



MONTENEGRO

Administration for the prevention of money laundering and terrorist financing

THE ROLE OF FIU MONTENEGRO IN PREVENTION OF IRREGULARITIES AND FINANCIAL FRAUD

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THE MANNER OF ORGANISATION AND FUNCTIONING OF THE ADMINISTRATION FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING MONTENEGRO

- APMLTF is established in 2003 by the Decree of the Government of Montenegro
- administrative type of FIU
- independent authority
- the manner of functioning harmonized with international standards





LEGAL FRAMEWORK

- The first Law on the Prevention of Money Laundering (Official Gazette of the Republic of Montenegro No.55/03), came into force on 8/10/2003
- The Law on the Prevention of Money Laundering and Terrorist Financing (Official Gazette of the Republic of Montenegro No.14/07), came into force on 21/12/2007
- The Law on amendments and changes to the Law on Prevention of Money Laundering and Terrorist Financing came into force in March 2012 (Official Gazette of Montenegro, No. 14/07, 04/08 and 14/12)





LAW ON PMLTF IS COMPLIANT WITH:

- **Directive 91/308/EEC on Prevention of the Use of the Financial System for the Purpose of ML**
- **Directive 2000/46/EC** of the European Parliament and of the Council of 18 September 2000 on the taking up, pursuit of and prudential supervision of the business of electronic money institutions
- **Directive 2001/97/EC of the European Parliament and of the Council**
- **DIRECTIVE 2002/92/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL** of 9 December 2002 on insurance mediation
- **DIRECTIVE 2005/60/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL** of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing;
- **COMMISSION DIRECTIVE 2006/70/EC** of 1 August 2006 laying down implementing measures for Directive 2005/60/EC of the European Parliament and of the Council as regards the definition of '**politically exposed persons**' and the technical criteria for simplified customer due diligence procedures and for exemption on grounds of a financial activity conducted on an occasional or very limited basis;
- **FATF Recommendations (40+8+1);**
- **International UN Convention for the Suppression of the Financing of Terrorism**
- **UN Convention against corruption**





REGULATIONS FOR IMPLEMENTATION OF THE LAW ON PMLTF

- The Rulebook on the Manner of Work of the Compliance Officer, the Manner of Conducting the Internal Control, Data Keeping and Protection, Manner of Record Keeping and Employees' Professional Training (Official Gazette of Montenegro No. 80 of 26. 12. 2008)
- The Rulebook on the Manner of Reporting Cash Transactions in the Amount of 15,000 Euros and more and Suspicious Transactions to the Administration for the Prevention of Money Laundering and Terrorist Financing (Official Gazette of Montenegro No. 79 of 23.12.2008),
- The Rulebook on Developing Risk Analysis Guidelines with a view to Preventing Money Laundering and Terrorist Financing,, (Official Gazette of Montenegro No. 20/09 of 17.03.2009)
- „The Rulebook on Indicators for recognizing Suspicious Clients and Transactions,, (Official Gazette of Montenegro No. 69/09 of 16.10.2009) determines the List of Indicators-The List of Indicators for recognizing suspicious customers and transactions
- The Guidelines on developing risk analysis with a view to preventing money laundering and terrorist financing





MANNERS OF REPORTING

Regular reporting

- Article 33 of the Law on PMLTF defines reporting obligation on any transaction executed in cash in the amount of at least € 15,000 and in relation to transactions (regardless of the amount and type) or clients when there are reasonable grounds for suspicion of money laundering or terrorist financing

Additional reporting

- Articles 53-55 that refer to reporting entities data delivery upon the APMLTF requests





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APML/CTF SYSTEM CONSISTS OF THE FOLLOWING AUTHORITIES:

- APMLTF ;
- State Prosecutor's Office ;
- Police Directorate ;
- National Security Agency ;
- Supervisors: Central bank, Securities Commission, Insurance Supervision Agency, Administration for Games of Chance
- Customs Administration
- Tax Administration;





THE PROCEDURE TO INITIATE AND PROCESS A CASE

Initiative:

- By a reporting entity
- Analysis of own database,
- By another authority
- By foreign FIU





TEMPORARY SUSPENSION OF TRANSACTION

- Period for suspension: 72 hours
- Procedure in case of suspension
- Number of suspended transactions:
 - 2011 - 3 transactions are suspended
 - 2012 – 2 transactions are suspended





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JOINT INVESTIGATIVE TEAM

- February 2010 - the Supreme Prosecutors Office, Police Directorate, Administration for the Prevention of Money Laundering and Terrorist Financing, Tax Administration and Customs Administration signed Memoranda on establishing **Joint Investigative Team**
- The work of this team is coordinated by Special prosecutor – Department for suppression of organized crime, corruption, terrorism and war crimes.





FINANCIAL INVESTIGATION

Within financial investigation APMLTF provides the following:

- data and documentation on accounts opened with commercial banks in Montenegro, by persons subject to financial investigation;
- data on turnover on the mentioned accounts
- cash deposits, wire transfers and accounts balance;
- data on safe deposit boxes rented with banks and identification of property deposited in the safe deposit boxes;
- data on securities ownership,
- Additional data obtained in cooperation with foreign financial investigation units (FIU's)





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INTER-INSTITUTIONAL COOPERATION

Signed agreements on mutual co-operation with:

- Ministry of Internal Affairs (police Directorate)
- Department of Public Revenues
- Customs Administration
- The Central Bank of Montenegro
- The Central Bank of Montenegro
- Securities Commission
- State Audit Institution





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INTERNATIONAL COOPERATION

PRECONDITIONS FOR EXCHANGE OF INFORMATION :

- Requests for information /data and forwarding information /data exclusively to the competent authorities of the foreign state and to the international organizations
- Reciprocity – condition for exchange of information
- Information/data shall be used ONLY for analytical/intelligence purposes (any further use is done exclusively by explicit approval of the FIU)





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SIGNED MoU's

- | | |
|------------------|--------------------------------|
| 1. FIU Serbia | 14. FIU Bermuda |
| 2. FIU Slovenia | 15. FIU United Arab Emirates |
| 3. FIU Croatia | 16. FIU Moldavia |
| 4. FIU Macedonia | 17. FIU San Marino |
| 5. FIU BiH | 18. FIU UK |
| 6. FIU Bulgaria | 19. FIU Israel |
| 7. FIU Portugal | 20. FIU Aruba |
| 8. FIU Russia | 21. FIU Estonia |
| 9. FIU Romania | 22. FIU Armenia |
| 10. FIU Poland | 23. FIU British Virgin Islands |
| 11. FIU Albania | 24. FIU Canada |
| 12. FinCEN – USA | 25. FIU Japan |
| 13. FIU Ukraine | 26. FIC Kosovo |





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REGIONAL COOPERATION

April 2008

Regional Protocol on the Fight against Money Laundering
and Financing of Terrorism:

- Montenegro
- Serbia
- Bosnia & Herzegovina
- Croatia
- Slovenia
- Albania





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NUMBER OF DATA/INFORMATION FORWARDED TO THE LAW ENFORCEMENT AUTHORITIES

2012	Number of data data forwarded to the Police Directorate and Prosecutors office	Number of responses forwarded to the Police Directorate and Prosecutors office	Number of additional data delivered to the Police Directorate and Prosecutors office
1st January – 1st June	54	23	23





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NUMBER OF DATA EXCHANGED WITH FOREIGN FIU'S

2012	Number of data delivery requests RECEIVED from foreign FIUs	Number of data delivery requests SENT to foreign FIUs
1st January – 1st June	9	57





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THANK YOU FOR YOUR ATTENTION !!

Rome, 27.06.2012

