



# NEWSLETTER 3

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WORKING GROUP IV  
JUSTICE, FREEDOMS AND SECURITY

## First Program Council meeting

Date: 26.12.2018

Attending: Prof. Mileva Gjurovska, National Coordinator of NCEU-MK, Prof. Trpe Stojanovski and Prof. Blerim Reka, both permanent experts of WG4, Mr Nikola Todorovski, Coordinator of WG4, Dr Konstantin Minoski, coordinator of WG3, Ms Elena Gacheva, Mr Nikola Jazadziski.

Working Group 4 program council met in the NCEU-MK office, to organize the upcoming 4th session of WG4. The prime purpose of the meeting was to discuss and decide on a topic and date for the upcoming 4th session of WG4. The Council agreed on the following draft topic: "New forms of prevention and fight against human trafficking" and it was decided that the session will take place on 05.02.2019.

## Second Program Council meeting

Date: 21.01.2019

Attending: Prof. Mileva Gjurovska, National coordinator of NCEU-MK, Ms Magdalena Nestorovska, State Secretary at the Ministry for Interior, Prof. Trpe Stojanovski, NCEU expert, and Mrs. Svetlana Vlahovic and. M. Mukaetov representatives from the National Committee for Fight Against Trafficking in Human Beings and Illegal Migration

Second program council meeting was held in the Ministry of Interior. The purpose of the meeting was to discuss the recent activities and work of the National Convention, as it is relevant to the work of the National Convention. The present also finalized the draft Agenda for the 4th session of WG4, with the suggestion to also invite the relevant representatives from OSCE and IOM. In addition, there was also discussion and suggestions about upcoming the NCEU Plenary session, which is scheduled for March 2019.



## **NEW FORMS OF PREVENTION AND FIGHT AGAINST HUMAN TRAFFICKING**

On 05.02.2019 the National Convention on the European Union in the Republic of North Macedonia held the 4th session of WG4 (Justice, Freedom and Security – Chapter 24), in the Club of Deputies, Skopje. The official theme of the session was: New Forms Of Prevention And Fight Against Human Trafficking. The topic provoked great interest and active and constructive debate. More than 60 participants were present, from different fields (representatives from NGO's, MOI, from diplomatic bodies, international organizations, academics, and private citizens). Following the Agenda, Mr. Andrej Lepavcov, co-chair of WG4, opened the session. Providing some introductory remarks, Mr. Lepavcov underlined that the National Convention continues to be a crucial platform, which with the help of USAID and SlovakAid, and through the European Movement and SFPA, fosters an important intra institutional dialog. Ms Magdalena Nestorovska, State Secretary in the Ministry of Interior, began by stressing that as new forms of trafficking emerge, they require new forms of definition, measuring, prevention, and recommendations for more effective resolution of this phenomenon. "New forms of trafficking are constantly emerging, and they need to be defined and monitored".

For example, labor exploitation is a new form of trafficking and new preventive measures need to be developed." Ms Nestorovska said that the reasons for human trafficking, lie mainly in poverty, unemployment and domestic violence. A National Commission for Prevention has been set up in the Ministry of the Interior, which fully monitors this phenomenon. The Ministry also established a national "Task Force" unit. Mobile teams, composed of representatives of local self-government, the police, social workers, as well as from the civil sector, are working efficiently. In particular, Ms Nestorovska accented the significance of the civic sector and their constructive contribution to the fight against human trafficking. Educational lectures, town halls discussions and discussions, like this Session, help to recognize the risks and raise public awareness as a kind of new form of prevention in the fight against this type of crime. It is also important to note that over the past two years, about 80% of labor inspectors have been trained to recognize trafficking.





Prof. Trpe Stojanovski, NCEU-MK expert, went over the legal legislation with reference to human trafficking.

The main characteristic of these phenomena, according to him, is violence which manifests itself both physically and psychologically. The issue is that it can be difficult to detect and recognize, therefore making it even more difficult to prevent and combat this type of organized crime. A special contribution to the session gave Ms Zuzana Vatrálková, expert from the Republic of Slovakia. Ms Vatrálková spoke of the Slovak experiences in the implementation of the EU regulation on anti-trafficking.

