

**ACTION PLAN FOR THE IMPLEMENTATION OF THE 2015-2019 NATIONAL STRATEGY AGAINST MONEY LAUNDRYING AND TERRORISM FINANCING**

**Strategic theme 1 - Policy, coordination and cooperation among all stakeholders mitigate the money laundering and terrorism financing risks**

<b>Objective 1.1. Develop a comprehensive understanding of money laundering (ML) risks in the Republic of Serbia</b>							<b>Priority: 1</b>
<b>Expected results:</b> Good understanding of the risks allows the competent government authorities to prioritise their efforts against the most important threats and vulnerabilities. More successful cases are expected in these areas, including both prosecution and confiscation. Good quality risk analysis will be used by the private sector and supervisors to inform their own risk assessments and prioritise their activity. The risks will be understood by all stakeholders, including the public.							
- Measure 1.1.1. Regularly update the national money laundering risk assessment (ML NRA);							Priority: 1
- Measure 1.1.2. Ensure the results of the ML NRA are presented to all stakeholders in appropriate formats so that they can apply the relevant findings and guidelines to mitigate the risks identified;							Priority: 1
<b>Measure</b>	<b>Activity</b>	<b>Risks</b>	<b>Activity timeframe and priority (P)</b>	<b>Indicator</b>	<b>Source of verification</b>	<b>Responsible authority</b>	<b>Necessary resources</b>
1.1.1. Regularly update the national money laundering risk assessment (ML NRA);	1.1.1.1. Establish a methodology to update the NRA on a biennial basis;	Lack of resources and capacities	12 months, P. 1	Update of the methodology is conducted according to the defined methodology.	Methodology to update the ML NRA developed and distributed to Standing Coordination Group (SCG) members	Standing Coordination Group (SCG)	Not required
	1.1.1.2. Update the National Risk Assessment;	Lack, inaccuracy, incompleteness, inconsistency of statistics; lack of TF NRA methodology; lack of resources and capacities	18 months, P. 1	Comparison of authorities' perception of the risks the system is exposed to and its vulnerabilities before and after the NRA risk update.	Reports on the updated NRA prepared in convenient format.	SCG	Not required
1.1.2. Ensure the results of the ML NRA are presented to all stakeholders in appropriate formats so that they can apply the relevant findings and guidelines to mitigate the risks identified;	1.1.2.1. Present relevant parts of the ML NRA reports, in appropriate formats, to all AML/CFT stakeholders;	No risks.	3 months and permanently, P. 1	Number of documents, proactive or strategic analyses or direct application in working on specific cases or application in a regional context and the extent to which they are used (in percent).	SCG report on the distribution of the updated NRA along with feedback from the relevant authorities concerning the convenience of the formats and usability of information from the updated NRA.	Administration for the Prevention of Money Laundering (APML)	Not required
	1.1.2.2. Regular mutual information sharing between the SCG members about action they have undertaken to mitigate risks found in the NRA;	Lack of resources, insufficient engagement of SCG members; failure to pass a new decision strengthening the SCG	Permanently, P. 2	Number of reports exchanged between authorities at SCG meetings and otherwise. Number of updated NRA risks and vulnerabilities mitigated or eliminated at the legislative, institutional or operational level.	SCG meeting reports	SCG	Not required

	1.1.2.3. Regularly check, in offsite and onsite inspections of obliged entities, or in any other appropriate manner, if the obliged entity has taken into consideration the NRA findings.	Non-implementation of measures 1.1.1 and 1.1.2; Assumption: Provision, by the supervisor, for a mandatory check; resources.	Permanently, P. 1	Comparison of obliged entities' perception of the risks that the system is exposed to and its vulnerabilities, before and after the inspections/risk analyses.	Supervisors' reports presented at SCG meetings about the results of inspections in terms of implementation of the NRA findings listing typical actions taken by obliged entities in that regard.	AML/CFT supervisors as specified in the AML/CFT Law (supervisors)	Not required
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**Objective 1.2. Develop a comprehensive understanding of terrorism financing (TF) risks in the Republic of Serbia** **Priority 2**

**Expected results:** Good understanding of the TF risks, threats and vulnerabilities allows the competent government authorities to allocate their resources efficiently and proportionately in mitigating TF risks.

- Measure 1.2.1. Develop a TF national risk assessment (TF NRA) and update it regularly; Priority 1
- Measure 1.2.2: Adjust the measures for mitigating the TF risks referred to in the Action Plan accompanying this Strategy with the risks identified in the TF NRA; Priority 2
- Measure 1.2.3. Pass appropriate legislation implementing the relevant United Nations Security Council (UNSC) resolutions and other relevant international standards, as well as the relevant European Union acquis in the area; Priority 1
- Measure 1.2.4. Strengthen the capacities of relevant authorities through training, by reallocating the existing or procuring additional resources, in accordance with needs analysis. Priority 2

Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
1.2.1. Develop a TF national risk assessment (TF NRA) and update it regularly;	1.2.1.1. Establish a TF NRA methodology, particularly taking into consideration the areas whose terrorism financing vulnerability has been recognized at the international level;	Lack of resources and capacities	1 month, P. 1	Relevant participants in the development of the terrorism financing NRA understand the methodology and all aspects of the NRA implementation.	The NRA Methodology Document developed and distributed to SCG members	SCG	Not required
	1.2.1.2. Conduct a TF national risk assessment and send the NRA report to the competent authorities in an appropriate format allowing them to apply the relevant findings and guidelines in their work with the aim of mitigating the risks found;	Lack, inaccuracy, incompleteness, inconsistency of statistics; lack of TF NRA methodology; lack of resources and capacities	2 months, P. 1	Reports on the updated NRA prepared in convenient format. Comparison of authorities' perception of the risks the system is exposed to and its vulnerabilities before and after the NRA risk update. Number of documents, proactive or strategic analyses or direct application in working on specific cases or application in a regional context and the extent to which they are used (in percent).	A SCG memo on the distribution of the (updated) NRA along with feedback from these authorities concerning the convenience of the formats and usability of information from the updated NRA. Authorities' documents and analyses, work reports.	SCG	Not required
1.2.2. Adjust the measures for mitigating the TF risks referred to in the Action Plan accompanying this Strategy with the risks identified in the TF	1.2.2.1. Following the TF NRA and any of its updates, analyze the need to adjust the measures for mitigating TF risks under this Action Plan;	Lack of resources. Failure to pass a new decision strengthening the SCG.	3 months, P. 2	Number of added or adjusted measures in this Action Plan based on the findings of the (updated) NRA.	Text of the updated Action Plan.	SCG	According to the needs assessment.

NRA;							
1.2.3. Adopt appropriate legislation implementing the relevant United Nations Security Council (UNSC) resolutions and other relevant international standards, particularly the UNSC Resolution 1267 and 1373, as well as relevant European Union <i>acquis</i> in the area.	1.2.3.1. Adopt a law governing the freezing of assets of designated persons.	Political instability, lack of political will.	3 months, P. 1	Legislative basis and mechanisms are in place for freezing the assets of persons designated on the lists defined in the Law.	Relevant law published in the Official Gazette published and applied.	Government (to adopt a Proposal for the law and submit for parliamentary approval)	Not required
1.2.4. Strengthen the capacities of relevant authorities especially through training, by reallocating the current or providing additional resources, in accordance with needs analysis;	1.2.4.1. Analyse the staffing needs of the Anti-Terrorism and Extremism Service and present recommendations based on the analysis;	No risks.	12 months, P. 2	Needs analysis conducted.	Needs analysis document, containing recommendations, adopted.	Ministry of Interior	Not required
	1.2.4.2. Implement the recommendations referred to under 1.2.4.1.	Lack of will of decision-makers in the institution; lack of resources; unclear and imprecise recommendations referred to under 1.2.4.1;	6 months, P. 2	Service's jobs systematisation rulebook adjusted	Systematisation rulebook	Ministry of Interior	According to the needs analysis and recommendations

