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SCOPE, STRUCTURE AND DYNAMICS OF MONEY LAUNDERING IN THE REPUBLIC OF NORTH MACEDONIA

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Abstract

Money laundering as a highly sophisticated organized crime represents a challenge and threat for many aspects not only at the state level, but also in the world. Corruption "blooms" everywhere, in every phase of social life, globalization contributes to criminal groups connecting with each other much more easily, and the logical consequence of this is the expansion of money laundering as a not so new phenomenon, which is not only on a global level, but affects in the daily life of the individual. The very purpose of committing criminal acts is profit, that is, maximizing the profit from the illegal activities they perform. And this only confirms the fact that man is a social being, whose desire for wealth, for a high social status for himself and his family, for a comprehensive well-being is unlimited. Human ambitions are a bottomless abyss. However, he is aware that the legal possibilities to acquire such wealth and prosperity are limited. And that is precisely why he resorts to illicit, illegal activities in order to achieve that desire for wealth, status, and reputation in society. By resorting to these illegal activities, he will undoubtedly make a profit, but since that profit cannot be presented as legal earnings, he approaches the study of ways to legitimize that profit and how to present it as legal and enjoy its benefits legally.

Key words: crime, money laundering, organized financial crime, economic flows, prevention.

INTRODUCTION

The globalization of the world economy, the reduction of the importance of nation-states and national sovereignty, together with the enormous spread of communication networks and media, have had a significant impact on organized crime. In a world of globalized commerce and instant communications, smaller networked organizations are becoming the norm for both legitimate and illegitimate business activity. The technological and organizational possibilities for the formation of global networks have transformed and empowered organized crime. Its fundamental strategy has long consisted of penetrating national and local state institutions in its home country

to protect its activities. It remains an important element in the operational procedures of organized crime, which can only survive on the basis of corruption and intimidation of state personnel and sometimes state institutions. But more recently globalization adds another crucial moment in the institutional strategy of organized crime, the great mobility and extreme flexibility of networks allows them to evade national regulations and rigid procedures of international cooperation. Organized crime, with all its modern forms, is recognized as one of the biggest threats to democracy, the rule of law and the social functionality of modern states. The links between organized crime and corruption in contemporary social life are closely related.

Money laundering is a serious, socially dangerous problem, a highly organized crime, which has far-reaching negative implications on the overall economic, legal, political, moral and security social order of a country, but also in the world.

It is for these reasons that a comprehensive analysis of all its aspects is necessary, of its very generation, its appearance, the schemes of money launderers, the impact it has on a society as a whole, and on the other hand, how much capacity the state has to deal with the challenge which this phenomenon brings with it. How developed is the system of that country, how much staffing and expertise is there, what is the quality of the legal framework, whether the measures resulting from it are sufficiently respected, but also whether there is inter-institutional cooperation and coordination in the direction of detecting and sanctioning the criminal acts that occur from money laundering. (Lajman, Majkl, Poter, Gari 2009, 39)

Always, money laundering comes as a secondary activity or a consequence of previous criminal acts, with the help of which the dirty profit is acquired and then ways are found to present that illegally acquired profit as legal and thus let it into the legal financial flows. The goal of money launderers is not always to maximize profits from illegal activities, but to find a way to disguise the illegal origin of the money so that they can then enjoy the profits legally.

For the purposes of this research, we will apply appropriate methods and techniques with the help of which we will collect and process data relevant to the crime of money laundering, its prevalence, as well as the reasons and conditions that encourage the commission of this crime and its occurrences shapes.

The consequences are far-reaching and huge, because they lead to the porosity of the system, especially the tax and economic system, which then affects the domestic budget and thus directly affects the individual and everyday life.

In all modern criminal legal systems, the notion of money laundering is incriminated as a crime for which criminal liability and criminal sanctions are prescribed for perpetrators, in order to protect social goods and values.

Our country, in addition to the legal regulations in this sphere, has also ratified numerous Conventions at the global level that are adapted to our legislation and from which numerous obligations for the entities involved in this problem, which occupies a wide scale, emerge.

