

5TH INTERNATIONAL STUDENT CONFERENCE ON LOCAL SAFETY AND SECURITY



UNIVERZITET CRNE GORE
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Criminal Justice and Security

OPEN AND PREDICTABLE FINANCIAL SYSTEM AND SUPPRESSION OF CRIMES AGAINST PAYMENT TRANSACTIONS

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SLOVENIAN RESEARCH AGENCY

Sustainable Development Goal 16: Peace, Justice and strong Institutions

The Millennium development goal

PEACE, JUSTICE AND STRONG INSTITUTIONS



- Promoting peace, justice and institutions is one of the 17 global goals that make up the *Program sustainable development* by 2030.
- The purpose of this millennium goal is to glorify and strengthen the rule of law, as well as to promote the basic human rights.



FINANCIAL SYSTEM OF MONTENEGRO



Financial
infrastructure

Financial
market

Financial
institutions

FINANCIAL SYSTEM OF MONTENEGRO

Overview of financial sector institutions, 31. 12. 2020.

Type of institution	Number of institutions	assets, 000 €	Participation in the assets of the sector, %
Banks	12	4.586.507	92,5
Insurance company	9	249.404	5,0
MFI (Montenegro Investment Credit)	8	82.478	1,7
Leasing companies	2	39.422	0,8
Factoring companys	1	1.180	0,0
TOTAL	32	4.958.991	100,0

FINANCIAL SYSTEM OF MONTENEGRO

- Montenegro Stock Exchange, as the center of the capital market
- Subsystems of the payment system: RTGS and DNS system
- Central Depository and Clearing Company
- Central Bank of Montenegro

Financial market regulatory
framework

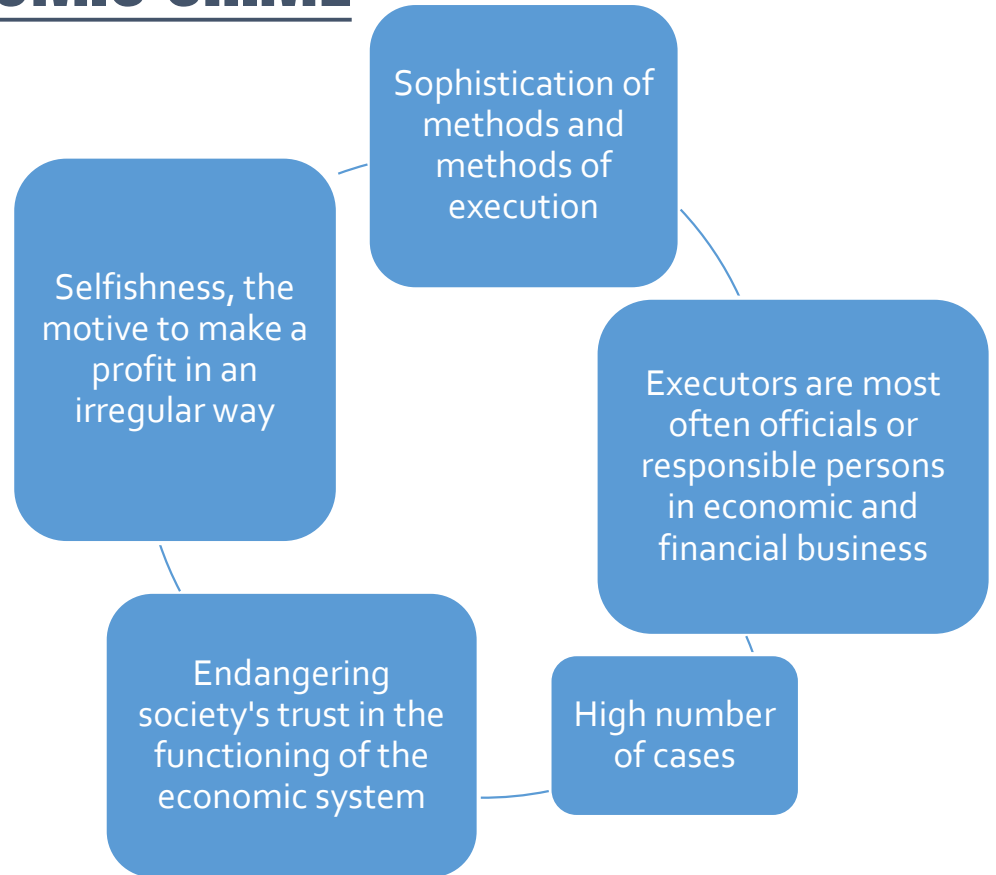
Central Bank of
Montenegro

Supervisory
Agency Insurance

Capital Market
Commission

ECONOMIC CRIME

- Economic crime includes those types of criminal behavior and activities that are directed against the economic system.
- The characteristics of economic crime can be observed in relation to the act, the perpetrator and the victim.



