields of cybercrime, money-laundering and terrorism financing. The project built also on the local expertise available to implement activities which will ensure the sustainability of the results achieved on the long term. It is up to the Serbian authorities in 2008 to ensure the full transcription of international standards and best practices into legal provisions and practice. The political situation which slowed down some reforms and had an impact on the organisation of several activities, as well as the progress made in 2006 and 2007 – and the positive assessment made by EAR – led to an extension of the project until 31 May 2008. This will allow to further consolidate the process especially on the legislative side.

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## 2.10 Ukraine – International Cooperation (UPIC)

Title	Ukraine - International Cooperation in Criminal Matters (UPIC)
Project area	Ukraine
Budget	€ 1 680 000
Funding	European Commission/Council of Europe
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	36 months (1 December 2005 – 30 November 2008)
Objectives	<p>Overall objective: To strengthen the capacities of Ukraine to fully implement European treaties on cooperation in criminal matters</p> <p>Project objectives:</p> <ol style="list-style-type: none"> <li>1. To strengthen the legal basis for international cooperation in criminal matters</li> <li>2. To strengthen the human and institutional capacities of the Ministry of Justice and the Prosecution Service for international cooperation in criminal matters</li> <li>3. To promote networking and direct contacts between Ukrainian Ministry of Justice officials and prosecutors with those of neighbouring countries and other European countries</li> </ol>
Activities and results in 2007	<p>In terms of Project objective 1 (to strengthen the legal basis for international cooperation in criminal matters), with the support of the project:</p> <ul style="list-style-type: none"> <li>▪ a legislative workshop on the Second Additional Protocol to the Convention on Mutual Assistance in Criminal matters was held in March 2007. The Draft Law for ratification of this instrument was analysed, comparison was made between the articles as drafted and as specified in the Second Protocol and suggestions were given for further improvement. The adoption and the Law and ratification of the Protocol is pending the outcome of the drafting process of the new Criminal Procedure Code, or possibly a drafting of a free standing law on international cooperation</li> <li>▪ a legislative workshop on the Council of Europe Convention on Action Against Trafficking in Human Beings was held in May 2007 on the basis of a detailed analysis of the draft law for ratification. The adoption of the law and ratification of the Convention are pending the resolution of a disagreement between the Ministry of Transport and Ministry of Justice.</li> </ul> <p>In terms of expected Output 2.1 (systems for efficient registration and follow up to requests for assistance established at the Ministry of Justice and Office of the Prosecutor's General) with the support of project:</p> <ul style="list-style-type: none"> <li>▪ a tender was prepared for the development of a software application for registrations systems in the Ministry of Justice and Office of the Prosecutors General, which would enable electronic processing of incoming request for mutual legal assistance, creation of data base and access from all the regional offices of the Ministry of Justice and Office of the Prosecutors general. Following this, a tender for procurement of hardware for each office, central and regional of the Ministry of Justice and Office of the Prosecutors General, will be launched.</li> </ul> <p>In terms of expected Output 2.2 (40 Ministry of Justice Officials and up to 40 prosecutors trained) with the support of project:</p>

- in May 2007, a national training seminar took place in Kyiv on human rights and judicial cooperation with 80 participants
- Language courses in English and French for the academic year 2006/2007 were completed in June 2007. The total number of judiciary officials and prosecutors, from 19 administrative divisions, was 41
- The language course in English and French for the academic year 2007/2008 began in October 2007. The total number of judiciary officials and prosecutors who are enrolled is 66, out of which 15 are from central offices of the Ministry of Justice and Office of the prosecutors General in Kyiv.