In the text that follows, I will try to give an explanation of the seriousness of this type of crime, its sophistication, the schemes through which it is carried out, the measures that should be taken to suppress it, if not completely, at least to minimize the consequences that derive from it.

DEFINITION OF THE TERM OF MONEY LAUNDERING

It is in the nature of the human to strive to provide better living conditions for himself and his family, to desire the acquisition of wealth and to find all kinds of ways to satisfy these needs. Money is undoubtedly the greatest aspiration for man, to enjoy as much as possible the privileges that money brings. And since human desires are a bottomless abyss, very often people resort to illicit ways to satisfy their desires and push the limits of human affluence. (Kambovski, Naumovski, 2002, 98)

Unfortunately, many resort to committing crimes to satisfy desires that are beyond legal means. Often, profit as a motive and goal is at the core of organized crime because it organizes people into criminal groups and by committing crimes they acquire that desired profit hoping and expecting that they will not be discovered and that the traces to the source of these funds will be hidden.

Money laundering has been a practice since 2000 BC, when wealthy Chinese merchants moved their profits out of China because the government did not support commercial trade. They then reinvested their smuggled funds into other enterprises, a technique still used today. (Medinger, 2009, 57)

Money laundering as a term originated in the USA in the thirties of the last century or the so-called prohibition period (at a time when the ban on pouring alcohol existed), when criminals presented the money earned from the illegal production and smuggling of alcoholic beverages as earnings made in the chain of their washing machines for clothes and cars. Also, the ready money they collected from the street drug dealers, in the registered legal entities, i.e. the laundromats, they entered as daily turnover, achieved from "washing clothes" and then transferred it to their bank accounts. However, they were cautious and careful not to exceed the daily limit of controlled payments. And from here, the term money laundering officially began to be used in the literature, from where the criminological science took it. (Moris-Cotterili, 1999, 327)

In the United States and Western European countries, terrorism causes substantial problems that require a large and vigorous response by states and their authorities. This is emphasized by the fact that the financing of terrorism is defined as the provision or collection of funds in any way, directly or indirectly, illegally and knowingly, with the intention that they will be used or with the knowledge that they will be used in whole or in part for the purpose of undertaking an action envisaged as a crime committed by a terrorist organization, a crime against humanity, endangering security, etc. (Fatih, David, 2011, 33) In that direction, it is necessary to emphasize that terrorism as a global phenomenon develops and changes the forms of action, and most importantly, the ways in which financial resources are obtained for the realization of terrorist plans also change. (Boskovic, 2009, 14). A basic characteristic of money laundering is its close connection with tax evasion to the state, which damages the state and its budget. And the main goal of money laundering is to generate profit, which can be used for various illegal activities. Namely, criminals try to hide the true origin of their funds and give them legitimacy through money laundering.

The problems generated by money laundering are on a global scale and every state or national economy must face them. This phenomenon worries both the institutions of the system and business entities, as well as ordinary citizens, affecting their daily life. The effects caused by money laundering can be listed, such as:

- paralysis of the institutions of the system;
- spread of deviant phenomena in society;
- correlation between money laundering and tax evasion;
- reduction of purchasing power of citizens;
- potential danger of taking over the management of financial institutions by criminal groups;
- unfair competition between honest companies and entities that launder money. (Trajkovski, 2009, 13).

Among the many attempts at definition, perhaps the broadest and most comprehensive definition would be one that characterizes money laundering as the process by which the proceeds of which are reasonably believed to be derived from criminal activity are transported, converted, or incorporated into legal financial flows in order to conceal their origin, source, movement or ownership, to enable these funds to appear as legal, and the persons involved in the criminal activities to avoid the legal consequences of such action.(Kambovski, 2007, 196)

THE PROCESS OF MONEY LAUNDERING

There are many opinions from different authors and the process of money laundering differs from country to country, but basically it takes place in three basic stages:

- venture stage (or placement),
- concealment phase,
- phase of integration.

