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EVALUATION REPORT ON THE
FIFTH ROUND OF MUTUAL EVALUATIONS
"FINANCIAL CRIME AND FINANCIAL INVESTIGATIONS"

REPORT ON GREECE

DECLASSIFIED

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1. INTRODUCTION

At the meeting of the Multidisciplinary Group on Organised Crime (MDG)¹ on 26 February 2008, the Presidency proposed three possible topics for the fifth round of mutual evaluations², two of which received substantial support. At the MDG meeting on 6 May 2008, the majority of delegations were in favour of selecting financial crime and financial investigations. On 17 June 2008, the Group decided that the subject of the fifth round was to be "financial crime and financial investigations". The scope of the evaluation covers numerous legal acts relevant to countering financial crime. However, it was also agreed that the evaluation should go beyond simply examining the transposition of relevant EU legislation and take a wider look at the subject matter³, seeking to establish an overall picture of a given national system. On 1 December 2008 a detailed questionnaire was adopted by the MDG⁴.

The importance of the evaluation was emphasised by the Czech Presidency when the judicial reaction to the financial crisis was being discussed⁵. The significance of the exercise was once again underlined by the Council when establishing the EU's priorities for the fight against organised crime based on OCTA 2009 and ROCTA⁶.

Topics relating to the evaluation, in particular the improvement of the operational framework for confiscating and seizing the proceeds of crime, were mentioned by the Commission in its Communication on an area of freedom, security and justice serving the citizen⁷.

Experts with substantial practical knowledge in the field of financial crime and financial investigation were nominated by Member States pursuant to a written request to delegations made by the Chairman of the MDG.

¹ Since 1 July 2010 the responsibilities for this process have been transferred to the Working Party on General Affairs and Evaluations (GENVAL).

² 6546/08 CRIMORG 34.

³ 10540/08 CRIMORG 89.

⁴ 16710/08 CRIMORG 210.

⁵ 9767/09 JAI 293 ECOFIN 360.

⁶ 8301/2/09 REV 3 CRIMORG 54.

⁷ 11060/09 JAI 404.

At its meeting on 17 March 2009 the MDG discussed and approved the revised sequence for the mutual evaluation visits⁸. Greece was the fifteenth Member State to be evaluated during this round of evaluations.

The experts charged with undertaking this evaluation were Mr Stefan Uecker (Deputy Head of Division *ÖS I 2*, Serious and Organised Crime, Federal Ministry of the Interior, Berlin/Germany), Mr Willem Jacob “Pim” van der Veer (Chief inspector of Police, *Operatie Opsporing, FinEc*, De Bilt/The Netherlands) and Mr Christophoros Mavrommatis (Chief Inspector, Economic Crime Investigation Office, Police Headquarters, Nicosia/Cyprus). Four observers were also present: Mr Christian Tournié (DG Home Affairs, European Commission), Mr Andrea Venegoni (*OLAF*, European Commission), Mr Erik Fågelsbo (Eurojust) and Mr Carlo van Heuckelom (Head of the Criminal Finances and Technology Unit, Europol) together with Ms Mari Hämäläinen and Mr Peter Nath from the General Secretariat of the Council.

This report was prepared by the expert team with the assistance of the Council Secretariat, based on findings arising from the evaluation visit that took place between 28 March and 1 April 2011, and on Greece's detailed replies to the evaluation questionnaire⁹.

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⁸ 5046/1/09 REV 1 CRIMORG 1.

⁹ SN 1543/11 EU RESTREINT

2. NATIONAL SYSTEM AND CRIMINAL POLICY

2.1. Specialized units

Greece has informed in its answers to the questionnaire that for countering financial and economic crime as well as for conducting financial investigations in general, specialised entities dealing exclusively or mainly with this subject matter existed within or among its investigative and prosecuting authorities, among the judiciary and in several other authorities involved in this undertaking.