In terms of expected Output 2.3 (cooperation at the national level enhanced between the Ministry of Justice, the Office of the Prosecutor's General, Courts and the Ministry of Interior through joint training and a common website and cooperation manual) with the support of the project:

- a working group was established, chaired by the project's National Legal Expert, and began its work on preparing the text for the cooperation manual and for the web site. The completion and distribution of cooperation manual is foreseen by September 2008
- study visits for the officials from the Ministry of Justice, the Office of the Prosecutors General, Ministry of Interior and Courts to benefit from the experience of the other European countries in judicial cooperation and in particular on view of the roles and responsibilities of different bodies in the judicial cooperation chain were organised to Spain (March 2007) and the United Kingdom took (October 2007).

In terms of expected Output 3.1 (direct cooperation strengthened and experience exchanged with up to ten other European countries) with the support of project:

- in February 2007 an international conference of cooperation regarding the provisions of the Council of Europe Convention on Cybercrime took place Kyiv. Delegations from Estonia, Latvia, Lithuania, Russian Federation and Ukraine took part, while the experts were drawn from Italy, France, the Netherlands and Romania. The total number of participants was 68
- in November 2007 an international conference on extradition took place in Kyiv. Delegations from Check Republic, Georgia, Germany, Israel, Moldova, Portugal, Russian Federation, Turkey, United Kingdom and Ukraine were present, as well as the representatives from UNHCR from Geneva and NGOs. The Conference gave opportunity to delegations to hold bilateral meetings with the Ukrainian authorities. A special focus was on how the asylum and refugee status can affect extradition.

Assessment and follow up

In 2007 most achievements were related to strengthening the human and institutional capacities of the Ministry of Justice and Offices of the Prosecutors General, although some other institutions benefited to a smaller extent from the project training seminars, international conferences and study visits. Due to the non-availability of draft legislation which is a subject to review of the project, a number of legislative workshops had to be postponed to 2008.

The biggest task for Project Team in 2008 is a follow up of registration system and publication of cooperation manual.

The number of training seminar and study visits is expected to be increased.

## 2.11 Ukraine – Project against Corruption (UPAC)

Title	Ukraine – Support to Good governance: project against corruption (UPAC)
Project area	Ukraine
Budget	€ 1 750 000
Funding	European Commission/Council of Europe
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	36 months (8 June 2006 – 7 June 2009)
Objectives	<p>Overall objective: To contribute to the prevention and control of corruption so that it no longer undermines the confidence of the public in the political and judicial system, democracy, the rule of law and economic and social development in Ukraine.</p> <p>Project objectives:</p> <ol style="list-style-type: none"> <li>1. To improve the strategic and institutional framework against corruption</li> <li>2. To enhance capacities for the prevention of corruption</li> <li>3. To strengthen the anti-corruption legal framework and effective and impartial enforcement of the criminal legislation on corruption</li> </ol>
Activities and results in 2007	<p>In terms of expected Output 1.1 (Anti-corruption strategy and action plan available) with the support of the project:</p> <ul style="list-style-type: none"> <li>▪ the expert opinion was prepared on the Draft Anti-corruption Action Plan by the Council of Europe Experts and submitted to the Ministry of Justice of Ukraine in June 2007. The Action Plan was subsequently adopted in August 2007, taking into account only a part of recommendations from the expert opinion</li> <li>▪ the methodology for corruption situation survey and questionnaire was discussed and finalised at the second brainstorming meeting organised in Kyiv in February 2007, at which international experts and representatives of stake holders institutions participated.</li> </ul> <p>In terms of expected Output 1.2 (effective monitoring, co-ordination and management of anti-corruption measures ensured), with the support of the project:</p> <ul style="list-style-type: none"> <li>▪ in March 2007 three Ukrainian experts participated at the Regional Seminar on Criminalisation of Corruption in Almaty, Kazakhstan</li> </ul> <p>In terms of expected Output 2.1 (anti-corruption concerns incorporated into process of public administration reform (“anti-corruption mainstreaming”)), with the support of the project:</p> <ul style="list-style-type: none"> <li>▪ in August 2007 an Expert opinion on the draft law on the Code of Ethics for Persons Authorised to perform State Functions was prepared by Council of Europe experts and submitted to the Main Civil Service Department of Ukraine. The experts found the Draft law to be to a large extent in line with relevant European standards.</li> </ul> <p>In terms of Output 2.5 (capacities enhanced at the level of local and regional authorities for the prevention of corruption and strengthening of integrity), with the support of the project:</p> <ul style="list-style-type: none"> <li>▪ in March 2007 the first Steering Group meeting was organised in Kyiv</li> </ul>