The stage of placement is the first stage in the process of money laundering and implies entering the money into the legal financial flows. In this phase, the launderers take the illegal funds away from the crime scene so that they are not detected by the authorities. However, this phase is also the most risky for launderers and the easiest to detect the illegally acquired money. This is the phase in which the cash acquired through any criminal activity, such as drug sales, prostitution, various abuses... is first placed through financial institutions or through the purchase of movable or immovable property. In order to reduce the risk in in this phase, the main amount is broken down or divided into smaller amounts and used to buy financial instruments, to be used as

deposits in banks or to be placed in legitimate activities such as clubs, restaurants and casinos.(Boskovic,2005,113)

In the second phase or concealment phase, the aim is to conceal the trace of the illegitimate funds, that is, to separate the illegal money from its criminal source. Through numerous transactions, which do not have any economic or business logic, money is transferred, i.e. it circulates through the financial structures, from one account to another, from one form to another. Most often, various techniques and methods are used for concealment, by transferring the funds to offshore bank accounts or investing the funds in bearer shares of so-called shell companies. (Billy,Steel, 1997, 25)

The third stage is the stage of integration, in which dirty money is included in legal flows along with legal money. The integration of laundered money into economic flows is achieved in such a way that the criminal individual or group claims or proves that the money was acquired in a legal way. The purpose of the integration is to return the laundered money to the owner who further uses it for his own needs.

LEGAL REGULATION OF THE REPUBLIC OF NORTH MACEDONIA

The legislation in the Republic of North Macedonia prescribes money laundering and other proceeds from a criminal offense in Article 273 of the Criminal Code¹, which also defines the criminal legal protection for this offense. The person who circulates or trades, receives, takes, exchanges or distributes money or other property that he obtained by a criminal offense or which he knows to have been obtained by a criminal offense, or by conversion, conceals its location, movement or ownership, shall be punished with imprisonment from one to ten years.

Based on this legal description, the basic act of committing, i.e. the act of execution consists of putting into circulation, receiving, taking, exchanging or dispersing money or other property that has been obtained through a criminal offense or which is known to originate from a criminal offense. deed. But also, apart from the above-mentioned acts of committing this crime, the same is done by converting, changing, transferring or otherwise concealing such a source or by changing the location or ownership of the illegal property.

The object on which the action in the crime is carried out is the money that was acquired in an illegal way, by committing criminal and illegal acts. However, it is not only the way in which the money was acquired, but the involvement in the legal flows of such dirty money that is punishable. The person who puts them into circulation is also subject to punishment.

In addition to the basic crime, i.e. the basic form of this crime, there are also more serious forms of action, namely:

¹ Criminal Code of the RNM "Official Gazette of the Republic of Macedonia No,37/96, 80/99, 4/02, 43/03, 19/04, 81/05, 60/06, 73/06, 7/08, 139/08, 114/09, 51/11, 135/11, 185/11, 142/12, 166/12, 55/13, 82 /13, 14/14, 27/14, 28/14, 115/14, 132/14, 160/14, 199/14, 196/15, 226/15, 97/17, 248/18

- if the crime was committed in banking, financial or other business operations or if by dividing the transaction the perpetrator avoids the duty to report in the cases determined by law (in that case the perpetrator will be punished with imprisonment of at least three years)
- whoever commits the crime as a member of a group or other association engaged in money laundering, illegal acquisition of property or other proceeds from a criminal offense, or with the help of foreign banks, financial institutions or persons (shall be punished by imprisonment at least five years).

Subjects who appear as perpetrators of this crime are physical and legal persons. According to the subjective being, the crime is premeditated, i.e. in order to do the same, the perpetrator needs to be premeditated, who knew or should have known that the money came from illegal activity, that is, it was obtained by committing a criminal offense. Also, negligence is punishable for this crime, in a way that the legislator says that if this crime is committed due to negligence, then the perpetrator will be punished with a fine or imprisonment for up to three years.