A major restructuring has taken place shortly after the on-site visit within the Hellenic Police Force with the entry into force of Presidential Decree (P.D.) 9/201L that has established the **Economic Police and Cyber Crime Service (YP.O.A.D.H.E.)**.

2.1.1. Investigative authorities

2.1.1.1. Hellenic Police Headquarters

At **central level** the Hellenic Police Headquarters is an entity under the Ministry of the Protection of the Citizen.

The Public Security Directorate of the Hellenic Police Headquarters comes under the Branch of Security and it is sub-divided into:

- The Centre of Collection and Handling of Operational Information (KE.SY.D.E.P.)
- The Section of Analysis and Combat of Crime
- The Section of Financial Crimes
- The Section of Drugs and Juvenile Delinquency

The Section of Financial Crimes dealing with financial crime is responsible for studying measures to combat the offences that fall into this category, i.e.

- Embezzlement
- Fraud
- Extortion
- Defrauding creditors

- Bankruptcy
- Forgery
- Usury
- Theft of documents
- Bribery
- Falsification and breach of secrecy
- Infringements of the legislation relating to cheques, foreign currencies, securities and operation of commercial companies, to intellectual property, to money and consumer protection, competition, to trademarks, money laundering, contraband and illicit trafficking in antiquities, and computer crime;

The Section of Financial Crimes is essentially a staff department which issues directions and guidelines in the form of orders to the operational police departments at national and regional level in the prosecution of the offences listed above; at the time of the visit Section 2 had a staff number of five.

2.1.1.2. Divisions of Security in Attica and Thessaloniki

As concerns the **operational level** some major restructuring has taken place following the period between the on-site evaluation and the finalisation of this report. The Divisions of Security of Attica and Thessaloniki and the Sections of Financial Crimes, which come under the above-mentioned divisions, were renamed into **Sections of Property Rights**. The above-mentioned sections are assigned to handle cases involving the following crimes (supplemented by the correspondent Articles of the Greek Penal Code):

- Falsification (Article 242)
- Fraud (Article 386),
- Computer fraud (Article 386 A),
- Insurance fraud (Article 388)
- Fraudulent provocation of harm (Article 389)
- Abuse of trust (Article 380)
- Subterfuge of creditors (Article 397)
- Bankruptcy (Article 398)

- Usury (Article 404)
- Dishonest speculation (Article 405)
- Delusion in trading in the stock exchange (Article 406)

Furthermore, the crimes relating to the service of the following Articles of the Penal Code: Article 235 (Passive Bribery), Article 236 (Active Bribery) and Article 237 (Bribery of Judge). Moreover they are handling the cases of crimes of Articles 207 to 223 of the Penal code, especially those relating to the currency and the securities as well as the cases relating to the infringements of the legislation relating to the securities and the protection of intellectual property and consumer protection.

In parallel within the Divisions of Security in Attica and Thessaloniki operate respectively:

- Sections for the prosecution of blackmailers, which are competent for the handling of cases, relating to blackmail and
- Sections for the protection of cultural heritage and antiquities, which are competent for the handling of cases relating to the illegal distribution, trade and theft of works of art and antiquities, as well as cases regarding the implementation of the legislation about the protection of antiquities and cultural heritage in general and their spiritual rights.

With the introduction of the new structure the former Cyber Crime Section of the Security Division of Thessaloniki was revoked, its competences are now exercised by the **Economic Police and Cyber Crime Section**, which acts throughout the country.

Police sub-divisions and security branches and, where they do not exist, Police sections with general competence deal with crimes committed elsewhere in Greece. In cases where it is deemed necessary and where specialized knowledge is required, officers of the above-mentioned sections of Attica and Thessalonica may assist with investigations conducted by the prosecuting authorities there.