ECONOMIC CRIME



• THE RATIO BETWEEN ECONOMIC AND ORGANIZED CRIME:

- **Organized crime** - type of property crime, characterized by the existence of a criminal organization that performs continuous economic activity, using violence and corruption of government officials.

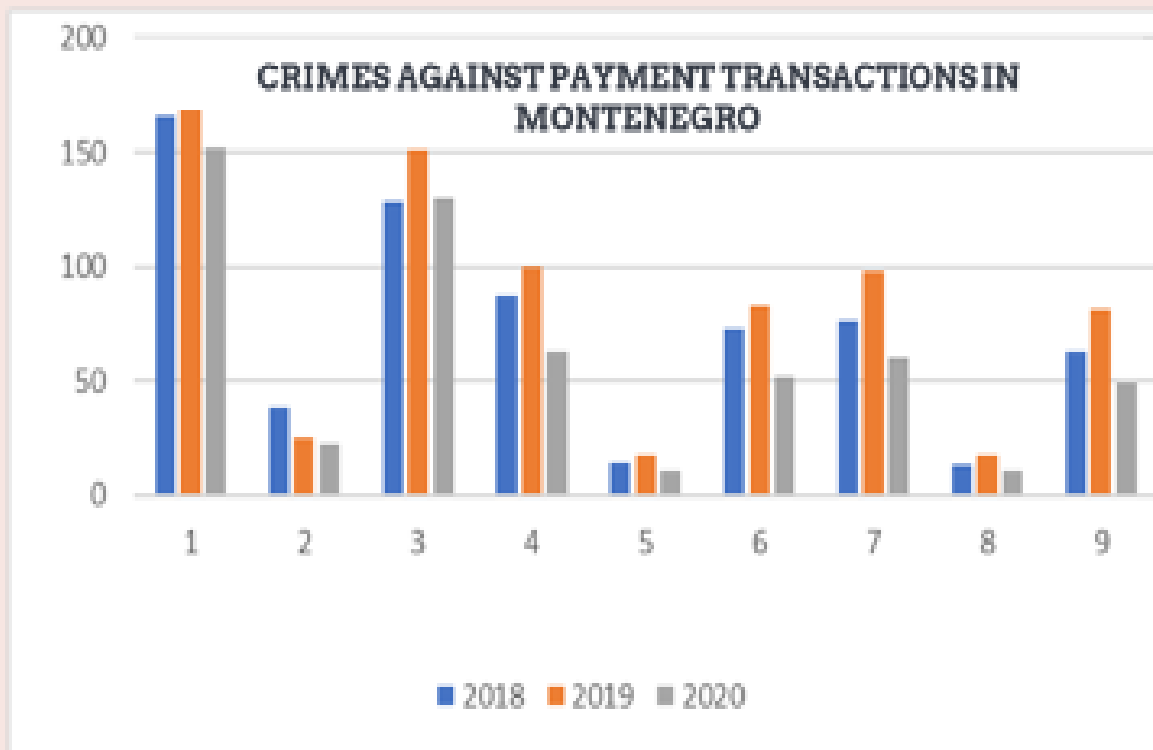
- **There are numerous forms of economic crime**

• TREE BASIC MODELS OF ATTACK:

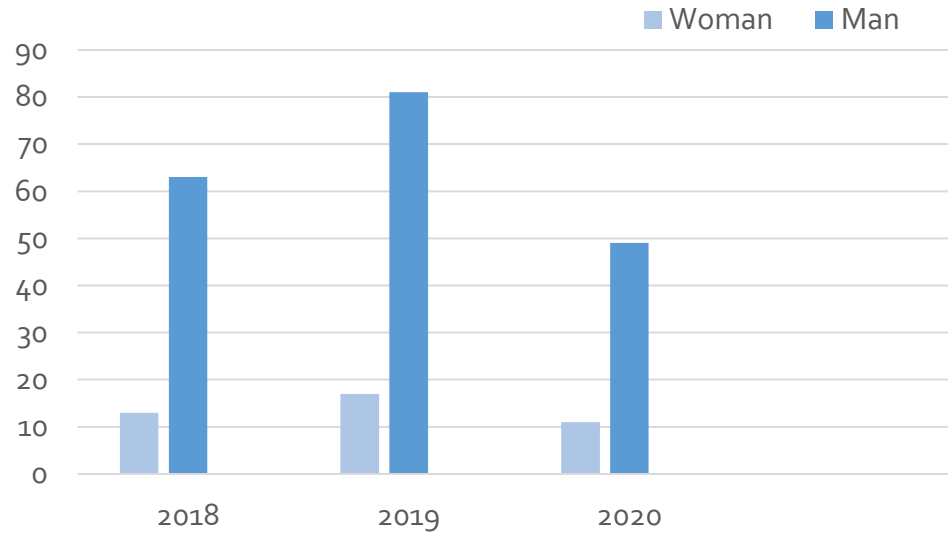
1. **Model of pure operational functions;**
2. **Model encouraged by varying degrees of concentration of functions;**
3. **Model in the sphere of managerial functions.**

