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Project against Money Laundering in "the Former Yugoslav Republic of Macedonia"

(MOLI-MK)

– project summary –

version January 2006

Project title	Project against money laundering in "the Former Yugoslav Republic of Macedonia"
Project partner	Directorate for Money Laundering Prevention (DMLP)
Funding	European Agency for Reconstruction
Implementation	Council of Europe (Department of Crime Problems, DG Legal Affairs)
Budget	EURO 700 000
Duration	12 months (1 June 2004 – 31 March 2006)

BACKGROUND

The anti -money laundering system of "the former Yugoslav Republic of Macedonia" is not yet fully operational. Although the basic legislative foundations have been created, certain amendments and by-laws will need to be adopted to make it fully workable and compliant with international standards. The national financial intelligence unit, the Directorate for Money Laundering Prevention (DMLP), needs to be strengthened in terms of staffing, equipment and skills and expertise. Its role within the system needs to be firmly established, and cooperation with other institutions within the country and internationally needs to be improved.

The project will support the DMLP and other authorities in this effort.

The target group of the project is the anti-money laundering (AML) system of "the Former Yugoslav Republic of Macedonia" with all its participants including the DMLP, law enforcement and criminal justice bodies, financial market regulators/supervisors and reporting entities.

Project activities include legislation and policy advice, training courses/seminars, study visits, expert opinions on legislation (current and planned), and assessment of the information technology needs of the system.

While the present project focuses primarily on providing expertise and training, funding to meet additional needs, in particular in terms of equipment and software, are to be covered through a separate project for which the present project will provide the specifications.

OBJECTIVES AND EXPECTED RESULTS

Overall objective	The overall objective of the project is to contribute to the establishment of a fully functioning system to prevent money laundering and terrorism financing as well as to enable the authorities of "the Former Yugoslav Republic of Macedonia" to co-operate internationally in accordance with European and international standards and Moneyval recommendations
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Project objective	To enable the DMLP to exercise its functions in accordance with the law
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Output 1	Organisational set-up of the DMLP completed in terms of staffing, budgeting and working procedures
Output 2	Relevant legislation in line with the requirements of the new anti-money laundering law and proposals for amendments of other laws to enhance the effectiveness of the anti-money laundering system available
Output 3	System of processing, analysis and protection of information on transactions designed for the DMLP
Output 4	Effective mechanisms in place to ensure co-operation between the DMLP and law enforcement, criminal justice and regulatory authorities
Output 5	Capacity of the financial market regulators, supervisors and obliged entities to meet their obligations under the AML legislation will have increased
Output 6	Capacity of the law enforcement and criminal justice bodies to meet their obligations under the AML legislation will have increased
Output 7	Capacity of the DMLP to co-operate with the FIUs of other countries in accordance with the Egmont Group standards will have increased
Output 8	Design an automated information exchange network connecting the AML system participants.

INPUTS

The project will provide funding for:

- a long-term technical adviser, a number of short-term advisers
- in-country training events
- the preparation of training materials and guidelines
- legal opinions
- international study visits, internships and training in FIUs of other countries.

Partnerships with FIUs from a number of other European countries will ensure experience exchange and international cooperation, and facilitate the delivery of short-term inputs.

IMPLEMENTATION ARRANGEMENTS

All project activities are carried out through the DMLP (the project partner) with the support of the Council of Europe.

The Council of Europe is responsible for the implementation of the project and the use of the project funds under a contract with the European Agency for Reconstruction.

The Council of Europe makes available a project adviser and local support staff based in Skopje and working directly with the local authorities.

Within the General Secretariat of the Council of Europe in Strasbourg, the Technical Cooperation Section of the Directorate General of Legal Affairs is responsible for management, coordination and supervision of the project.

A project Steering Committee set up and headed by the Director of the DMLP monitors and guides project implementation.