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where the plan of action for realisation of project was approved. They also revised the National Handbook and adopted the National Card for the benchmarking exercise

- In May 2007 a first round of self assessment, peer review visit took place in Vinnitsiya. The Code of Ethics of Vinnitsiya was studied, and its implementation in the municipality observed and experiences exchanged between the representatives of other towns and the experts
- In September 2007, a national training seminar on public ethics benchmarking took place in Kyiv.

In terms of expected Output 2.6 (public participation in the anti-corruption effort promoted), with the support of the project:

- in January 2007 the Terms of Reference for a grant programme to support civil society capacity to fight corruption was prepared by the Project Team Leader and submitted to the European Commission.

In terms of expected Output 3.1 (Draft laws available to improve the prevention and control of corruption in accordance with the CoE Criminal and Civil Law conventions on corruption, the UN Convention against corruption and other relevant international legal instruments), with the support of the project:

- In January 2007, an expert opinion on the draft law on the introduction of changes to certain legal acts regarding liability for corruption offences was provided by the Council of Europe Experts and made available to Ukrainian institutions
- two roundtable discussions were held with the Standing Committee on Organised Crime and Corruption of the Verkhovna Rada in January 2007, discussing the Anti-corruption Draft Laws (Draft law on Responsibility of Legal Persons for Corruption Offences, Draft Law on Principles of prevention and counteraction of corruption and Draft Law on the introduction of changes to certain legal acts regarding liability for corruption offences)
- In May 2007 an expert opinion was prepared by the Council of Europe experts on Draft Concept of the Reform of Criminal Justice and Law Enforcement Agencies in line with European anti-corruption standards. The expert opinion was submitted to the National Commission for the Strengthening of Democracy and the Rule of Law, which has been in charge of drafting the concept.

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Assessment and follow up

Political developments in Ukraine in 2007 slowed down the implementation of project activities.

However, a Steering Group – held after the elections in November 2007 – resulted in a revised work plan with an intensive programme of activities for 2008.

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## 2.12 Turkey – Project on Ethics for the Prevention of Corruption

Title	Ethics for the Prevention of Corruption in Turkey
Project area	Turkey
Budget	€ 1 500 000
Funding	EC/CoE
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	24 months (1 October 2007– 30 September 2009)
Objectives	Overall objective: The prevention of corruption in Turkey in accordance with European and other international standards Specific objective: To ensure the effective implementation of the Code of Ethics for public officials and the adoption of such codes by other categories of officials
Expected results	Expected results of this project are: <ol style="list-style-type: none"> <li>1. The staff of the Council of Ethics are trained and have the necessary working tools and procedures to better exercise their mandate;</li> <li>2. A training package is available to support the application of the code of ethics for public officials;</li> <li>3. At least 10 trainers have been trained and are able to deliver ethics training;</li> <li>4. The governors, deputy governors, district governors and members of ethics commissions of the 81 provinces have been trained in the application of the code of ethics for public officials;</li> <li>5. Officials of central institutions and organisations responsible for ethics (members of the ethics commissions and senior managers) have been trained in the application of the code of ethics for public officials;</li> <li>6. At least 10 research studies are available on the risks of corruption in relation also to unethical behaviour and have been discussed in public;</li> <li>7. The development and implementation of the codes of conduct for elected office holders and the judiciary will have been supported;</li> <li>8. The effectiveness of codes of conduct and other anti-corruption measures in Turkey will have been evaluated and recommendations for future prevention strategies are available;</li> <li>9. Coordination of measures to promote ethics with other anti-corruption measures in Turkey ensured</li> </ol>
Assessment and follow up	The project started on 1 October 2007 with an inception phase. The in-country mission of the project management team to discuss the project outputs with counterparts and select Local Project Officer was conducted on 5 to 7 December 2007. The start-up workshops for the preparation of the detailed workplan and identification of the short term experts have been scheduled for 21, 23 and 24 January 2008. The start up conference is due to be held on 8 February 2008.