<b>Objective 1.3. Develop greater coordination and cooperation between the competent authorities for supervision, financial intelligence, investigation, prosecution for ML and TF and asset recovery</b>	<b>Priority 2</b>
<b>Expected results:</b> More effective working will lead to increased numbers of successful multi-agency cases and contribute to better understanding of risks.	
- Measure 1.3.1. Establish mechanisms for the analysis of the most important issues for the functioning of the anti-money laundering and counter-terrorist financing (AML/CFT) system;	Priority 1
- Measure 1.3.2. Strengthen the status and composition of the Standing Coordination Group for monitoring the implementation of the National AML/CFT Strategy;	Priority 1
- Measure 1.3.3. Carry out regular reviews of the effectiveness of the working arrangements at the level of policy, coordination and cooperation, and take action on deficiencies found;	Priority 2
- Measure 1.3.4. Analyse and review the existing mechanisms for handling international cooperation, including mutual legal assistance, intelligence sharing and asset recovery;	Priority 2
- Measure 1.3.5. Analyse relevant legislation and sectoral strategies in the drafting stage from the point of view of their impact on the AML/CFT system.	Priority 2

Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
1.3.1. Establish mechanisms for the analysis of the most important issues for the functioning of the anti-money laundering and counter-terrorist financing (AML/CFT) system;	1.3.1.1. Pass a new decision setting up the SCG which will specify, among other things, the SCG's main and expert coordinators, SCG thematic working groups and types of report to be adopted by the SCG;	Lack of human resources in authorities participating in SCG; failure to pass the decision strengthening the SCG; lack of decision-makers' will	2 months, P. 1	SCG has in place internal distribution of tasks and designated persons fro individual SCG working groups.	Decision setting up the SCG published in the Official Gazette.	Government	Not required
	1.3.1.2. Establish SCG subgroups to analyse key issues for specific areas;	Lack of human resources in authorities participating in SCG; failure to pass the decision strengthening the SCG	2 months, P. 2	Number of working subgroups;	Decision setting up the SCG	Government and SCG	Not required
	1.3.1.3. Review, at least once in three months, changes in the AML/CFT system and its performance, using regular written reports to be submitted by SGC members describing action they have undertaken to implement the this Strategy and its Action Plan.	Lack of resources in authorities participating in the SCG; failure to pass the decision strengthening the SCG; lack of participating authorities' will and engagement in SCG work.	3 months, P. 2	Number of analyses and conclusions by SCG and its working subgroups about major issues related to the functioning of the AML/CFT system.	Reports published or submitted to the Government	SCG	Not required
1.3.2. Strengthen the status and composition of the Standing Coordination Group for monitoring the implementation of the National AML/CFT Strategy;	1.3.2.2. Set up a Secretariat for the SCG.	Lack of resources; failure to pass the decision strengthening the SCG; lack of participating authorities' will and engagement in SCG work.	24 months, P. 2	Number of staff in the relevant authority/authorities directly tasked to provide secretarial services to the SCG.	Decision setting up the SCG, rulebook on the internal organization and job systematisation in the specific authority/authorities	Government	In accordance with the rulebook on the internal organization and job systematisation (RSD 80.000, gross, per month)
1.3.3. Carry out regular reviews of the effectiveness of the working arrangements at the level of policy,	1.3.3.1. Review the effectiveness of the current cooperation mechanisms between authorities and provide recommendations to	No risks.	Permanently, P. 2	Understanding of the current situation and possibilities for further improvement of mechanisms for mutual cooperation bearing in mind best practices and most recent trends in strategic planning and coordination of AML/CFT	Reports of SCG and its subgroups.	SCG	According to the needs analysis and recommendations

coordination and cooperation, and take action on deficiencies found;	improve the situation.			stakeholders. Number of interventions into the AML/CFT system aimed at removing the deficiencies found.			
	1.3.3.2. Provide for mandatory or desirable parts of the MoU between authorities based on best practices, and encourage the competent authorities to enter into such MoUs.	No risks.	12 months, P. 3	Level of satisfaction of AML/CFT stakeholders with the effectiveness of cooperation mechanisms resulting from the MoUs that include the mandatory or desirable segments.	Number of MoUs signed and applied.	SCG	Not required
1.3.4. Analyse and review the existing mechanisms for handling international cooperation, including mutual legal assistance, intelligence sharing and asset recovery;	1.3.4.1. Introduce provisions on mutual reporting about international cooperation and the elements of such reports in the decision setting up the SCG;	No risks.	2 months, P. 2	Types and elements of the reports are available to SCG members and SCG working subgroups.	Decision setting up the SCG	Government	Not required
	1.3.4.2. Analyse and provide recommendations to improve international cooperation, particularly by initiating membership in international bodies, forums, organizations or mechanisms that facilitate information sharing and other forms of international cooperation;	Lack of resources	Permanentl y, P. 3	Number of analyses and recommendations offered, number of initiatives and new memberships in international bodies, organizations or mechanisms for information exchange.	Work reports and reports on international cooperation of relevant authorities.	SCG	According to the needs analysis and recommendations
	1.3.4.3 Improve the system of monitoring mutual legal assistance in the Ministry of Justice including by allowing for statistics to be kept both by the type of mutual legal assistance and the related criminal offences;	Lack of human and material and technical resources	12 months, P. 1	Accurate, complete and broken down statistics allow for quick overview and accurate analysis of international legal assistance mechanisms in the Ministry of Justice	Justice Ministry's annual work report and report on international cooperation.	Ministry competent for judiciary	1.000.000.
	1.3.4.4 Designate one or several courts that will specialise for mutual legal assistance and extradition for easier monitoring of information on requests (e.g. designate one or several courts to be competent exclusively for extradition, etc.)	Lack of decision-makers will; lack of capacities and resources	12 months, P. 2	Number of courts with exclusive jurisdiction in a defined number of specialised areas.	Work reports	Ministry competent for judiciary	According to needs assessment (RSD 300,000 per training)
1.3.5. Analyse relevant legislation and sectoral strategies in the drafting stage from the point of view	1.3.5.1. Initiate modifications to the Government and National Assembly rules of procedure so as to provide for responsibility of the	Lack of decision-makers will; failure by authorities to take action	36 months, P. 3	A clear obligation and instruction for all relevant authorities are in place with respect to the analysis of legislation from the point of view of their impact on the AML/CFT system. Number of explanatory notes accompanying the proposed	Government's and National Assembly's rules of procedure published in the Official Gazette.	Government	Not required

of their impact on the AML/CFT system.	sponsor to include in the explanatory note to the proposed legislation also an assessment of effect of the legislation proposed on money laundering or terrorism financing risk;			legislations providing the analysis of effects.			
	1.3.5.2. Define priority areas to be covered by this measure and notify the relevant bodies thereof.	No risks.	36 months, P. 3	All relevant authorities understand which priority areas are covered by the obligation to develop an impact assessment.	Communication submitted by the SCG/Government to the relevant authorities enumerating the priority areas.	SCG, Government	Not required

**Strategic theme 2: Proceeds of crime are prevented from entering the financial and other sectors or are detected and reported by these sectors, if already in the system**