It was beneficial to hear the positive practices from Slovakia. She conveyed that the official statistic in Slovakia show that, annually, there are 100 victims of trafficking - both male and female, which in particular are young people looking for work. Ms Vatrálková explained that in Slovakia, in addition to the Government - through the Ministry of Interior as the main institution that fights for the prevention of human trafficking, experts and non-governmental organizations are also heavily involved in the process. Prevention in Slovakia is a systematic approach, consisting of training for all who have contact with potential victims, victim support programs, and even mobile phone applications that help young people to educate themselves and recognize this type of crime.



## First preparatory Meeting

Date: 08 May 2019

Attending: Magdalena Nestorovska, State Secretary at the Ministry for Internal Affairs and co-chair of WG4, Svetlana Vlahovic (MIA), Viktorija Badzakova, Representative from the Secretariat for European Affairs (Department Justice and Security), Trpe Stojanovski, Expert in WG4, Dr Mileva Gjurovska, Ambassador Andrej Lapavcov, co-chair of WG4, Dr Blerim Reka, Expert in WG4, Nikola Todorovski, Elena Gacheva, and a number of representatives from the Ministry of Internal Affairs.

The first preparatory meeting for the Fifth Session of Working Group 4 (WG4) was held in the Ministry for Internal Affairs (MIA), in Skopje. First, the members addressed the question of the topic for the Session. Initially, there were discussions to dedicate the Session to the topic of Vetting. There are intentions to conduct a vetting process in the in MIA. However, key questions have not been decided yet, such as whether or how to conduct the vetting, whether to include other institutions in this operation?

This is why, members of the Program Council for WG4 questioned were this was the right time to have a Session on this sensitive issue. The State Secretary, Ms. Nestorovska, suggested that if the Program Council proceeds with the topic it might be beneficial to have the Session co-chaired by representatives from MIA, the Ministry of Justice, and the Public Prosecutor's Office. As the Program Council discussed the priorities of the EU reports and recommendations in the pre-screening process, it was suggested that as the question of financial investigations was a top priority. Hence, it was suggested that maybe it would be more pressing to dedicate the fifth Session on the question of Financial investigation, instead of on the topic of Vetting. The discussion was long and productive. In general, it was agreed that the Fifth Session will take place in Tetovo, at the South Eastern University. The date for the Session was confirmed as the 07 June 2019. However, the question of the theme for the Session remained open. Given that the time for the meeting was limited, it was agreed that after further consultations the Council will meet again in 2 days to finalise the details for the Session.

## **Second preparatory meeting**

Date: 10 May 2019

Present: Magdalena Nestorovska, State Secretary at the Ministry for Internal Affairs and co-chair of WG4, Dr Trpe Stojanovski, Expert in WG4, Prof. Dr Mileva Gjurovska, Ambassador Muhamed Halili, Nikola Todorovski, Nikola Jazadziski, Elena Gacheva, and a number of representatives of the Ministry of Internal Affairs.

At the start of the second meeting, the Members of the Program Council agreed that it would be best to change topic and dedicate the Fifth Session on the question of Financial Investigations. Not only was this topic highlighted as a priority in Plan 18, and the Progress Report with respect to Chapter 24, but the members of the Council considered that there is a genuine present need for a debate on the question of strategic approach in the fight against financial crime, and financial investigations.

Further, the members of the Council discussed the relevant institutions that should be invited to take part in the Session. It was stressed that it is important to have participants from the Judiciary, the Public Prosecutor's office, the Special Prosecutor's office, Customs, and the Financial Police. Discussing the topic in more detail, the members went over the already available documents on this issue. The Strategy for building the capacity of the state in the fight against financial crime, is an important document enacted recently, however its implementation is already behind. The members considered that the Strategy should be part of the Session, and its implementation be included in the recommendations.

## Fifth Session of Working group 4- Justice, freedoms and security

### **FOLLOWING THE WAY OF MONEY: STRENGTHENING THE MECHANISMS FOR FINANCIAL INVESTIGATION"**

The Fifth Session of WG 4 was titled "Following the way of money: Strengthening the mechanisms for financial investigation". The Session took place in Tetovo, at the South East European University, on June 7, 2019. The Session was attended by about 30 participants from the Ministry of Interior, judges, prosecutors, university professors, NGO activists, journalists and interested citizens. Opening the debate, the co-chair of WG 4, State Secretary in the Ministry of Interior, Magdalena Nestorovska, explained that this Session, alike all previous Sessions, identifies a topic that is of absolute priority in the road of the Country towards an EU membership. The Progress Report of the European Commission acknowledged the results achieved in the reform of the security structures.