## 2.13 Georgia – Support to the Anti–corruption Strategy of Georgia (GEPAC)

Title	Support to the Anti–corruption Strategy of Georgia (GEPAC)
Project area	Georgia
Budget	€ 700 000
Funding	The Netherlands (Ministry for Development Cooperation)
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	24 months (1 September 2007 – 31 August 2009)
Objectives	<ol style="list-style-type: none"> <li>1. Overall objective: To contribute to democracy and the rule of law through the prevention and control of corruption in Georgia in accordance with European and other international standards as well as GRECO recommendations</li> <li>2. Specific project objective: To support the implementation of Georgia’s Anti–corruption Strategy and Action Plan</li> </ol>
Expected results	<p>Expected results of this project under each of the five objectives are:</p> <ul style="list-style-type: none"> <li>▪ Update the existing Anti–corruption Strategy and Action Plan so that they reflect and include policy actions to implement all GRECO recommendations made in the report of the Second Round of Evaluation and in the OECD/ACN Monitoring Reports</li> <li>▪ Elaborate anti–corruption and economic crime related draft amendments which comply with international and European standards and/or best practices and submitted to the government of Georgia</li> <li>▪ Provide support and advice on policy design for the establishment of a specialised anti–corruption structure/unit</li> <li>▪ Provide results of two corruption perception and attitude survey</li> <li>▪ Organise a National Anti–corruption Conference in cooperation with the Office of the State Minister on Reforms Coordination, and monitor and review the implementation of the Action Plan</li> <li>▪ Increase the number of investigations/prosecutions of high–level corruption</li> <li>▪ Established corruption–prevention plans</li> </ul>
Assessment and follow up	<p>The project started on 1 September 2007 with an inception phase. A working meeting with representatives of the Office of the State Minister on Reforms Coordination and one international expert was organised on 16–18 October 2007 in Strasbourg in order to prepare the project’s Workplan and discuss key organisational and logistics issues related to the implementation of the project.</p> <p>The Workplan was then presented and approved at the project’s Start–up Event on 26 October in Tbilisi. As a result, a calendar of activities was defined, taking into consideration the Workplan, as well as the political context in Georgia. Three National Long–term Advisers and one Local Project Officer, based in Tbilisi, were selected.</p>

## 2.14 Azerbaijan – Support to the Anti–corruption Strategy (AZPAC)

Title	Support to the Anti–corruption Strategy of Azerbaijan (AZPAC)
Project area	Azerbaijan
Budget	US\$ 800 000
Funding	USAID
Implementation	Economic Crime Division (Directorate General of Human Rights and Legal Affairs, Council of Europe)
Duration	24 months (30 September 2007 – 30 September 2009)
Objectives	<p>Overall objective: To contribute to democracy and the rule of law through the prevention and control of corruption in Azerbaijan in accordance with European and other international standards and GRECO and MONEYVAL recommendations</p> <p>Project objective: To enhance the implementation of GRECO and MONEYVAL recommendations and compliance with European and international anti–corruption standards</p>
Expected results	<p>The project started on 30 September 2007 with an inception phase. Expected results of this project are:</p> <ul style="list-style-type: none"> <li>▪ A new anti–corruption strategy and action plan elaborated with an emphasis on monitoring and implementation and medium–term preventive reforms</li> <li>▪ Relevant draft provisions and regulations elaborated and submitted to Parliament</li> <li>▪ Institutional capacities, reporting and cooperation at the national and international levels improved within AML/CFT system, in light of European and international standards and MONEYVAL recommendations.</li> <li>▪ Specific corruption–prevention measures improved.</li> </ul>
Assessment and follow up	<p>The project started on 30 September 2007 with an inception phase. The in–country mission of the project management team to discuss the project outputs with counterparts, draft the workplan and select Local Project Officer was conducted on 19 to 22 November 2007.</p> <p>The start up conference was held on 10 December 2007.</p>