Objective 2.1. Improve the quality of reporting from the obliged entities so that useful financial intelligence can be derived							Priority 1
<b>Expected results:</b> A larger number of quality reports from the private sector will lead to better quality of the reports made by the Administration for the Prevention of Money Laundering (APML) and other competent authorities, particularly in the high-risk areas.							
- Measure 2.1.1. Improve suspicious transaction reporting guidelines for various sectors;							Priority 1
- Measure 2.1.2. Encourage obliged entities to internal audit and reporting mechanisms;							Priority 1
- Measure 2.1.3. Provide feedback to obligors about the quality of their reporting and other information, including the information from NRA reports and other important documents, in order for them to improve their efficiency;							Priority 1
- Measure 2.1.4. Analyse the AML/CFT system in the banking sector, develop and implement a strategy to strengthen this system;							Priority 1
- Measure 2.1.5. Improve the environment for an increased access to financial services and their affordability.							Priority 2
Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
2.1.1. Improve suspicious transaction reporting guidelines for various sectors;	2.1.1.1. In consultation with obliged entities, pass new suspicious transaction reporting guidelines which will, among other things, describe unusual transactions in more detail.	Lack of resources and capacities	12 months, P. 1	Obliged entities understand unusual and suspicious transactions better.	Suspicious transaction reporting guidelines published	Supervisory authorities, professional associations (of obliged entities)	Not required
2.1.2. Encourage obliged entities to internal audit and reporting mechanisms;	2.1.2.1. Analyse the current system of obliged entities' internal controls and reporting to the APML (for all obligors) and encourage the obliged entities, as appropriate, to improve these systems, including by defining their internal system in more detail;	Lack of resources and capacities; insufficient quality of cooperation with obliged entities	12 months, P. 1	Obliged entities understand the purposes of the internal control and reporting system better, in AML/CFT terms, and better understanding of the APML's needs for information. Number of modifications to such internal systems.	Reports on controls and other forms of system analyses in obliged entities	Supervisory authorities, professional associations (of obliged entities)	Not required
	2.1.2.2. Review the suspicious transaction reporting indicators for all sectors.	Lack of resources and capacities	12 months, P. 1	Obliged entities and inspectors (supervisors) understand better indicators of ML and TF indicators which are worded in precise terms and conceived in such manner to allow, as much as possible, for their integration into the obliged entities' IT systems.	Analysis of STR quality	Supervisory authorities, professional associations (of obliged entities)	Not required
2.1.3. Provide feedback to obligors about the quality of their reporting and other information, including the information from NRA	2.1.3.1. In consultations with obliged entities, develop a feedback methodology which will also provide for the way to obtain information from other authorities (police, prosecutor's offices) that is	Lack of resources and capacities; lack of stakeholders' will	12 months, P. 2	Number of communications sent to obliged entities from which useful information can be derived to improve efficiency. Number of interventions into the system by obliged entities.	Reports on controls conducted; Methodology documents for providing feedback to obliged entities and for receiving feedback from authorities developed.	APML, supervisors, professional associations	Not required

reports and other important documents, in order for them to improve their efficiency;	needed for feedback to obliged entities.						
2.1.4. Analyse the AML/CFT system in the banking sector, develop and implement a strategy to strengthen this system;	2.1.4.1. Analyse the current system of internal control and reporting in banks, and reporting to the APML and, encourage the banks to improve their systems, as appropriate, including by more precise defining of the internal system;	Lack of will and capacities.	9 months, P. 2	Banks understand better the aims of the internal control and reporting, in terms of AML/CFT, and the APML's need for information. Number of modifications to such internal systems.	Reports on control and other forms of system analyses in banks	NBS, APML, ASB	Not required
	2.1.4.2. Analyse the status of AML/CFT compliance officers and define more precisely responsibilities of the bank top management with respect to AML/CFT risk management;	Lack of will and capacities.	6 months, P. 1	Number of bank top management members responsible for the ML/TF risk management. Effective, proportionate and deterring sanctions are in place against the top bank management (implementation of activity 2.3.6.1), i.e. number of top management members against whom relevant sanctions have been imposed for exposing the bank to AML/CFT risks.	NBS reports and APML's statistics	NBS, APML, ASB	Not required
	2.1.4.3. Explore the possibility to provide for a mandatory section of the bank auditing report covering AML/CFT risk management;	No risks.	12 months, P. 3	The analysis indicates the most appropriate method of formulating and presenting AML/CFT risk management area in auditing reports. Mandatory part of the auditing report prescribed or method of presenting the management of the AML/CFT risk allowing for understanding of the analysed area.	Document on the analysis of possibilities to provide for a mandatory section of the bank auditing report covering AML/CFT risk management;	NBS, APML, ASB	Not required
	2.1.4.4. Recommend possession of adequate AML/CFT IT solutions to banks	Lack of will, resources	18 months, P. 2	Number of banks applying the recommendation on the adequate IT systems for banks.	Horizontal overview of bank activity – NBS report.	NBS, APML, ASB	Not required
	2.1.4.5. Explore possibilities to reduce money transfer costs (remittances) to encourage use of legitimate money transfer channels, including by promote competition in the area.	Lack of will to implement changes for a greater level of <i>financial inclusion</i>	6 months, P. 3	Reduced uncertainty with respect to the net amount that can be expected at receipt of money. Number of money service providers and quantitative and qualitative changes in the offers of money transfer businesses.	Analysis of MSBs' offer and frequency of money transfer services	NBS	Not required
2.1.5. Improve the environment for an increased access to financial services and their affordability.	2.1.5.1. Conduct regular consultations with financial service businesses on the ways to stimulate an increased access to financial services	Lack of resources; will to implement changes for a greater level of <i>financial inclusion</i>	24 months, P. 1	Number of proposals for incentives to use financial services.	Meeting protocols, letters to relevant institutions	SCG	Not required
	2.1.5.2. In coordination with other strategies and policies in the area of capital market	Lack of capacities, resources; Lack of will to implement	24 months, P. 2	Number of proposals for incentives to use financial services.	Meeting protocols, letters to relevant institutions	SCG	Not required



	liberalisation, initiate and undertake measures to encourage an increased access to financial services	changes for a greater level of <i>financial inclusion</i>					
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<b>Objective 2.2. Customer Due Diligence (CDD) measures prevent abuse of the financial and other sectors</b>	<b>Priority 1</b>
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**Expected results:** Criminals will be efficiently deterred and prevented from abusing the financial and other sectors in such a way that this affects as little as possible the business operations and accessibility of the financial and other sectors. CDD information will be readily available to investigating agencies. Supervisors will allow ownership and management only to 'fit and proper' persons.

- Measure 2.2.1. Develop effective measures to ensure that obliged entities act in line with the risk-based approach;	Priority 1
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- Measure 2.2.2. Obligated entities to improve their CDD mechanisms;	Priority 1
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- Measure 2.2.3. Improve legislation relating to registration of business entities and non-governmental organizations and to beneficial ownership, particularly in relation to transparency of ownership and ease of access to such data by obliged entities.	Priority 1
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Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
2.2.1. Develop effective measures to ensure that obliged entities act in line with the risk-based approach;	2.2.1.1. Modify the guidelines applicable to the banking sector by providing, among other things, examples of high- and low- risk examples;	No risks.	12 months, P. 1	Changes to classification of risks for clients, goods, services, transactions, etc.	Comparative analysis of horizontal reports of the NBS (percentage changes).	NBS, APML, ASB	Not required
	2.2.1.2. Publish guidelines and instructions for high and low risk areas applicable to all sectors.	No risks.	12 months, p. 1	Changes to classification of risks for clients, goods, services, transactions, etc.	Comparative analysis of horizontal reports of supervisory authorities.	Supervisory authorities, APML, associations of obliged entities	Not required
2.2.2. Obligated entities to improve their CDD mechanisms;	2.2.2.1 Modify the AML/CFT Law and related bylaws in order to put them in line with international standards and the national risk assessment.	Political instability, lack of political will.	6 months, P. 1	Number of innovations in the implementation of the AML/CFT Law as a result of implementation of international standard, especially in the area of PEPs, risk analysis and assessment, beneficial ownership, etc.	Law on amendments to the Law published in the Official Gazette of the Republic of Serbia.	APML, supervisors	2.000.000 (information on best practices, public debate)
	2.2.2.2. Conduct enhanced inspections in obliged entities, by competent authorities, of persons and funds whose final destination is a high risk country in terms of terrorist financing, or a transit country towards such a high-risk country.	Lack of resources; Failure to implement 2.2.2.1	12 months, P. 2	Systematised statistics on the control of persons and assets whose final destination is a high risk or transit country and number of recommendations to improve situation in the area.	Minutes of the conducted controls.	Supervisory authorities	Not required