Regarding the factors that cause this phenomenon in the group of general factors we would mention:

- the power of capital;
- the technological revolution;
- the globalization process;
- the development of global financial infrastructure;
- the possibility of quick transfers of people and capital across the border;
- development trends of action of transnational organized criminal groups and
- the high profitability of criminal activities. (Taseva, 2009, 38)

The group of special factors includes:

- the degree of political will for the adoption of national legislation and for its efficient application;
- the level of development of national legislation on crime prevention and control and confiscation of criminal proceeds;
- development of a regulation for the banking and financial sector and the representation of bank secrecy;
- implementation of international standards;
- the possibility of mutual cooperation in investigations, charges and confiscation measures and
- representation of corruption in national frameworks. (Taseva, 2009, 39)

The Republic of North Macedonia is a country with a very fragile economy and insufficiently developed mechanisms in terms of dealing with money laundering and is often the target of money launderers. Although according to statistical data in the group of crimes against public finance, payroll and the economy, money laundering participates in a very small percentage of about 3%, it should be taken into account that tax evasion, which is represented in a fairly large percentage in the group of these crimes with about 45%, appears as a predicate act of money laundering, and the money from tax evasion is used for the personal enrichment of the perpetrators, which in some way diverts and converts the criminal income into legal money. From here we can conclude that, probably, the inability of the law enforcement authorities to prove the guilt of the perpetrators of tax evasion as a predicate offense makes it impossible to conduct proceedings for the crime of money laundering and for that reason it occurs statistically in such a small percentage. Due to this fact, the dark numbers of this crime are huge.

In addition to the criminal code, in July 2022 our country also adopted a new law on prevention of money laundering and financing of terrorism. We have prepared a large number of strategies and bodies that are actively working to suppress this type of crime.²

We can use the volume, structure and dynamics of money laundering to obtain data on the number and percentage of the total number of crimes, with the same or similar characteristics, from the legal group in which they are defined. The dynamics of these works help us to see how they moved through the years that are the subject of our research. Through the development of statistical data and their analysis, we came to the conclusion that the crime of Article 273 of the Criminal Code, i.e. money laundering, is classified in the group of crimes against public finances, payment transactions and the economy and participates in a very small percentage of about 2% in the period from 2018-2022.

The small number of perpetrators of this crime is easily noticeable. However, we must emphasize that in reality the percentage is much higher, but it is difficult to find out because in almost the majority of cases, money laundering occurs as a secondary crime and very often tax evasion occurs as its predicate act. And parallel to that is the impossibility of conducting proceedings for the crime of money laundering, conditioned by a predicate offense.

Through the analysis of the reported perpetrators, data should be obtained that will show us the influences and conditions that were suitable for this criminality in the analyzed period. The real indicators are those key links that would help in building a strategy by the competent institutions that are obliged to take appropriate measures first for prevention, and then for a repressive approach to the perpetrators of these crimes.

As for the phenomenological characteristics of the phenomenon of money laundering, the various ways of execution must be analyzed initially *modus operandi* for it, the dynamics, emerging forms and other characteristics.

² The Law on prevention of money laundering and financing of terrorism, Official Gazette of the Republic of North Macedonia, n. 151 4.7.2022

Thus, the very analysis of the money laundering process is conditioned by three inevitable stages through which the activities go:

- 1) Stage of placement (sale of dirty money);
- 2) Concealment phase (filling);
- 3) Integration phase (investment of legal money in some legal activity).(Kosevaliska, Maksimova, 2018: 39)

The placement represents the sale of the principal amount of cash funds that are the result of criminal activities. Given that laundering money is essentially an activity that is based on ready assets, it generates a large amount of cash originating from illegal activities (for example: street sale of drugs where payment is made in cash).

Concealment, or stuffing, means increasing the number of layers complex financial transactions, or serial financial transactions, in order to separate ill-gotten gains from their illegal sources. So, in this one phase, the source of the funds is concealed by creating a whole system financial transactions that aim to make tracing impossible of the suspicious money.