## 3 Analysis and conclusions

### 3.1 Coverage

In 2007, some 250 activities were carried out under different programmes and projects against economic crime. In terms of topics, the focus was on:

- corruption (in particular on the implementation of anti-corruption strategies and follow up to GRECO recommendations)
- money laundering and financing of terrorism (creation of efficient systems against money laundering and terrorist financing and follow up to MONEYVAL recommendations)
- cybercrime (in view of globally implementing the Convention on Cybercrime and its Protocol on xenophobia and racism)
- financial investigations (aimed at the confiscation of proceeds from crime) and
- international cooperation in criminal matters (in view of fostering judicial and law enforcement cooperation at European and international level).

2007 saw a major expansion of coverage in geographical terms: new multi-year anti-corruption projects were finally launched in Azerbaijan, Georgia and Turkey where only few activities of this nature were possible in the past due to resource constraints. Through the Project on Cybercrime, cooperation was extended to all regions of the world and significant progress was made in terms of improving the legislation in Africa, Asia and the Americas.

In 2007, the Council of Europe cooperated with a large number of other organisations, initiatives and partners in connection with technical cooperation activities, including the United Nations, the OSCE, the OECD, Europol, Interpol and many others. The European Commission remained a very important partner and provided considerable funding which permitted the implementation of a wide range of activities in pursuance of common objectives. Cooperation with other partners and stakeholders was particularly prolific in the field of cybercrime where a strong relationship was also developed with the private sector.

### 3.2 Results and impact

The Declaration and the Action Plan adopted at the 3<sup>rd</sup> Summit of Heads of State and Government (Warsaw, May 2005) tasked the Council of Europe to undertake specific measures against corruption, organised crime, money laundering, cybercrime, trafficking in human beings and other forms of serious crime. These include technical cooperation programmes. The activities in 2007 showed again that important and sustainable results have been achieved with an impact at institutional, legislative and operational levels:

#### Corruption

1. Technical cooperation projects implemented by the Council of Europe contributed to the finalisation, adoption and implementation of anti-corruption strategies and follow up to GRECO recommendations in 2007. For example:
  - Successful implementation of the anti-corruption strategy of Moldova. This includes: Risk assessments launched at the judiciary, equipment procured for the prevention department of the Centre for Combating Economic Crime and Corruption, and anti-corruption prosecutors trained
  - Anti-corruption action plans finalised and adopted by the Governments in Ukraine, Azerbaijan and Georgia.



2. Projects supported legislative reforms and helped countries make progress towards meeting international standards. For example:
  - In 2007, Moldova ratified the UN Convention against Corruption and the Additional Protocol to the Criminal Law Convention on Corruption
  - Advice was provided on the draft laws on political parties, conflict of interest and ethics in Moldova, Georgia, and Azerbaijan
  - Legislative analyses prepared for Ukraine on the draft law on the liability of legal persons, prevention and countering of corruption, code of conduct, and the draft anti-corruption action plan
  - Legislative analyses were provided with regard to the legal anti-corruption framework, code of ethics, civil service and declaration of assets and anti-corruption law in Kosovo (Serbia)
  - Assessment and expert review has been provided with regard to the legislation related to financing of political parties and electoral campaigns in Armenia
  - Regional training for legal drafters and law enforcement officers was organised on issues related to criminal liability for legal persons and legal drafting and implementation of treaty law into domestic law in Kazakhstan.
  