2.2.3. Improve legislation relating to registration of business entities and non-governmental organizations and to beneficial ownership, particularly in relation to transparency of ownership and ease of access to such data by obliged entities.	2.2.3.1. Initiate amendments to relevant legislation governing registration of business entities (particularly bearing in mind the high risk posed by the founding of the so-called <i>phantom firms</i> ) so as to make information about beneficial ownership transparent and easily accessible to obliged entities and government authorities;	Political instability, lack of political will.	12 months, P. 1	Conclusion as to the beneficial ownership can be easily drawn from the relevant databases on business entities and NGOs.	Relevant legislation relating to the registration of business entities amended.	Tax Administration, ministry in charge of economy, Business Registers Agency (BRA), SCG	1,600,000 (information on best practices, public debate)
	2.2.3.2. Take operational and/or other measures so as to make the information on the so-called <i>phantom firms</i> accessible to as wide circle of stakeholders as possible within the anti-money laundering and counter-terrorism financing system;	Lack of capacities and resources; lack of legal and technical preconditions	12 months, P. 1	Frequency of use of information (database of) on <i>phantom firms</i> when analyzing and assessing ML/FT risk and work on specific cases.	Work reports and reports on cooperation between relevant authorities.	Tax Police	According to the analysis
	2.2.3.3. Make historical data about business entities registration accessible with the Agency for Commercial Registers;	Lack of legal and technical preconditions	12 months, P. 2	Adequate access to <i>historical</i> data provided for.		Business Registers Agency	Based on the analysis of the potential ITC solution and intervention required.
	2.2.3.4. Consider amending relevant legislation relating to classification of business activities in order to have accountants registered under a single code;	Political instability, lack of political will. Assumption: The solution is adequate for the given circumstances.	12 months, P. 2	Frequency of use of the new codes in inspections and other analyses made by authorities. Number of typologies containing new activity codes. Time the authorities need to conduct efficient inspections and analyses related to accountants (supervision, analysis).	Regulation classifying business activities amended.	State authority responsible for statistics	Not required
	2.2.3.5. Consider amending relevant legislation relating to classification of business activities in order to have real estate agencies registered under a single code;	Political instability, lack of political will. Assumption: The solution is adequate for the given circumstances.	12 months, P. 2	Time the authorities need to conduct efficient inspections and analyses related to real estate businesses (supervision, analysis).	Official Gazette of the Republic of Serbia	Ministry competent for trade	Not required

<b>Objective 2.3. Improve the work of supervisors of financial institutions, particularly in the banking sector, and DNFbps</b>							<b>Priority 2</b>
<b>Expected results:</b> Supervisors carry out supervision, monitoring, and regulation of financial institutions and DNFbps, proportionate to the risks identified for each industry.							
-	Measure 2.3.1. Continuously adjust supervision over the implementation of the Law on the Prevention of Money Laundering and the Financing of Terrorism (AML/CFT Law) with the national risk assessment;						Priority 1
-	Measure 2.3.2. Capacity and ability of supervisors in AML/CFT will be enhanced, especially banking supervisors, through recruitment, retention and training measures;						Priority 2

- Measure 2.3.3 Improve the work of supervisors in other sectors, such as the supervisors for exchange offices, money transfer businesses, capital market and securities, in line with risk assessments for these areas;							Priority 2
- Measure 2.3.4. Improve the work of DNFBP supervisors, such as accountants and auditors, in line with the risk assessments for these areas;							Priority 2
- Measure 2.3.5. Pass relevant risk-based legislation and procedures in the area of supervision, for all the obliged entities, according to international standards for each specific area;							Priority 2
- Measure 2.3.6. Review and improve, as required, the existing sanctioning system for violations of the AML/CFT Law.							Priority 1
Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
2.3.1. Continuously adjust supervision over the implementation of the Law on the Prevention of Money Laundering and the Financing of Terrorism (AML/CFT Law) with the national risk assessment;	2.3.1.1. Harmonize supervisors' annual plans of inspections with the relevant NRA findings;	Lack of capacities, resources or will. Failure to implement measures 1.1.1 (ML NRA) and 1.2.1. (TF NRA)	12 months, P. 1	Annual inspection plans contain instructions about the method to check exposure to the risks identified in the NRA. Number of inspections that found that (documented) special attention was given to the NRA-identified risks and vulnerabilities (questionnaires, inspection reports).	Possible amendments to the methodology.	Supervisory authorities	Not required
	2.3.1.2. Examine the need to amend the supervision methodology, planning of inspections.	No risks.	12 months, P. 2	Better understanding of the methodology of supervision and manner of planning controls in supervisory authorities. Potential modifications to the methodology.		Supervisory authorities	Not required
2.3.2. Capacity and ability of supervisors in AML/CFT will be enhanced, especially banking supervisors, through recruitment, retention and training measures;	2.3.2.1. Analyse the capacities of the competent organizational units of supervisory authorities, particularly in charge of the banking sector, in terms of organization, sufficiency of human resources and technical equipment, bearing in mind the NRA-based priorities of each supervisory authority;	Lack of resources and capacities Failure to implement measures 1.1.1 (ML NRA) and 1.2.1. (TF NRA)	12 months, P. 2	HR, organisational and technical capacities reallocated according to the NRA priorities.	Analysis Possible amendments to the internal organisation and systematisation of jobs	SCG, Supervisory authorities	According to the analysis
	2.3.2.2. Based on the analysis under Activity 2.3.4.1, take measures to upgrade supervisors' capacities.	Lack of resources and capacities Failure to produce the analysis under measure 2.3.2.1	18 months, P. 2	Quality and quantity of inspections carried out in risk areas.	Organisational documents amended Work report.	Supervisory authorities	According to the analysis

2.3.3 Improve the work of supervisors in other sectors, such as the supervisors for exchange offices, money transfer businesses, capital market and securities, in line with risk assessments for these areas;	2.3.3.1. Provide for more intensive inspections, in annual inspection plans, of higher risk areas and reallocate resources of the supervisory authority accordingly.	Lack of capacities, resources. Failure to implement measures 1.1.1 (ML NRA) and 1.2.1. (TF NRA)	12. months, Permanentl y, P. 2	Annual inspection plans contain instructions about the method to check exposure to the risks identified in the NRA. Number of documented (questionnaires, inspection reports) inspections in which special attention is dedicated to the risks and weaknesses determined in the NRA and related to work of bureaux de change, money remitters, participants in the capital and securities market, etc.	Annual plans; Inspection reports; Annual reports; Analyses	Supervisory authorities	Not required
2.3.4. Improve the work of DNFBP supervisors, such as accountants and auditors, in line with the risk assessments for these areas;	2.3.4.1. Provide for more intensive inspections, in annual inspection plans, of higher risk areas and reallocate resources of the supervisory authority accordingly.	Lack of capacities, resources. Failure to implement measures 1.1.1 (ML NRA) and 1.2.1. (TF NRA)	12. months, Permanentl y, P. 2	Annual inspection plans contain instructions about the method to check exposure to the risks identified in the NRA. Number of documented (questionnaires, inspection reports) inspections in which special attention is dedicated to the risks and weaknesses found in the NRA and related to DNFBPs, such as accountants and auditors;	Annual plans; Inspection reports; Annual reports; Analyses	Supervisory authorities	Not required
2.3.5. Pass relevant risk-based legislation and procedures in the area of supervision, for all the obliged entities, according to international standards for each specific area;	2.3.5.1. Initiate amendments to the AML/CFT Law by introducing, in the area governing supervision, a requirement to use the risk-based approach in supervision;	Political instability, lack of political will.	6 months, P. 1	Supervisory authorities are obliged to conduct more inspections of obliged entities identified as posing risk according to the risk analysis and assessment.	AML/CFT Law amended according to international standards.	Supervisory authorities	Provided for under activity 2.2.2.1
	2.3.5.2. Pass supervision guidelines based on risk assessment.	No risk; Failure to implement measures 1.1.1 (ML NRA) and 1.2.1. (TF NRA)	9 months, P. 2	There is understanding of the methods of obliged entity risk analysis and assessment applied by supervisors.	Guidelines developed and published.	Supervisory authorities	RSD 500,000 (information on best practices)
2.3.6. Review and improve, as required, the existing sanctioning system for violations of the AML/CFT Law.	2.3.6.1. Analyse and, as required, initiate a change in the AML/CFT sanctioning system in order to redirect the existing concept of accountability for economic offences towards the concept of responsibility for inadequate AML/CFT risk management.	Lack of decision-makers' and stakeholders' will (link: 2.1.4.2)	6 months, P. 1	Number of changes and adjustments to the obliged entities' internal AML/CFT procedures. Number of changes to the obliged entity structure, number of changes in personnel at the level of compliance officers and management, as a result of sanctions imposed or threatened by the supervisor. Number of convictions and amount of fines imposed.	Relevant legislation amended.	Supervisory authorities	500. 000 (best practice information)