Crimes against payment transactions in Montenegro by 3 years:

	Reported persons - perpetrators			Defendants			Convicted persons		
	In total	Woman	Man	In total	Woman	Man	In total	Woman	Man
2018	166	38	128	87	14	73	76	13	63
2019	176	25	151	100	17	83	98	17	81
2020	152	22	130	63	11	52	60	11	49



Convicts compared by sex:



MONEY LAUNDERING

PHASES OF MONEY LAUNDERING:

PLACEMENT

LAYERING

INTEGRATION

Activities aimed at legalizing money acquired through criminal activity, in concealing the origin of dirty money through financial transactions.

INTERNATIONAL COMMUNITY AND COMBATING MONEY LAUNDERING:

- UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, Vienna Convention
- Convention on Laundering, Investigation, Seizure and Confiscation of the Proceeds from Crime, Strasbourg Convention
- Council Directive on the prevention of the use of the financial system for the purpose of money laundering

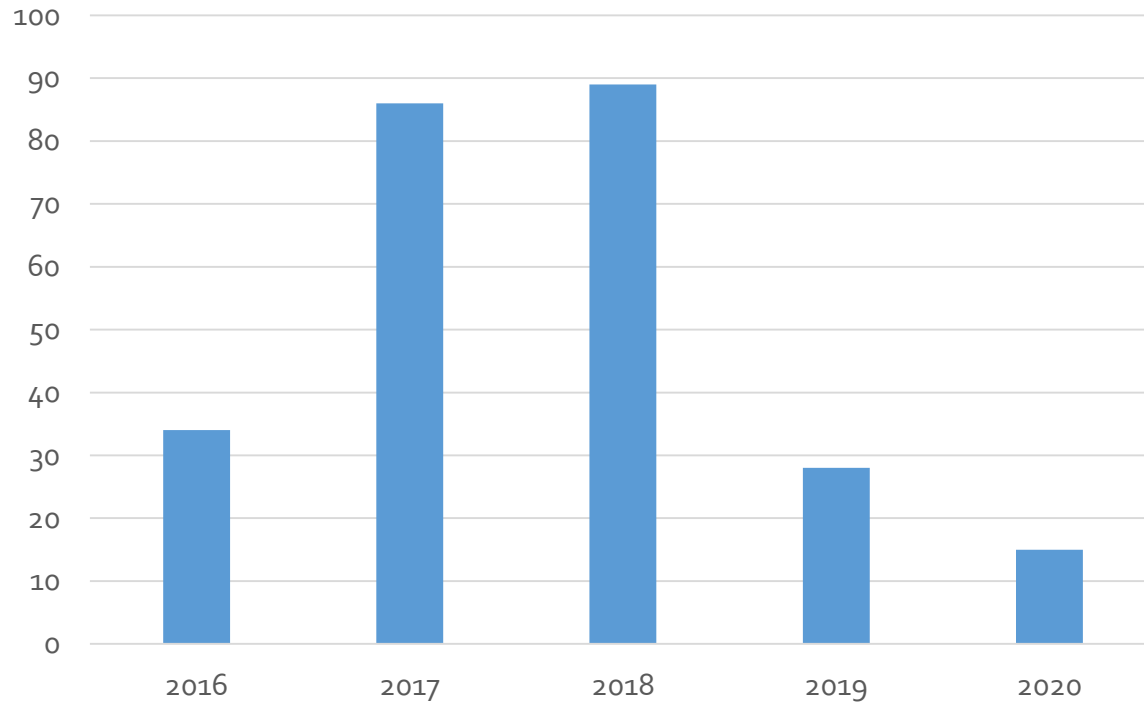
MONEY LAUNDERING



- The cases of money laundering in the past three years:

	Published in the reporting year	Unresolved investigations in the previous year	Resolved applications	Total investigations in progress	Suspension of investigations	Solved investigations	Unsolved investigations	Total applications
2021	5	10	5	5	1	/	4	3
2020	5	9	2	3	/	1	2	3
2019	9	3	2	4	1	2	1	3

The cases of money laundering in Montenegro in the past 5 years:



COUNTERFEITING MONEY

Making fake money

Altering real money

Putting counterfeit money into circulation

Obtaining counterfeit money

Not reporting counterfeited money



- There are *different ways* of counterfeiting money, depending on the material; is it paper money or coinage.