Integration represents the final stage in the money laundering process. In this stage the money is integrated into the legitimate economic and financial system and represent an integral part of the total funds in that system, that is, it is possible legal explanation of the emergence of wealth through investment in the legal economy.

Table 1.

Adults reported for crimes against public finances, payment transactions and the economy

	2018	2019	2020	2021	2022
	Total	Total	Total	Total	Total
Crimes against public finances, payment operations and economy	272	269	273	371	332
....Counterfeiting money	43	29	43	48	42
....Money laundering and other proceeds of crime	2	-	5	5	-
.... Issuing a check without cover and misuse of a payment card	4	1	12	20	4
.... Issuance of an unsecured promissory note	1	-	1	-	-
....Making and using a fake payment card	28	25	20	22	21
....Illicit trade	5	1	-	1	1
....Customs fraud	8	2	3	1	4
....Smuggling	26	19	13	20	19
....Concealment of goods subject to smuggling and customs fraud	2	2	5	4	1
....Tax evasion	55	50	53	58	62
....Infringement of industrial property rights and unauthorized use of another company	19	19	13	9	11
...Criminal acts against public finances, payment transactions and the economy-other	79	121	105	183	167

Source: State Statistics Office³

In 2018, we have 2 registered persons as perpetrators of the crime of money laundering and other proceeds of crime, so that in the coming period the number will grow to 5, while in 2022 there will not be a single person.

³https://makstat.stat.gov.mk/PXWeb/pxweb/mk/MakStat/MakStat_Sudstvo_ObvinetiOsudeniStoriteli/100_SK_Mk_T1_ml.px/table/tableViewLayout2/?rxid=46ee0f64-2992-4b45-a2d9-cb4e5f7ec5ef

Table 2

Convicted adults by type of crime, type of imposed sanction and gender

		Crimes against public finances, payment operations and economy	Money laundering and other proceeds of crime
2018	Total convicted persons	119	8
	Convicted persons - Women	10	1
	Convicted persons - Men	109	7
2019	Total convicted persons	104	-
	Convicted persons - Women	8	-
	Convicted persons - Men	96	-
2020	Total convicted persons	94	-
	Convicted persons - Women	2	-
	Convicted persons - Men	92	-
2021	Total convicted persons	162	6
	Convicted persons - Women	6	-

	Convicted persons - Men	156	6
2022	Total convicted persons	149	9
	Convicted persons - Women	16	4
	Convicted persons - Men	133	5

Source: State Statistics Office ⁴

From the data in table 2, we can state that the percentage of participation in the crime of money laundering and other proceeds of crime is a small percentage in the total crime in this area. The number of perpetrators of crimes in the field of public finances, payment transactions and the economy is variable. The number drops significantly in 2020, only to increase again in the next two years covered by this research. Perpetrators are mostly men, but in recent years there has also been a representation of women. From the data available to the State Statistics Office, we can conclude that the largest percentage of the perpetrators of these crimes have secondary and higher education, and the representation of people without education is insignificant. As for the gender representation of the perpetrators of the crime Money laundering and other criminal proceeds, the fact that last year out of 9 convicted perpetrators, as many as 4 are women is interesting.

Table 3

			Known perpetrators					
				A type of decision				
Year	Money laundering	Total	Total known perpetrators	Dismissed report	Terminated investigation	Stopped investigation	Alternative measures	Prison sentence
2018		8	8	/	/	/	2	1
2019		/	/	/	/	/	/	/
2020		5	5	/	/	2	3	/
2021		6	5	/	/	1	1	4
2022		9	9	/	/	/	6	3

Source: State Statistics Office ⁵

⁴https://makstat.stat.gov.mk/PXWeb/pxweb/mk/MakStat/MakStat_Sudstvo_ObvinetiOsudeniStoriteli/275_SK2_Mk_T13_ml.px/table/tableViewLayout2/?rxid=46ee0f64-2992-4b45-a2d9-cb4e5f7ec5ef