Strategic theme 3 - Detecting and disrupting money laundering and terrorism financing threats, sanctioning of criminals, and seizure and confiscation of illicit proceeds

Objective 3.1. Increase the number of ML or TF cases identified and taken up							Priority 1
<p><b>Expected results:</b> Quality of information and frequency of its exchange will be improved. ML and TF cases will be identified more effectively and efficiently. This will assist the Prosecutors in identifying criminal cases and provide evidence for successful prosecutions.</p>							
- Measure 3.1.1. Develop and/or improve the legal framework for the exchange of information in specific ML and TF cases and predicate crimes;							Priority 1
- Measure 3.1.2. Develop and/or strengthen mechanisms of cooperation and exchange of information in specific ML and TF cases and predicate crimes, both domestically and internationally, and establish relevant methodologies;							Priority 1
- Measure 3.1.3. Ensure IT systems for exchanging information are in place in relevant authorities.							Priority 1
Measure	Activity	Risks and assumptions	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
3.1.1. Develop and/or improve the legal framework for the exchange of information in specific ML and TF cases and predicate crimes;	3.1.1.1. Analyze the existing legal framework for the information exchange, in both the domestic and international contexts, taking into consideration the applicable regulations governing personal data protection.	No risks.	12 months, P. 2	Competent authorities directly, actually and without legal obstacles exchange information among each other and with foreign authorities ensuring that personal data are protected. Number of interventions into the legal framework governing national and international cooperation.	Analysis of the current legal framework.	Ministry competent for judiciary, Public Prosecutor's Office of Serbia (PPO), Interior Ministry, APML, Security Information Agency (BIA), Tax Administration, ACAS, Military Security Agency	Not required
	3.1.1.2. Make a plan to implement recommendations of the analysis referred to under 3.1.1.1. and implement these activities;	Lack of stakeholders' will, lack of legal and technical preconditions; implementation of 3.1.1.1	15 months, P. 2	There are specific actions agreed upon, authorities in charge of implementing them and timeline in which they are required to take the steps provided for in the analysis referred to under 3.1.1.1.	Implementation plan	Ministry competent for judiciary, PPO, Interior Ministry, APML, BIA, Tax Administration, ACAS, Military Security Agency	According to the Plan
3.1.2. Develop and/or strengthen mechanisms of cooperation and exchange of information in specific ML and TF cases and predicate crimes, both domestically and	3.1.2.1. Carry out the analysis of mechanisms of the domestic and international cooperation and information exchange, to determine possible flaws, and to provide proposals for their elimination on the legislative, institutional or operational	Lack of stakeholders' will, lack of legal and technical preconditions	Regularly, P. 3	Competent authorities directly, actually and without legal obstacles exchange information among each other and with foreign authorities ensuring that personal data are protected. Number of newly-established cooperation mechanisms. Volume of information exchanged.	Analysis of mechanisms for cooperation and information exchange with recommendations.	Ministry competent for judiciary, PPO, Interior Ministry, APML, BIA, Tax Administration, ACAS, Military Security Agency	According to the proposals

internationally, and establish relevant methodologies;	level;						
	3.1.2.2. Provide for mandatory or desirable parts of a memorandum of understanding concluded between authorities in charge of detecting and prosecuting the crimes of money laundering and terrorism financing and predicate crimes stemming from best practices, and encourage the competent authorities to sign such MOUs;	Lack of legal preconditions.	12 months, P. 3	Level of satisfaction of AML/CFT stakeholders with the effectiveness of cooperation mechanisms resulting from the MoUs that include the mandatory or desirable segments. Number of MoUs signed and applied.	List of MoUs and analysis of the satisfaction level.	SCG	RSD 500,000 (information on best practices)
	3.1.2.3. Carry out regular quantitative and qualitative review of the current domestic and international cooperation, prepare related reports, and provide proposals to improve the situation;	Lack of resources and capacities. Lack of consistent methodology for maintenance of statistics	Regularly, P. 2	SCG members have information about the quantity and quality of the current national and international cooperation through written reports. Number of proposals to improve situation;	Reports of SCG or responsible SCG subgroups.	SCG	According to the proposals
	3.1.2.4. Conclude MOUs on cooperation and information sharing with foreign financial intelligence units that require an MOU in order to exchange information;	Lack of will on the part of foreign FIUs requiring such an MOU	Permanently, P. 3	Number of countries requiring an MOU as the condition for information exchange and number of MOUs signed with such countries, or the number of remaining countries demanding such an MOU.	APML work report.	APML	Not required
	3.1.2.5. Analyze the situation and provide recommendations concerning the possibility of the so-called diagonal information exchange (between non-counterparts).	No risk.	12 months, P. 3	There is understanding as to the possibilities of diagonal cooperation. Guidelines are in place concerning such cooperation. Number of examples of such cooperation.	Instruction on cooperation Cooperation quality assessment	SCG	Not required
3.1.3. Ensure IT systems for exchanging information are in place in relevant authorities.	3.1.3.1. Analyze the current ICT framework for information exchange;	No risk.	12 months, P. 1	There is an understanding of needs with respect to the improvement of the ICT technology for the purpose of information exchange.	Document containing recommendations developed.	APML, NBS, Interior Ministry, Public Prosecutor's Office, Customs Administration, Tax Administration, ACAS	Not required

3.1.3.2. Equip relevant authorities with ICT equipment so as to build their capacities for unobstructed information exchange;	Lack of resources and capacities.	18 months, P. 1	Resources and specifically established needs and timelines to improve ICT equipment in relevant authorities are in place.	Analysis, report on the activities implemented (work reports)	Government + relevant authorities listed under 3.1.3.1	According to the analysis
3.1.3.3. ICT networking of the relevant authorities for efficient information exchange;	Lack of political will. Lack of will, lack of legal and technical preconditions for exchange	18 months, P. 1	Secure and reliable link between relevant authorities established for information exchange Volume of information exchanged using the new systems.	Analysis, report on the activities implemented (work reports)	Ministry competent for judiciary, PPO, Interior Ministry, Ministry of Finance (APML, Tax Administration, Customs Administration), ACAS, BRA	According to the analysis
3.1.3.4. Conduct a feasibility study, including legal and technical capabilities to centralise information on property in the entire territory of the Republic of Serbia	Lack of resources and capacities.	18 months, P. 2	Conclusion arrived at with respect to feasibility, legal and technical capability for data centralisation. If centralised - time needed to obtain property data. Time the relevant authorities need for analysis in their cases.	Analysis In the case of centralisation: Availability of and access to a central database. Feasibility study developed.	Tax Administration	According to the analysis
3.1.3.5. To avoid red tape, provide the competent authorities with a direct electronic access to so-called "Info-stan" public utility company records, electricity bills records, etc.;	Lack of resources and capacities. Lack of legal and technical preconditions.	18 months, P. 3	Time needed to obtain property data. Time the relevant authorities need for analysis in their cases.	Availability of and access to a central database.	Organisations entrusted with public powers (public companies)	RSD 500,000 (server networking)
3.1.3.6. Make a detailed analysis of access to independent information sources, particularly access to data in foreign countries, and compile a manual that will contain information about information sources domestically and abroad, how to access such data, and legal or actual obstacles to accessing specific data sources.	Lack of resources and capacities	18 months, P. 3	Awareness is raised about various publicly available information sources. Checking of these databases is made a mandatory step in case analysis (by specifying it in the internal work procedures, guidelines or any other manner).	Analysis, public information manual	PPO, Interior Ministry, APML, BIA, Military Security Agency, Military Information Agency, ACAS	RSD 100,000 (engage an expert for independent sources of information to make an analysis of the current situation)

