

ABORDANDO EL CRIMEN ORGANIZADO: PERSPECTIVA EUROPEA

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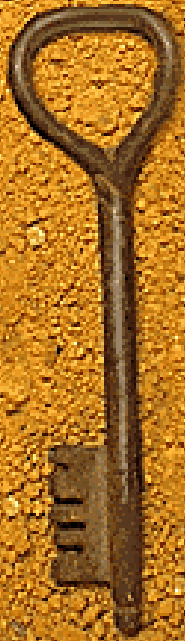
MONEY LAUNDERING AND CYBER CRIME CONVENTION

Caracas, 9 – 11 October 2001

TACKLING ORGANISED CRIME - EUROPEAN PERSPECTIVE

Klaudijo STROLIGO





PROBLEMATIC AREAS

- ◆ Smuggling of cigarettes and alcohol
- ◆ Trafficking in human beings and arms
- ◆ Corruption
- ◆ Money laundering
- ◆ Economic crime, fraud and tax crime
- ◆ Terrorism
- ◆ Others



CORRUPTION

COUNCIL OF EUROPE ACTIVITIES

◆ LEGISLATION

- Programme of action against corruption (1996)
- Resolution on the 20 guiding principles for the fight against corruption (1997)
- GRECO Agreement (1998)
- Criminal law convention on corruption (1999)
- Civil law convention on corruption (1999)
- Recommendation on codes of conduct for public officials (2000)



CORRUPTION

COUNCIL OF EUROPE ACTIVITIES

◆ LEGISLATION

- Draft Recommendation on common rules against corruption in the funding of political parties and electoral campaigns (2001?)
- Draft additional Protocol to the Criminal law convention on Corruption (2001?)

◆ MONITORING BODY

**GRECO – Group of States against Corruption
(30 States)**



CORRUPTION

COUNCIL OF EUROPE ACTIVITIES

◆ *OTHER ACTIVITIES*

1. SPAI-Stability Pact Anti-Corruption Initiative (2000)
2. SPOC-Stability Pact Initiative against Organised Crime (2000)
3. PACO-Programme against corruption and organised crime (2000)
 - 7 South East European countries
 - Assessment, monitoring and technical assistance
4. OCTOPUS: Joint EU-CE programme



MONEY LAUNDERING

EUROPEAN UNION

- ◆ **Joint Action on money laundering, the identification, tracing, freezing, seizing and confiscation of instrumentalities and the proceeds from crime (1998)**
- ◆ **Council Decision concerning arrangements for cooperation between FIU-s of the Member States in respect of exchanging information (2000)**
- ◆ **A Draft new Directive amending the EU Directive on prevention of the use of the financial system for the purpose of money laundering (2001 ?)**



NEW EU DIRECTIVE ON MONEY LAUNDERING

- ◆ extending the list of predicate offences (the activities of criminal organisations, fraud, corruption and offences which may generate substantial proceeds and which are punishable by a severe sentence of imprisonment)
- ◆ extending the number of obliged institutions (external accountants and auditors, tax advisors, real estate agents, notaries, lawyers, dealers in high-value goods and casinos)
- ◆ special identification procedure in non-face to face operations and in casinos



MONEY LAUNDERING

COUNCIL OF EUROPE

◆ Legislation:

- proposal to draft an Additional Protocol to the Convention No 141 on laundering, search, seizure and confiscation of proceeds from crime

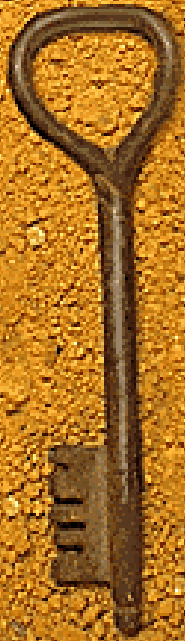
◆ Monitoring body

- PC-R-EV Committee (23 States)



PROTOCOL TO THE CE CONVENTION NO 141- IDEAS UNDER DISCUSSION

- ◆ international asset-sharing arrangements
- ◆ follow-up of obligations under the Convention
- ◆ direct co-operation between FIU-s
- ◆ definition of FIU-s
- ◆ proof of the predicate offence
- ◆ confiscation and seizure (civil forfeiture versus criminal confiscation)
- ◆ grounds for refusal – fiscal exception



PC-R-EV COMMITTEE

- ◆ established in September 1997
- ◆ evaluation of anti-money laundering measures in 23 countries
- ◆ the outstanding draft reports from the first round (Moldova, Georgia and Albania) will be adopted in December 2001
- ◆ second round of evaluation started in July 2001 (Slovenia, Cyprus and Czech Republic)



EU ROADMAP FOR COMBATING TERRORISM

- ◆ STRENGTHENING THE
LEGISLATIVE ARSENAL
- ◆ INSTITUTIONAL FRAMEWORK
- ◆ OPERATIONAL ISSUES



LEGISLATION

- ◆ Common definition of terrorism
- ◆ European arrest warrant
- ◆ Extradition conventions, the Convention on mutual assistance in criminal matters and the UN International Convention for the Suppression of the Financing of Terrorism must be signed and/or ratified as a matter of urgency
- ◆ The framework decision on the freezing of assets must be adopted in December 2001
- ◆ The adoption of a new Directive amending the EU Directive on prevention of the use of the financial system for the purpose of money laundering (till December 2001?)



INSTITUTIONAL FRAMEWORK

◆ CREATION OF EUROJUST

- cooperation body for European magistrates and police officers in the fight against organised crime
- Pro-Eurojust as a provisional unit

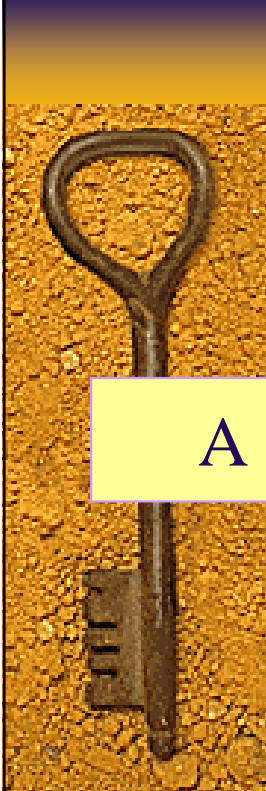
◆ EUROPOL

- European Police Office
- modification of the Convention of the Europol (enlargement of the mandate, the right for own initiative for launching inquiries, formation of joint inquiry teams, etc.)



OPERATIONAL ISSUES

- ◆ cooperation of magistrates, the police and intelligence services
- ◆ the transmission of data on terrorism to Europol
- ◆ a team of anti-terrorist experts must be formed within Europol
- ◆ better coordination between Europol, Pro-Eurojust and the Chief of Police Task Force
- ◆ Cooperation with the United States



Deputy Minister

Ministry for
Economic Affairs

30 Mio USD

14 Slovene Companies

receiving funds

A

B

C

...

O

Ministry for
Economic Affairs

Deputy Minister

30 Mio USD

14 Slovene Companies

receiving funds

A

B

C

...

O

15 Mio USD transferred to:

Company 3
Slovenia

Company 1
Florida

Company 4,
owned by Spp

Political party
Slovenia

Ministry for
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Political party
Slovenia

? \$

1 Mio USD

Bank account
Switzerland

Company 2
Bahamas

Bank in Austria
3 PERSONS

DM +
DMW

**Ministry for
Economic Affairs**

**Deputy Minister
(DM)**

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3 PERSONS**

Cash transfers in Slovenia

Inv. in real estate

Bank accounts

**Inv. in equity of a
Brokerage house**