From the following table, we can state that out of the total number of persons reported for crimes committed against public finances, payment transactions and the economy, for the year 2018, in relation to the crime of money laundering, out of a total of two, one known perpetrator was registered. Regarding the decision, there is no dismissed application, no interrupted procedure or stopped investigation. An indictment has been filed against the two perpetrators, but one person also appears here as an unknown perpetrator. In 2019, according to statistical data, no known perpetrators were registered or any type of decision for the crime of money laundering. In 2020, 5 perpetrators of the crime of money laundering were registered, all of whom are known perpetrators, there are no rejected reports, nor suspended proceedings, however, there are 2 stopped proceedings and 3 indictments. There are no unknown perpetrators. In 2021, we have a total of 6 cases of money laundering, of which 5 have completed procedures, and one has not, while 1 was sentenced to an alternative measure, and the others were sentenced to prison.

In 2022, we have a record 9 cases of completed court proceedings, and in one of the cases, an alternative measure was imposed, and for 3 cases, a prison sentence was imposed.

Table 4

	2018	2019	2020	2021	2022
Crimes against public finances, payment operations and economy					
In total	119	104	94	162	149
No education	2	1	3	2	-
Unfinished education	5	1	-	2	1
Primary education	23	31	19	30	23
Secondary Education	56	51	56	104	91
High education	14	9	5	11	22
Unknown	19	11	11	13	12

Source: State Statistics Office⁶

From the statistical data that refer to the school training of the perpetrators of crimes against public finances, payroll and the economy where the crime of money laundering and other proceeds of crime actually belongs, the largest percentage of perpetrators have a secondary education, followed by perpetrators with primary education.

Regarding the school preparation and occupation of persons convicted of crimes against public finances, payment transactions and the economy, which includes money laundering, from table no. 4 we can note that in the period from 2018-2022, out of a total of 628 convicted persons, 126

⁵https://makstat.stat.gov.mk/PXWeb/pxweb/mk/MakStat/MakStat_Sudstvo_ObvinetiOsudeniStoriteli/275_SK2_Mk_T13_ml.px/table/tableViewLayout2/?rxid=46ee0f64-2992-4b45-a2d9-cb4e5f7ec5ef

⁶https://makstat.stat.gov.mk/PXWeb/pxweb/mk/MakStat/MakStat_Sudstvo_ObvinetiOsudeniStoriteli/450_SK2_Mk_T20_ml.px/table/tableViewLayout1/?rxid=46ee0f64-2992-4b45-a2d9-cb4e5f7ec5ef

persons had completed primary education, 358 persons had completed secondary education, 61 persons had higher education and only 8 persons had no schooling. If we compare the data, we come to the conclusion that the largest number of perpetrators of this group of crimes are those with secondary education, those with primary education and those with completed higher education. The largest number of them or 104 persons with secondary education are perpetrators of crimes against public finances, payment transactions and the economy in 2021 out of a total of 162 persons. Another fact that is also important to emphasize, in the area of occupation, is that most often the perpetrators of these crimes are civil servants.

CONCLUSION AND RECOMMENDATIONS

Money laundering represents a serious threat to the basic values of modern democratic states – a threat to democracy, human rights, the rule of law. Using the processes of globalization, technological transformation and European integration, this problem is increasingly intensified.

Money laundering is a second-degree crime, that is, the legalization of criminally acquired money from any criminal activity and one of the highest crimes that is a business organized crime, why is it associated with crimes from which high criminal profits are obtained. It can be economic, financial crimes and violent and property crimes, as well as financial and computer crimes. The goal is those criminal proceeds for those who acquire them, individuals and criminal groups, dealing with serious property, violent crimes, money from prohibited drug trade, weapons, human organs, human trafficking, etc. prohibited activities where the perpetrators have acquired money and that money has to be laundered through financial institutions, through notaries, lawyers, accountants and the financial sector, such as the Public Revenue Administration of the state authorities to show as clean money that it comes from legal or clean businesses. And in an attempt to save the same, they would go to prison and they would accept the prison and they are aware of the prison sentence, but the greater concern is focused on where they will hide the money. And with the same money they can buy freedom. Corruption in this case is evident, not only in our country but also in the world. Money laundering involves mechanisms that promote "easy money" and criminal behavior. It allows wealthy and exploitative elites and criminal actors to launder the profits of their ill-gotten gains, avoid taxes, use political power for personal gain, conceal property ownership and transfer their wealth without contributing to the tax base. on their lands. In doing so, they undermine efforts to limit economic inequality, reduce the capacity of governments to support development and inclusive development goals, and significantly undermine the rule of law.