Objective 3.2. Improve management of all stages in an ML or TF case ( <i>end to end management</i> ), i.e. as of the identified suspicion to the closure of the case							Priority 1
<b>Expected results:</b> More ML cases will come to a successful conclusion, especially where the proceeds generating crime is one of the crimes identified in the NRA, and more TF cases. More criminal proceeds will be recovered, and more funds intended for terrorist financing frozen.							
- Measure 3.2.1. Set up joint working groups to deal with particularly large cases and areas of a high level of priority (tax crimes, crimes of corruption, drug-related crimes);							Priority 1
- Measure 3.2.2. Develop tasking and coordination mechanisms between the competent authorities in joint working groups and task forces;							Priority 2
- Measure 3.2.3. Prioritise measures, in accordance with NRA, agreed by all authorities involved in ML and TF investigations and/or intelligence gathering;							Priority 1
- Measure 3.2.4. Analyse and improve working practices through the analysis of the financial investigation cycle and current working practices;							Priority 2
- Measure 3.2.5. Introduce effective and comprehensive statistical measurement processes at all stages of the proceedings, starting from the identification of suspicion to the closure of the proceedings;							Priority 1
- Measure 3.2.6. Devote resources, in detecting and prosecuting financial crimes, to understanding as well as detecting the money laundering offence, and establish appropriate performance indicators.							Priority 2
Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
3.2.1. Set up joint working groups to deal with particularly large cases and areas of a high level of priority (tax crimes, crimes of corruption, drug-related crimes);	3.2.1.1. Designate permanent contact points in all relevant authorities who will be engaged in high-priority areas and from whose ranks task forces dealing with specific cases will be set up;	Lack of resources.	3 months, P. 1	Number of particularly large cases dealt with by authorities through the joint working group and task force mechanisms. Number of particularly large cases in high-priority areas.	Work report.	SCG	Not required
	3.2.1.2. Set up task forces for specific cases as required;	Lack of capacities and resources; Failure to implement 3.2.2.1 and 3.2.3.1	18 months, P. 1	Number of task forces and cases covered.	Work report.	PPO, authorities competent for detecting ML and TF, Tax Police	According to the needs assessment.
	Measure 3.2.2: Establish objectives and priorities in the work of task forces and individual authorities;	Lack of legal preconditions.	18 months, P. 1	Understanding by working group members and individual authorities of their roles and work priorities.	Passing of an appropriate act.	PPO, authorities competent for detecting ML and TF, Tax Police	Not required
	3.2.1.4. Maintain appropriate statistics of the working group and task force activities	Lack of a clear and consistent methodology for maintaining statistics. Failure to implement activities 3.2.1.2 and 3.2.2.1	Permanently, P. 2	Comparative statistical overview.	Working group work report.	PPO, authorities competent for detecting ML and TF	Not required



3.2.2. Develop tasking and coordination mechanisms between the competent authorities in joint working groups and task forces;	3.2.2.1. Pass an appropriate act determining the obligations of representatives of each authority participating in working groups or task forces.	Lack of resources and capacities.	18 months, P. 2	Understanding by working group members and individual authorities of their roles and work priorities. Number of cases.	Passing of an appropriate act. Work reports	PPO	Not required
3.2.3. Prioritise measures, in accordance with NRA, agreed by all authorities involved in ML and TF investigations and/or intelligence gathering;	3.2.3.1. Specify in MOUs between relevant authorities, for each year, common priorities in line with NRA.	Lack of will, lack of priority analyses for authorities, lack of resources, capacities.	6 months, P. 2	Number of cases of relevant authorities - comparative overview. Number or quality of system improvements (databases, joint trainings, initiatives, etc.)	Memorandum of understanding. Work reports	SCG	Not required
	3.2.3.3. Develop and pass mandatory instructions on ML cases also for prosecutors.	No risks. Lack of resources and capacities.	6 months, P. 3	Prosecutors understand the priorities and attach appropriate importance to them in working on cases. Number of cases worked on in high-risk crime	Methodology and mandatory instructions on the setting of priorities developed.	PPO	According to the instructions.
3.2.4. Analyse and improve working practices through the analysis of the financial investigation cycle and current working practices;	3.2.4.1. Deliver the report on the conducted analysis to the heads of competent organisational units with recommendations as to how to improve the situation (organisational adjustments or training);	No risk.	Permanently, P. 3	Number of cases analysed, number of recommendations. Number of trainings delivered.	Report on the analysis and its dissemination.	APML, Interior Ministry, PPO	According to the recommendations.
	3.2.4.2. Develop written guidelines specifying the handling of information to be exchanged, in terms of actions to be taken, deadlines, and feedback about the progress of the case from the report end user.	Lack of resources and capacities	9 months, P. 3	The authority preparing the report/delivers the information is aware/has overview of the quality of information submitted based on the satisfaction assessment received from the user of the information. The users of the information exchanged provide feedback to one another about the status of the case, quality of information exchanged and additional information to be obtained.	Document with guidelines.	APML, authorities competent for detecting ML and TF	Not required
3.2.5. Introduce effective and comprehensive statistical measurement processes at all stages of the proceedings, starting from the identification of suspicion to the closure of the proceedings;	3.2.5.1. Improve the process of collecting, collating, and analyzing information on money laundering and terrorism financing that the APML obtains from other authorities;	Untimely fulfilment of the requirement to report to APML. Inaccurate, incomplete, incompatible statistics Lack of resources and capacities	36 months, P. 1	APML receives information pursuant to the AML/CFT Law once a year and each time at APML's request. Time the APML needs to prepare a statistical report.	Application for recording information in the APML is in place.	APML, PPO, courts, ministry competent for judiciary	Not required
	3.2.5.2. Initiate passing of a single law on statistical records in the judiciary which will provide for statistical monitoring (measurement) of all stages of the procedure,	Political instability, lack of political will. Lack of legal and technical preconditions	After the expiry of the this (first biennial) plan, P. 1	A system is in place where the statistics collected allow measuring of situation in all stages of the procedure.	Law passed.	Ministry competent for judiciary	RSD 1,600,000 (information on best practices and public debate)

	starting from reasons for suspicion to the closure of proceedings, and of the value of seized/confiscated assets.						
3.2.6. Devote resources, in detecting and prosecuting financial crimes, to understanding as well as detecting the money laundering offence, and establish appropriate performance indicators.	3.2.6.1. Develop a strategic analysis (trends and typologies), focusing in particular on the crimes identified as high-risk in the NRA.	Lack of an updated NRA, lack of resources and capacities; Failure to implement measures 1.1.1 and 1.2.1	Permanently, P. 2	The personnel working on detecting and preventing money laundering understand the most recent trends and know money laundering typologies, particularly as they relate to high-risk crimes.	Strategic analysis developed and delivered to the personnel.	APML, SCG	Not required
	3.2.6.2. Regularly check (by requesting feedback) the usefulness and success of strategic products;	Lack of response by respondents. Lack of resources, will of institutions	Permanently, P. 3	Assessment of satisfaction by users of the strategic analyses.	Report on the evaluation of the questionnaires.	APML	Not required
	3.2.6.3. In reports forwarded by the Administration to the competent authorities in case of grounds for suspicion of money laundering or terrorism financing, to attach the standardized form intended for submission of feedback with the aim of monitoring the course of an APML's case and the effectiveness of reported information.	Lack of resources and will of those involved in the exchange.	3 months, P. 3	APML analytical staff understand their colleagues' perception of quality of information and analyses that the APML sends to such other authorities. Number of changes in internal analytical procedures.	The forms for requesting information from the APML and the APML's reply (report) amended. Feedback form. Work report.	APML	Not required