At the time of the visit the following number of staff was assigned to the appropriate units:

- Section of Property Right of Attica: 58 persons
- Section for the Protection of Cultural Heritage and Antiquities of Attica: 31 persons

- Sections for the Prosecution of Blackmailers of Attica: 25 persons
- Section of Property Right of Thessalonica: 26 persons
- Section for the Protection of Cultural Heritage and Antiquities of Thessalonica: 11 persons
- Sections for the Prosecution of Blackmailers of Thessalonica: 16 persons

2.1.1.3. *Economic Police and Cyber Crime Service*

Through Presidential Decree (P.D.) 9/201L the **Economic Police and Cyber Crime Service (Y.P.O.A.D.H.E.)** was established.

The **Economic Police and Cyber Crime Service** is sub-divided into the following units:

- **A.) Staff**
- **B.) Economic Police Subdivision**
- **C.) Cyber-crime Prosecution Subdivision**

Staff of the Economic Police and Cyber Crime Service

The **Staff of the Economic Police and Cyber Crime Service** is structured as follows:

- a) The **Administrative Support Section**;
- b) The **Training Section**: It provides permanent technical training and further education to the staff of the Economic Police and Cyber Crime Service, as well as other services of the Hellenic Police in matters of investigation of financial and cyber crime. For this purpose it plans and implements relevant programs of training and further education in co-operation with the Training Division of the Hellenic Police Headquarters, as well as with other relevant services and bodies in Greece and in other countries.
- c) The **Projects Section**: Collects, projects, analyses and elaborates information and data relative to the mission of the service and forwards intelligence to the subdivisions of the service for further operational exploitation. Further tasks are observing the progresses in matters of financial and cyber crime, both at national and international level, the elaboration of a relevant yearly project, which will contain conclusions regarding the criminality in financial and cyber crimes in the Hellenic territory, as well as setting up a table of justifiable suggestions to counter them.

- d) An **Operations Centre** as part of the Staff of the Economic Police and Cyber Crime Service ensures co-ordination and communication among the staff of the Service, during its operational activities. Moreover the Operations Centre operates a call centre with a dedicated hotline as well as an e-mail address so that the citizens can contact the service on a 24-hour basis.

Economic Police Subdivision

The **Economic Police Subdivision** (EPS) has the mission to prevent, investigate and suppress financial crimes, namely those that have been committed against the interests of the public sector and the national economy or have the characteristics of organized crime and is sub-divided into:

- a) The Section for the Protection of Public Property, which is competent for the investigation and prosecution of financial crimes committed by natural or legal entities that harm or threaten the interests of the Greek Public or the broader public sector;
- b) The Section for the Protection of Economy, which is competent for the investigation and prosecution of crimes, which have harmful effect on public revenues and influence significantly the smooth operation of the market;
- c) The Section for Tax Policing, which is competent for the prosecution of crimes relevant to the tax and customs legislation;
- d) The Section for Social and Insurance Protection, which is competent for the investigation and prosecution of offences directed against organizations of social insurance, welfare and medical care of the citizens;

In accomplishing its tasks the EPS co-operates with the Centre of Collection and Handling of Operational Information (KE.SY.D.E.P.) of the Hellenic Police Headquarters, the other Services of the Hellenic Police and Harbour Services as well as with other relevant Services, authorities and bodies. Within the framework of its operational and investigational competencies, the EPS has access to any police file as well as that of any other file held by a service in Greece. Moreover, in accordance with existing provisions and international agreements the EPS cooperates with the relevant services of the European Union.

Those services of the Hellenic Police which start to handle cases or information falling into the EPS's jurisdiction are obliged to distribute, transmit or report this to the EPS immediately.

By virtue of Article 32(4) of Law 3986/2011¹⁰ the EPS is accorded with broad competencies. Therefore e.g. tax, banking, stock market or business secrets do not apply in an ongoing preliminary inquiry conducted by the EPS. After completion of its investigations the EPS will forward data on tax and customs violations to the competent authorities of the Ministry of Finance so that administrative sanctions may be imposed.