3. Countries were supported in the development of preventive measures. For example:
  - The Russian Federation was assisted in defining its course of action with regard to the prevention of corruption in the legislative process, as well as in the health and education sector and in relation to public procurement, the development of anti-corruption legislation, and the establishment of specialised anti-corruption services
  - Methodologies for the prevention of corruption in the legislative process were prepared in the Russian Federation and Moldova.
  
4. Three new anti-corruption projects were developed and launched in Azerbaijan, Georgia and Turkey. In this connection, almost 3 million Euros in voluntary contributions were mobilised, including for the first time from the United States Agency for International Development (USAID).

#### **Money laundering and financing of terrorism**

5. Projects implemented by the Council of Europe helped a number of countries establish systems against money laundering and the financing of terrorism in accordance with international standards and MONEYVAL recommendations. For example:
  - Systems against money laundering and the financing of terrorism were considerably strengthened in the Russian Federation, Serbia and Ukraine due to strong support provided by projects implemented by the Council of Europe. This is reflected in Moneyval reports. Progress is being made also in Moldova
  - In all these countries, legislative amendments are well underway with project support to implement Convention CETS 198 on money laundering and terrorist financing
  - Project support led to the adoption by governments of national strategies against money laundering and terrorist financing in Moldova and Serbia
  - IT equipment and software is being procured for the financial intelligence units of Serbia, Ukraine and Moldova
  - Staff of financial intelligence units, law enforcement, regulators, financial sector, prosecution and judiciary was trained in the application of legislation against money laundering and financing of terrorism and the confiscation of proceeds from crime in Moldova, Russia, Serbia and Ukraine.

## **Cybercrime**

6. The Project on Cybercrime was instrumental in establishing the Convention on Cybercrime as the primary reference standard for cybercrime legislation globally. For example:
  - The implementation of the Convention was promoted in some 150 countries
  - Legislative reforms are underway – with project support and specific reference to the Convention – in Argentina, Brazil, Colombia, Egypt, India, Indonesia, Nigeria, Pakistan, Philippines, Serbia and a number of other countries
  - The Convention has been recognised by international organisations such as Interpol, Europol, the European Union and the European Commission, the Organisation of American States, Asia Pacific Economic Cooperation, G8, the United Nations Office on Drugs and Crime and others and at numerous high-level events such as the Internet Governance Forum and the London Action Plan Conference
  - The Convention also received strong support from the private sector (in particular Microsoft) and other initiatives such as the Anti-Phishing Working Group, POLCYB (Society for the Policing of Cyberspace) or ICCYBER (International Conference On Cyber Crimes Investigation).
7. The Project on Cybercrime contributed to the strengthening of capacities for the investigation, prosecution and adjudication of cybercrime. For example several hundred police officers, prosecutors and judges all over the world received training in the application of cybercrime legislation and the provisions of the Convention on Cybercrime.
8. International cooperation against cybercrime was promoted, among other things through the strengthening of 24/7 points of contact and of regional cooperation among countries of eastern Europe and south-eastern Europe. The Octopus Interface Conference in June 2007 provided a major platform for global cooperation among key public and private stakeholders.

## **Organised crime and other forms of serious crime**

9. Capacities for crime analysis, financial investigations aimed at the proceeds from crime and international cooperation were strengthened. For example:
  - In south-eastern Europe several hundred of police officers, judges and prosecutors were trained, a practical manual for financial investigators was prepared and widely distributed and a regional memorandum of understanding on cooperation in financial investigations was signed by the chiefs of police
  - A report on the economic and organised crime situation in South-eastern Europe was published in June 2007.
  - In Ukraine the systems and mechanisms for international cooperation in criminal matters were made more efficient through legislative reforms, training and the design of an IT system for the processing of requests.
10. New projects were designed - and funding mobilised - which are expected to commence in early 2008:
  - A regional project on cooperation among prosecutors in south-eastern Europe (PROSECO) which will contribute to maintaining a strong Council of Europe involvement in this region
  - A project against the exploitation of women and children in Ukraine.