<b>Objective 3.3. Improve the capacities of the Administration for the Prevention of Money Laundering (APML)</b>							<b>Priority 2</b>
<b>Expected results:</b> Exchange of information will be more efficient and frequent, the quality of APML's analyses will be improved and other competent authorities and foreign counterparts will be able to derive useful intelligence for their own cases. Statistical monitoring and track record will allow for better understanding of the quality of its own work and trends in cooperation, as well as permit adjustments to the cooperation mechanisms, as appropriate.							
- Measure 3.3.1. Improve APML resources;							Priority 1
- Measure 3.3.2. Improve business processes in the APML.							Priority 2
Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
3.3.1. Improve APML resources;	3.3.1.1. Analyse APML's current capacities in terms of office space, human and material resources and ICT systems against international standards and current APML's powers and	Lack of resources	3 months, P. 1	There is understanding of international standards related to financial-intelligence units; Distinction between APML's core and non-core powers and responsibilities and reallocation of resources to match the importance of core functions.	Analysis of capacities	APML	Not required

	responsibilities as defined in the AML/CFT Law;						
	3.3.1.2. Improve APML's capacities according to the needs analysis referred to under 3.3.1.1.	Lack of will and resources.	3 months, P. 1	Size of office space (for staff and equipment). Number of cases (in percent) where additional IT analytical tools have been used (Business Intelligence, I2).	Rulebook on APML's internal organisation and systematisation of jobs. Work report.	Government	According to the analysis under 3.3.1.1.
3.3.2. Improve business processes in the APML.	3.3.2.1. Analyse APML's analytical business processes and adjust them as recommended.	Lack of resources	3 months, P. 3	Number of cases analysts are tasked with, case turnaround time. Number of training events attended by APML staff and number of interventions into the internal processes as a result of such training. Number of interventions into the IT system as a result of suggestions and comments by the users of APML's IT tools (databases).	Analysis of processes Training reports, work reports	APML	Not required
	3.3.2.2. Analyse other APML's business processes, having in mind the APML's powers and responsibilities, and adjust them as recommended.	Lack of resources	3 months, P. 3	Number of APML staff tasked with core and non-core functions.	Jobs systematisation and distribution of tasks in job descriptions Work report.	APML	Not required
	3.3.2.3. Strengthen the APML's Department for Supervision.	Lack of resources	24 months, P. 3	Number of inspection reports, number of orders to remedy irregularities found, number of referrals to prosecutor's office for sanctions over legal violations, number of convictions, number of STRs reported by obliged entities supervised by the APML;	APML's statistics, Supervision Department work report, APML work report	APML	RSD 80,000, gross, by recruited inspector, monthly

**Strategic theme 4 - Qualified human resources trained to participate effectively in all the segments of the AML/CFT system and understanding by the public of the roles and plans of the competent authorities**

Objective 4.1. Train AML/CFT stakeholders for acquiring theoretical and practical knowledge and skills and for applying them adequately within their own powers and competences							Priority 1
Expected results: AML/CFT stakeholders will use the acquired knowledge and skills for effective and efficient involvement in the preventive and repressive segments of the AML/CFT system.							
- Measure 4.1.1. Develop a training strategy to assist in building capacities of the AML/CFT stakeholders;							Priority 1
- Measure 4.1.2. Develop a training centre to organise, deliver and coordinate AML/CFT training;							Priority 2
- Measure 4.1.3. Make experiences and best practices in handling ML/TF cases available to even more staff engaged in cases of prevention, detection, and prosecution for the money laundering and related crimes;							Priority 3
- Measure 4.1.4. Train the staff of competent government authorities about the legal bases for cooperation and information exchange and mechanisms for their practical implementation;							Priority 2
- Measure 4.1.5. Particularly disseminate knowledge about terrorism financing and weapons of mass destruction (WMD) proliferation financing.							Priority 3
Measure	Activity	Risks	Activity timeframe and priority (P)	Indicator	Source of verification	Responsible authority	Necessary resources
4.1.1. Develop a training strategy to assist in building capacities of the AML/CFT stakeholders;	4.1.1.1. Set up a working group to develop a training strategy;	Lack of capacities and resources	6 months, P. 2	AML/CFT stakeholders know which institutions are responsible for AML/CFT training in Serbia; there is a predictable and consistent long-term plan of development and delivery of training in the system.	Training strategy document developed.	SCG	Not required
	4.1.1.2. Conduct an objective analysis of training needs for all competent authorities (prosecutors, police, APML, courts, supervisory authorities);	Lack of capacities and resources	18 months, P. 1	All AML/CFT stakeholders understand the actual training needs of all stakeholders in mid- and short-term.	Training needs assessment report developed.	SCG	Not required
	4.1.1.3. Analyze the training system for compliance officers and introduce necessary improvements, if required, bearing in mind the risk assessments for each individual sector, mostly focusing on high-risk sectors;	Lack of capacities and resources, failure to implement 1.1.1. and 1.2.1.	12 months, P. 2	Understanding by compliance officers of risk sensitive training needs Number and quality of changes to the internal training systems. Number of trainings delivered.	Analysis report made. Obligated entities' work report. Supervisors' reports.	Supervisory authorities, professional associations (of obliged entities)	Not required
	4.1.1.4. Adopt a training programme based on the training needs analysis (Activity 4.1.1.2., and 4.1.1.3.), taking into account the NRA findings, recent ML/TF trends, and priorities of government authorities;	Lack of capacities and resources, failure to implement 1.1.1. and 1.2.1. and failure to implement 4.1.1.2.	18 months, P. 1	All AML/CFT stakeholders know by consulting a predictable and consistent annual training programme based on the TNA taking into account the results of strategic analyses.	Training Needs Analysis (TNA) document	SCG	Not required

	4.1.1.5. Include in the annual training plans of the Judicial Academy and Police Academy, topics of money laundering and terrorism financing and seizure/confiscation of illegal proceeds;	No risk.	12 months, P. 2	Number of trainings delivered according to the training programme that includes ML and TF topics.	Training programme. Report on training delivered. Reports of Judicial Academy, Police Academy	Judicial academy, Police academy	Not required
	4.1.1.6. Follow technical assistance programmes, including training offered by international organizations, to be actively used by civil servants involved in major ML cases.	Insufficient interagency communication and coordination; insufficient human resources.	Permanentl y, P. 1	Number of officers working on large cases and number of officers that have used the high-level training opportunities.	APML's work report (Training Centre report).	SCG	Not required
4.1.2. Develop a training centre to organise, deliver and coordinate AML/CFT training;	4.1.2.1. Provide capacities and resources for development of a training centre within the APML where judges, prosecutors, police officers, supervisory authorities' staff and employees of other relevant authorities and international organizations will take an active part both as lecturers and trainees;	Lack of will and resources available.	24 months, P. 2	There are accurate, complete and consistent information about all training events organised in the AML/CFT system in Serbia. AML/CFT training organised by various stakeholders and donors is coordinated, complemented and harmonised. Training is organised according to training strategy and programme for the specific year. There are other relevant statistics in place relevant for training organisation and coordination. A Training Centre at the APML has been set up with an adequate number of staff members (manager, coordinator and administrative assistant) who have received the necessary training to operate the Training Centre.	Rulebook on APML's internal organisation and systematisation of jobs. APML work report.	Government	According to the act on APML's internal organisation and jobs systematisation (RSD 80,000 by employee, gross)
	4.1.2.2. Analyse APML's training needs taking into account the APML's capacity analysis under Activity 2.1.5.1, and to develop a training plan, bearing in mind relevant NRA findings, latest ML/TF trends, and APML's priorities;	Lack of resources; Failure to implement activity 2.1.5.1, measures 1.1.1. and 1.2.1.	9 months, P. 3	APML's managers and personnel understand APML's actual short- and mid-term training needs at the level of organisation (APML), functions (departments), and individual level (analysts and other staff). The training is delivered according to the general programme and the APML's needs assessment.	Training needs assessment report developed. Training reports.	APML	Not required
	4.1.2.3. Ensure the Training Centre has IT tools to coordinate and monitor training, promote the AML/CFT system and publish training and educational materials.	Failure to implement 4.1.2.1, lack of capacities and resources	24 months, P. 3	APML (Training centre) uses a tool facilitating training coordination and organisation and generating other information relevant for training (e.g. information on participants, presenters, topics, etc.).	Training monitoring and coordination tool (IT solution) specifically developed or purchased. APML (TC) work report.	APML	RSD 1,000,000