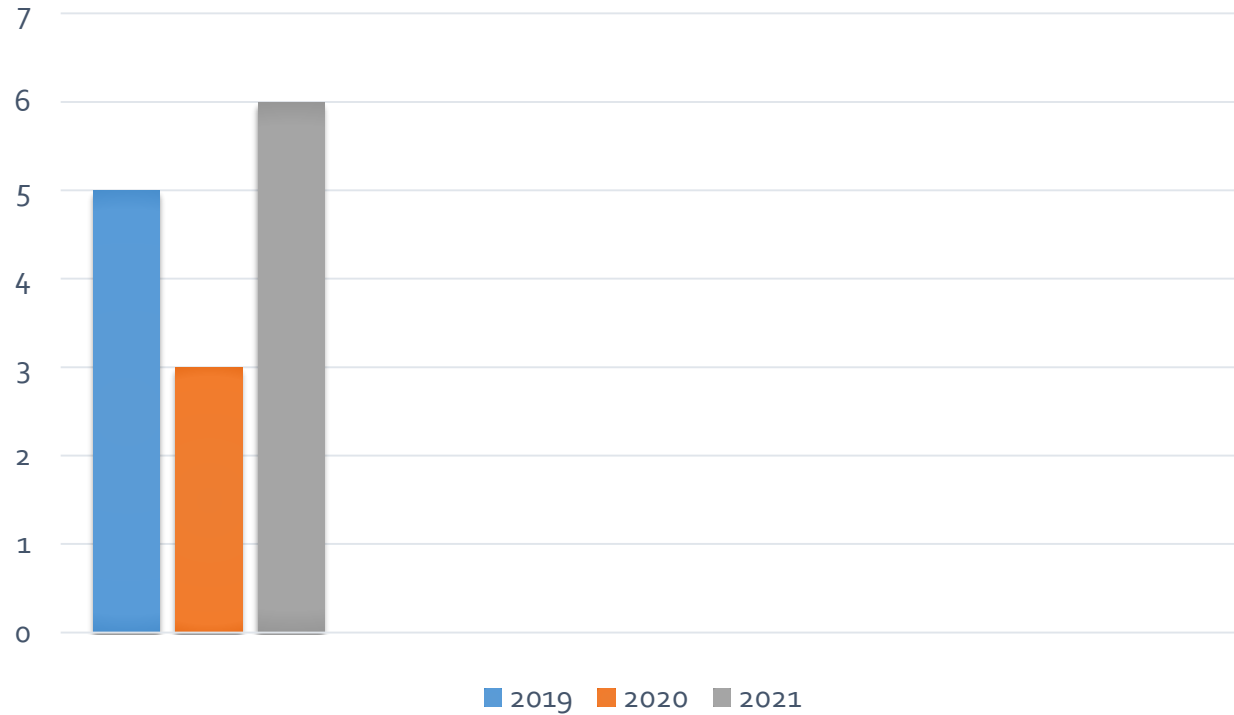


COUNTERFEITING MONEY

The cases of counterfeiting money in the past 3 years:

<i>A criminal offence Article 258- COUNTER FEITING MONEY</i>	<i>Reported persons</i>	<i>Rejected criminal charges</i>	<i>Immediate indictment</i>	<i>Unresolved application</i>	<i>Unresolved charges</i>	<i>Prison sentence</i>	<i>Appeal to the court</i>	<i>Acquittal</i>
YEAR 2021.	6	2	2	2	5	1	1	/
YEAR 2020.	3	1	1	4	4	4	2	/
YEAR 2019.	5	1	1	1	6	6	1	1

REPORTED CASES BY YEARS



INSTITUTIONS

- Supreme State Prosecutor's Office,
- Tax Administration,
- Police Directorate,
- Directorate for Prevention of Money Laundering and Terrorist Financing.



WHAT CAN WE CONCLUDE?

Why this kind of crimes matters?

Crimes against payment transactions are the kind of crimes that are destroying the economy of the state.

How can we make a change?

By improving the work of institutions and ensuring equal and inviolable rule of law for every person, without exception.



When it comes to numbers,

The number of committed crimes is decreasing, but we still have a reason to worry because the number does not change significantly over the years.

Thank you for your attention.