### 3.3 Resources available

The budgets of all projects against economic crime underway in 2007 amounted to some € 25 million and expenditure to over € 3.7 million in 2007. The somewhat low level of expenditure is due to projects ending in 2007 and new ones only starting in the third quarter of 2007 as well as delays in the procurement of equipment. It also shows that results were obtained in a cost-effective manner.

Approximately 10% were funded from the Council of Europe budget while the remaining 90% were funded from voluntary contributions. Most of the voluntary contributions were contributed by the European Commission, while the Netherlands, the United States Agency for International Development (USAID) and Sweden (Sida) were the main bi-lateral donors. Contributions were also received from the private sector (Microsoft) for measures against cybercrime.

The continuous increase of contributions for projects against economic crime and of spending levels in recent years is a reflection of the increasing capacity of the Council of Europe to design and implement such projects and to deliver results.

In 2007, some 45 staff and long-term advisers were involved in the management and implementation of these projects originating from 17 countries. Of these, 18 were based in Strasbourg and 27 in project countries. Only three staff were on the ordinary budget of the Council of Europe while the remaining 42 were solely funded from project budgets under fixed-term or consultant contracts. In addition, a large number of short-term consultants were employed for specific tasks.

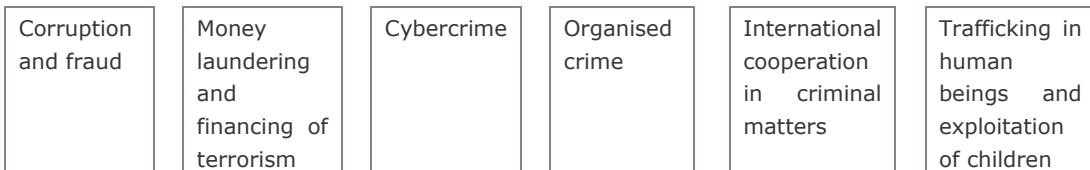
### 3.4 Conclusion and the way ahead

A critical number of projects against economic crime is underway or in the pipeline which allow the Council of Europe to further expand its activities in 2008 and thus to pursue the goals set at the 3<sup>rd</sup> Summit of Heads of State and Government.

These projects were relevant in terms of their contribution to the objectives of the Warsaw Summit Declaration and Action Plan, they provided added value through their close links to standards set by the Council of Europe and monitoring mechanism, they were effective in terms of results and achieved considerable impact. Although further efforts need to be undertaken to make internal rules and procedures more efficient and to adjust them to the needs of technical cooperation, a large number of activities was carried out in 2007.

This was only possible because of a responsive, pragmatic, pro-active and result-oriented approach. Donors continued to honour this approach and contributed substantial extra-budgetary resources for measures against economic crime in Europe and beyond.

Technical cooperation activities in 2007 focused primarily on corruption, money laundering and financing of terrorism, cybercrime and organised crime (in particular financial investigations), and one project supported international cooperation in criminal matters.



In 2008, the focus will remain the same. However, new programmes will need to be developed and funding sought in order to help countries implement the Convention on Action against Trafficking in Human Beings (ETS 197) and the new Convention on the Sexual Exploitation and Abuse of Children (ETS 201).

With regard to corruption, new projects will need to be developed and funding secured in Armenia, countries of South-eastern Europe and the Russian Federation.

Considering the results of the Octopus Interface conference on corruption and democracy in 2006, requests for assistance and the results of the 3rd round of GRECO evaluations, activities will increasingly need to focus on political corruption, including political finances, lobbying and conflicts of interest.

Additional projects need to be prepared and funding sought for measures against money laundering (including terrorist financing) in Armenia, Georgia and Azerbaijan.

With regard to cybercrime, voluntary contributions are required to permit the full implementation of the Project on Cybercrime in 2008.

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