Thanks to the globalization of the world markets and the advancement of technology on a global level, the process of money laundering is greatly facilitated and allows the transfer of huge amounts of illegally acquired profits across the borders of countries.

The country's low average wages, high inflation, and unemployment are also significant factors, as they lead many young people to seek other opportunities, both in the informal and illicit economy.

In our country, money laundering is most often associated with tax evasion, abuse of official position and authority, and much less associated with illicit drug trafficking, although the initial

guidelines regarding the incrimination of this crime are related to illicit drug trafficking. However, statistically speaking, very few of these acts have been discovered in relation to what is really happening.

So, the hypothesis is also confirmed that the execution of this crime is closely related to professionalism, expertise and workplace or position and their frequent abuses for the purpose of personal enrichment, without which this type of crime would be suppressed to a certain extent.

For investigators to track down money launderers, it takes years of tracking criminal organizations and securing quality evidence and international cooperation. Most of the time, the money obtained from any criminal activity is not left in the Republic of Macedonia, but is taken outside the country to safer places, which are beyond the reach of our law enforcement agencies. Those who do the crime, study the laws and make a strategy how to protect their money from the people, from the institutions and from the other legal procedures that may reveal them. The money is still visible on the accounts of both citizens and legal entities, and our financial institutions, especially banks, have adequate knowledge in that area and they have a legal obligation to report such cases of suspicious transactions. Thanks to the fact that the inter-institutional cooperation works, it is possible to see who has reported how much money to the IRS, how much money is in the bank account, how much and what kind of transactions have been made.

In this segment, we see the consequences of the slow functioning of the judicial system and the taking of appropriate measures to increase the efficiency of the rule of law.

Also, we have already emphasized the importance of inter-institutional cooperation, strengthening the capacities of the bodies that have a role in this problem for efficient and effective handling of the challenge they are facing and a quick response to it. It is especially important to promptly and actively conduct financial investigations and to prepare and submit complete, accurate and timely reports on executed suspicious transactions and activities. Adequate solutions for this problem should be constantly found, which would contribute to the solution of all other problems. At the same time, the state should enable and encourage institutional cooperation between competent authorities, but also pay sufficient attention to the education of citizens and the private sector about the danger caused by money laundering.

In our country, there are cases of confiscation of property, but in reality they are in very small numbers compared to what is really happening. And it is these few cases prosecuted by law enforcement that direct money launderers to use highly sophisticated money laundering schemes where they present criminal proceeds as legal proceeds and confuse them with the proceeds of a legitimate business.

What our country should continuously do is to take appropriate steps and measures in terms of prevention, monitoring and processing of money laundering cases, in accordance with our legislation, in accordance with ratified international agreements and regulations, strengthening inter-institutional cooperation in detection of such sophisticated crime. But it is especially important to organize events, scientific conferences with the aim of educating the public about the seriousness and negative implications of this type of crime and in relation to everyday life, in increasing the level of corruption in society, but also of foreign investments which will certainly

past any country where this phenomenon is represented in a large percentage. Which means a high level of expertise, competence is needed to apply the already existing legal regulations, but also to vigilantly monitor the situation both in our country and in the world, in order to implement and adjust the measures that will be taken in relation to the changing trends. , the new methods that money launderers are constantly perfecting to maximize profits from illegally acquired money and its circulation in legal financial flows by presenting it as legally earned money.

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