The report also noted the need to build on the operational capacities for financial investigations, such as the establishment of a special unit for this type of investigation. The Session was greeted by the Rector of the South East European University, Academician Abdylmenaf Bexheti who spoke of the importance of the inclusiveness of the European integration process. In that sense, universities are suitable places and have the capacity to contribute to this strategic commitment. The corpus related to stability and security is an important element for economic development, which, if not provided, can lead to the exodus of the young population, an increasing phenomenon which is particularly worrying for our Country.





The Minister for Interior Affairs, Oliver Spasovski first reminded that the decisive and indiscriminate fight against organised crime and corruption is a priority of all democratic countries. Therefore, it is the focus of activities undertaken for prevention and fight against all forms of organised crime. Yet, to achieve this strategic objective, it does not suffice to effectively detect and prosecute perpetrators. It is equally important to effectively deprive the criminal from their criminally obtained property, as this gain is usually the most common motive and the criminals' main driving force. In the past years, the need for conducting financial investigations has been recognised, along with investigations into organised crime and accordingly, the need for building an efficient system that will provide concrete results. For that purpose, there are already organisational units in the Ministry, which, among other things, are also responsible for financial investigations.



The Minister gave the example of the case of smuggling migrants from Macedonia and Albania to the USA and Canada. The Police detained nine individuals, and a financial investigation was conducted, which resulted in the freezing of 24 bank accounts of three legal entities and 53 bank accounts of four individuals. All analysis confirms that for more efficient results, it is necessary to separate and have specialised units. This need arises from the complexity of the activities which themselves require appropriate expertise. There is also a need to develop a multidisciplinary, but also coordinated approach in the conduct of financial investigations, by strengthening the capacities not only of the Ministry of Interior Affairs, but also of the Public Prosecutors Office, the Customs Administration and the Financial Police. These goals are implemented in the Strategy for "Strengthening National Capacities for Financial Investigation and Property Confiscation" and its Action Plan. The Ministry has initiated some activities for the implementation of the Strategy, by amending the acts of the relevant State bodies for the creation of specialised units for conducting financial investigation.





Professor Blerim Reka began his address by underlining the importance of implementing the required standards of NATO and the EU. The Progress Report of the European Commission of 29 May 2019, is generally positive, but it should not be forgotten that it also contains a number of critical remarks, especially with regard to Chapters 23 and 24. In that sense, the confiscation of criminally gained property should be a strategic priority in the national fight against organised crime, terrorism and high-level corruption. At the moment the tools for freezing, managing and confiscating criminally gained funds and property lack efficiency. Which is why it is essential to focus on increasing the capacities and the methods for fighting financial crimes. The Co-Chair of the WG4 Ms Nestorovska, added that this was precisely why this topic was chosen for the fifth Session.

Further, she added that the implementation of the challenges of Chapter 24 in the past have long been delayed due to a lack of political will.

Professor of the Faculty of Security Sciences Trpe Stojanovski, spoke about the importance of the international instruments for the efficient prosecution of financial crime. He stressed that North Macedonia has ratified all international Conventions in the field of organised crime, the fight against money laundering and financing of terrorism and the fight against corruption. The Country participates in the work of all interlocutors international organisations and institutions aimed at enhancing international co-operation in the fight against crime. It is also involved in self-assessment and assessment procedure designed to further align national legal systems with international standards, and to develop specific mechanisms for the exchange of information and cooperation. These activities unambiguously show the determination and political readiness to harmonise the national legislation with international documents. However, it is important to remember that while the EC Report indicate progress, it also underlines the Country's inability to prove, prosecute and judge criminal offences of financial crime, including effectively confiscating criminally gained funds and property.