Cyber-Crime Prosecution Subdivision

The **Cyber-Crime Prosecution Subdivision** is sub-divided into the following units:

- a) The Section for General Affairs and Personal Data Protection, which is competent for the continuous research of the Internet and other means of electronic communication and digital storage, aiming at tracing, investigating and prosecuting criminal activities that have been committed on or through these throughout the country, apart from those that are laid down in the following paragraph (b).
- b) The Section for Protection of Minors, being competent for the investigation and prosecution of crimes that have been committed against minors by using the Internet and other means of electronic or digital communication and storage.
- c) The Section for Software and Intellectual Property Protection that is competent for handling cases of illegal interference with and theft from computer systems, destruction or illegal distribution of software, digital data and audiovisual works as well as assisting other relevant services investigating such cases, in accordance with the relevant legislation.
- d) The Electronic Communications Safety Section, operating in accordance with the provisions of the 7001/2/1261-ka dating on 28-8-2009 Common Ministerial Decision of the Ministers of Finance, Justice and Internal¹¹ (now called Minister of Citizen 's Protection), namely the prevention and investigation of the crimes committed concerning the violation of electronic communication throughout the country.

¹⁰ Cf. Official Gazette A, issue 152.

¹¹ Cf. Official Gazette B' 1879.

2.1.1.4. *Financial and Economic Crime Unit - SDOE* (Σώμα Δίωξης Οικονομικού Εγκλήματος - Σ.Δ.Ο.Ε.)

The **Financial and Economic Crime Unit (SDOE)** is a department of the Ministry of Finance, headed by an Executive Secretary that is tracing its roots back to the restructuring of the services of the Hellenic Ministry of Finance by Law 2343/1995. Following Presidential Decree 218/1996 that was later supplemented by Presidential Decree 154/1997 the Financial and Economic Crime Unit was set up on 10 April 1997 as the successor to all the prosecution departments of the Ministry of Economy and Finance (Goods Transport Control Department, Special Customs Investigations Department, Customs Marine Prosecution Section, Customs Directorate for the Control of Financial Crime).

Law 3296/2004 (Article 30) led to the restructuring of the services of the Financial and Economic Crime Unit and also resulted in the re-naming of the agency to Special Financial Controls Service while Presidential Decree 85/2005 as supplemented and amended by Article 88 of Law 3842/2010 after which the Financial and Economic Crime Unit reverted to its original name. The latter Law 3842/2010 also amended and completed the legislation that governs the Unit.

The mission of the Financial and Economic Crime Unit (SDOE) is very broad and includes the following:

- Preventive inspection concerning the application of tax legislation,
- Provisional tax inspection, especially of deducted and attributed taxes, with the emphasis on VAT,
- Inspection concerning the application of customs legislation,
- Investigation, detection and repression of financial offences of particular gravity and importance, such as:
 - Money laundering,
 - Illegal stock exchange, banking and financial transactions,
 - Offences relating to procurement, subsidies and grants,
 - Financial fraud against the interests of the Greek Government and the European Union, irrespective of the place where it was committed;

- Prevention, prosecution and combating of all offences, such as illegal trafficking in:
 - Drugs, precursors and psychotropic substances,
 - Weapons and explosives,
 - Toxic and dangerous substances (radioactive/nuclear material, toxic waste),
 - Antiquities and cultural property.

Surveillance of maritime space, carrying out checks to combat tax evasion and illicit trafficking,

- Investigation, exposure and combating of illegal transactions, fraud and activities conducted by electronic means, using the Internet and new technologies,
- Protection, in cooperation with the competent departments, of the seashore and coastline, as well as exchangeable and public property, within the competence of the Ministry of Economic Affairs, from unauthorised trespassing and construction thereon,
- Prevention and prosecution of financial crime concerning issues of a specific nature or of financial interest to the Greek government, the Greek economy and the European Union or which affect the community as a whole, relating primarily to:
 - Procurement, financing, loans and games of chance,
 - Intellectual property rights, trademark licences and related trading rights,
 - Counterfeiting of money, securities and government stock.