4.1.3. Make experiences and best practices in handling ML/TF cases available to even more staff engaged in cases of prevention, detection, and prosecution for the money laundering and related crimes;	4.1.3.1. Set up a Training Working Group within the SCG comprising officers involved in specific cases, tasked with analysing, from the point of view of training, the closed and pending cases, and provide recommendations to amend the training programme and plans;	Failure to pass the decision strengthening the SCG; Lack of capacities and resources	12 months, P. 3	Number of analyses conducted, number of recommendations, feedbacks from as many trainees as possible about the usefulness of the analyses and recommendations. Number of new and adjusted topics in the training programmes and plans for the next training cycle.	SCG work report.	SCG	Not required
	4.1.3.2. Based on SCG Training Working Group analyses and international experiences, develop a manual of best practices in handling cases;	Failure to implement 4.1.3.1	24 months, P. 3	Officers working on specific cases are aware of the most recent and best practices in other countries and adjust their practices accordingly (number and quality of adjustments to the work procedures).	Manual has been developed and delivered to all personnel involved in specific cases.	SCG	RSD 1,500,000 (best practices information, printing costs)
	4.1.3.3. Continuously collect and publish relevant case law, to be used as training material, and as basis for discussions at SCG meetings and informal discussion groups.	Lack of resources and capacities	Permanently, P. 2	Important case law examples, as a starting point for training, are available to personnel working on ML cases, especially judges and prosecutors.	Collection of AML/CFT case law. SCG and SCG working group reports.	PPO, courts, Interior Ministry, APML, Judicial Academy	RSD 500,000 (printing costs)
4.1.4. Train the staff of competent government authorities about the legal bases for cooperation and information exchange and mechanisms for their practical implementation;	4.1.4.1. Based on analyses made under this Action Plan, develop a reference book for international cooperation and organize regular training on best international practices in information exchange;	Lack of resources and capacities	18 months, P. 3	Personnel of competent authorities are aware of the legal grounds for international cooperation and procedures to use the current international cooperation mechanisms. Frequency of use of international cooperation mechanisms presented in trainings.	Training reports. Assessment of satisfaction in using the presented information sources.	Ministry competent for judiciary, Interior Ministry, APML	RSD 500,000 (printing costs)
	4.1.4.2. Deliver training about independent information sources based on the manual of publicly available and other (independent) sources of information referred to under 3.1.1.7.	Lack of resources and capacities	Permanently, P. 3	Personnel of relevant authorities are aware of and actively use publicly available information sources. Number of cases where sources presented in trainings were used.	Training reports. Feedback from training participants about the extent to which they apply the knowledge acquired.	Interior Ministry, PPO, APML (Training Centre)	RSD 300,000 per training
4.1.5. Disseminate, in particular, information about terrorism financing and weapons of mass destruction (WMD) proliferation financing.	4.1.5.1. Compile the most important texts about terrorism financing. (international and domestic documents and standards);	Lack of resources and capacities	12 months, P. 3	Employees involved in relevant tasks have a quick access to major TF-related texts, with international and national relevance.	Compilation of texts. Feedback from users.	SCG, APML	Not required
	4.1.5.2. Develop a training programme on terrorism financing;	Lack of resources and capacities	24 months, P. 2	All AML/CFT stakeholders know by consulting a predictable and consistent annual training programme based on the TNA taking into account the results of strategic analyses.	Training programme.	SCG, APML	Not required

	4.1.5.3. Develop a training programme for the implementation of the Law on Freezing of Terrorist Assets;	Lack of resources and capacities	24 months, P. 3	All stakeholders have access to a methodologically organised training method for the application of the law on freezing terrorist assets.	Information on the application of the developed training method.	SCG, APML	Not required
	4.1.5.4. Compile the most important texts about proliferation of WMD (international and domestic documents and standards);	Lack of resources and capacities	24 months, P. 3	Employees involved in relevant tasks have a quick access to major WMD proliferation-related texts, with international and national relevance.	Compilation of texts.	SCG, APML	Not required
	4.1.5.5. Develop guidelines for border police and customs officers about the criteria to recognise risk passengers from the point of view of terrorist financing.	Lack of resources and capacities	24 months, P. 3	More efficient passenger controls. Number of "risk" passengers recognised.	Manual, printed and distributed to border police and customs officers. Workshop about the manual developed. Border police and customs authority reports.	Interior Ministry, Customs Administration	Not required

<b>Objective 4.2. Raising awareness among the professional and general public about the ML and TF phenomena, action taken by the authorities to fight them and about the roles of each authority.</b>							<b>Priority 2</b>
<b>Expected results:</b> Increased interest and better academic papers, media articles, and more competent investigative journalism and everyday information of citizens about topical ML and TF issues.							
- Measure 4.2.1. Regularly inform in an appropriate manner the interested public about ML and TF trends and typologies and about what the authorities do to prevent and detect ML and TF;							Priority 2
- Measure 4.2.2. Inform regularly and in an adequate manner all entities affected by the legislation related to the AML/CFT area about all issues relevant to such entities.							Priority 1
<b>Measure</b>	<b>Activity</b>	<b>Risks</b>	<b>Activity timeframe and priority (P)</b>	<b>Indicator</b>	<b>Source of verification</b>	<b>Responsible authority</b>	<b>Necessary resources</b>
4.2.1. Regularly inform in an appropriate manner the interested public about ML and TF trends and typologies and about what the authorities do to prevent and detect ML and TF;	4.2.1.1. Publish trends and typologies on the APML's website;	Lack of resources and capacities	12 months, P. 2	All interested persons have access to information about the most recent ML/TF trends and usual typologies in Serbia and beyond.	APML website (Training Centre)	APML	Not required
	4.2.1.2. Publish and make available to the public successful examples of ML and TF prevention and detection, with particular reference to the national and cross-border cooperation and information exchange;	Lack of resources and capacities	Permanentl y, P. 2	All interested persons have access to information about the successful practical examples in solving ML and TF cases in Serbia and abroad.	APML website (Training Centre)	SCG, APML	Not required
	4.2.1.3. Conduct studies of perception and understanding of the AML/CFT system, and measures undertaken by the State to fight money laundering and terrorism financing;	Lack of resources and capacities	Permanentl y, P. 2	SCG has information about the wider public's perception of ML and TF problems in Serbia, roles of AML/CFT stakeholders, and government's effectiveness in fighting money laundering and terrorist financing in Serbia.	Analysis	SCG	Not required

	4.2.1.4. Develop a communication strategy providing for the ways to communicate with the interested public helping it to get a true, complete and accurate picture of the State's AML/CFT measures.	Lack of resources and capacities	24 months, P. 3	Competent authorities and responsible persons have available the most important information and messages that allow the public, by being transmitted in various media, to acquire an accurate, complete and true perception of the roles of various authorities in the AML/CFT system and AML/CFT measures taken by the government in Serbia.	Communication strategy	SCG, APML	Not required
4.2.2. Inform regularly and in an adequate manner all entities affected by the legislation related to the AML/CFT area about all issues relevant to such entities.	4.2.1.5. Develop a plan of awareness-raising and other activities in order to instil confidence in Serbian financial system and the importance of using legitimate money transfer channels;	Lack of resources and capacities	24 months, P. 3	Percentage of users of legitimate money transfer channels. Qualitative and quantitative changes in the services offered by money transfer agents to citizens which stimulate them to use the legitimate channels. Number of cases where illicit transfer of money was detected and sanctions imposed.	Relevant institutions' work reports.	SCG	Not required
	4.2.2.1. Raise awareness with all persons active in the money transfer business about the risks of misuse of the system for terrorist financing purposes, relevant to Measure 2.1.6.	Lack of resources and capacities	24 months, P. 3	Number of seminars and participants. Number of communications, letters and other awareness-raising materials.	Communications, letters and other awareness-raising materials. Work report.	SCG	Not required