The foreign expert Pavel Horkaj gave a very useful and detailed presentation of the Slovak experience in dealing with financial crime. He stressed that the set of laws on criminal investigations, including financial ones, is not much changed, but what has changed is the different approach that has led to increased results. Thus, during each criminal investigation, a financial investigation is initiated, and the main point is the confiscation of criminally gained funds and property. In this regard, the authorities can achieve a total destruction of the criminals' potential for further criminal activities. Mr Horkaj presented a number of real cases from his financial investigations. He stated that the easiest methods are used in illegal car trafficking, which is most commonly associated with Ukraine. Then there is the problem of where to store the confiscated vehicles. They require large warehouse space, that is not always easy to secure.

A special interest aroused the case where a criminal, a young 22-year-old, transferred ownership of the property to a third person. A quick and detailed investigation procedure, which also extended abroad, found that on the basis of fictitious lottery profits in England, cash was deposited in Hungary, and hence transferred to Slovakia for the purchase of property in the amount of EUR 1,500,000 that were subject of additional investments with EUR 1 000 000. Immovable property, vehicles, bank accounts and all other property have been confiscated. Concluding his presentation, Mr Horkaj stressed that small countries should especially focus on financial investigations of illegal income and the accumulation of assets that can be used to corrupt institutions and jeopardise the rule of law and the legal order.

What followed was a sincere and very substantive debate. Judge Vesna Dimishkova from the Primary Court Skopje 1, Department for organised crime and corruption, opened the discussion. She pointed out that when it comes to prosecuting persons associated with high corruption there is a small number of effective verdicts in our Country. In part this is due to the lack of communication between the different relevant institutions that are dealing with this type of crime.



It often happens that the Police will carry out an action, but the case will be blocked or sabotaged by another institutions. As a major problem, she identified the speed of investigating and the speed of gathering legal evidence. These cases usually involve very specific crimes because unlawfully acquired funds move very fast and change from one person to another, or are transformed into another capital. Such punishable acts, except for the verdict of the perpetrator, should be followed by the measure of seizure of the illegally acquired property, and for that, it is essential to have solid record of the assets. In addition, it is usually the case that the verdicts for these cases result in only the freezing of property, and rarely proceed with confiscation of that property. This has to change, if we want effective fight against high and organised crime. Following, the discussion continued with the address of the representative of the Special Public Prosecutor's Office, Lile Stefanova.

According to her, in this Country the legal framework for regulating this phenomenon is solid. The problem is not the laws, but rather in the criminal procedure, i.e., in the manner in which these investigations are conducted. Each crime results in some kind of gain for the criminal. That gain, whether material or not is usually the main motive for the crime. The Prosecutor welcomed the new initiative to separate financial investigations from other investigations. Pointing to the Prosecutions' work, she stressed that the Prosecutor must be an active participant in the investigative proceedings, and not be turned into an observer that await someone else to provide the evidence. According to her, all participants in the investigation, including the prosecutors, should have continuous trainings for the new forms of financial criminals because this economic sector is progressing and developing at enormous speed.





Jane Shilev, head of the Sector for Financial Crime, addressed lack of cooperation between institutions. He stressed that the success of financial investigations is dependant on proper cooperation and communication between all relevant institutions. He also spoke of the failure to establish a National Intelligence Database.



Ljiljana Zivkovic Davitkova, the representative of the Customs Administration, as the last speaker first stated that she found this Session very useful. She underlined that it is necessary to increase the presence and the active role of Public Prosecutors at the border crossings, especially when there is an arrest for a serious crime. The experience of the Custom Administration was also that there is a lack of cooperation between the different institutions, and Ms Davitkova also urged that this has to change in the future.

As a conclusion, the National coordinator of the Convention Prof. Dr Mileva Gjurovska, and professor Trpe Stojanovski stressed that what this Session showed is that the most urgent issues in this area are the strengthening of the national capacities in the management of financial investigations in accordance with the recommendations from Chapter 24. In this Session, the relevant participants from State institutions, prosecutors, judges, university professors, representatives of NGOs engaged in the field of security and the expert from Slovakia, all made significant contributions. In the open floor debate, there was also discussion about the public's perception and opinion regarding the financial investigations. In accordance with the established practice of the Convention, there was discussion of the draft Recommendations. The debate was indeed extensive, and each recommendation was analysed in detail. Given the time constraints, and because the debate continued well past the end time for the Session,