In order to fulfil their mission, SDOE staff and officials have a broad range of competencies, including the right to access any information or data necessary for carrying out their duties. This includes the right to lift bank and tax secrecy, only compelled to respect the confidentiality provisions¹². Furthermore, SDOE staff and officials have the right to seize assets, property or means used in connection with crime in order to safeguard the interest of the public or in cases of financial crime, large scale tax evasion and smuggling; they may freeze bank accounts and assets by written order from the service director with the obligation to inform the competent prosecutor within 24 hours of this action¹³.

The SDOE is present throughout Greece with 13 Regional Directorates in the capitals of the administrative regions of the country. In addition, two operational Special Affairs Directorates are based in Athens and Thessalonica. The operation of the Unit's regional and operational directorates is supported and coordinated by the central department which is based in Athens.

¹² Cf. Presidential Decree 85/2005, Art. 2(3).

¹³ Cf. Law 3296/04, Art. 30.

The Unit has a strength of approximately 1 150 officials, of whom 655 are tax officials, 345 customs officials while 150 belong to the other branches of the Ministry of Finance (e.g. data processing, typists, technicians, etc.); 75 % are graduates of tertiary level education institutions.

2.1.1.5. Asset Recovery Office (ARO) and other similar bodies

The Greek asset recovery office (ARO) is based within the Financial and Economic Crime Unit (SDOE). By virtue of Article 88 of Law 3842/2010¹⁴ a section (SECTION D – RECOVERY OF ASSETS AND CAPITAL DERIVED FROM CRIMINAL ACTIVITIES) has been established in Directorate 3 (SPECIAL CASES) of the Central Department of the SDOE and become operative on 1 September 2010.

The competences of the Section relate to matters of money laundering, private capital of illegal origin, illegal securities and banking activities and illegal financial contracts, transactions and activities.

Section D is the designated National Office for the Recovery of Capital and Assets according to Article 1 of Council Decision 2007/845/JHA¹⁵ and as contact point with the corresponding departments of the EU Member States via the CARIN.

Section D works with the corresponding departments of the Member States of the European Union to detect, and trace together with the Greek authorities, proceeds and other assets deriving from cross border criminal activities and which may be the subject of legal assistance for freezing, seizure or confiscation in criminal cases and in implementation of Decision 2007/845/JHA as well as (a) Council Decision 2001/500/JHA on money laundering, the identification, tracing, freezing, seizing and confiscation of assets, (b) Council Framework Decision 2003/577/JHA¹⁶, (c) Council

¹⁴ Cf. Greek Official Gazette 58, 23.5.2010, Part A) concerning the “amendment and completion of the provisions of Presidential Decree 85/2005” (Greek Official Gazette 122, Part A).

¹⁵ Council Decision 2007/845/JHA of 6 December 2007 concerning cooperation between Asset Recovery Offices of the Member States in the field of tracing and identification of proceeds from, or other property related to, crime; (OJ L 332, 17.12.2007, pp. 103-105).

¹⁶ Council Framework Decision 2003/577/JHA of 22 July 2003 on the execution in the European Union of orders freezing property or evidence; (OJ L 196, 2.8.2003, p. 45).

Framework Decision 2005/212/JHA¹⁷, (d) Council Framework Decision 2006/783/JHA¹⁸ and (e) Council Framework Decision 2006/960/JHA¹⁹.

In addition, it collaborates at national level with all the country's competent authorities to provide an immediate response and assistance when requests are received from the corresponding departments of the Member States of the European Union, in accordance with the national and Community legislation in force, and of third countries which are covered by agreements on mutual administrative assistance which Greece has signed.

The Greek ARO has the mandate and power to conduct internal investigations and, where necessary, forwards requests to the Regional Directorates of the SDOE, in order for relevant investigations and checks to be carried out.

The prosecution and judicial authorities of the country are required to notify the ARO in a timely manner of all cases of freezing, seizing and confiscation of assets and capital on the one hand, for the keeping of records in this field and, on the other hand, to meet the requests of Europol and the Member States of the European Union, as national contact point for Greece.

The ARO forwards information and complaints of which it has been informed, primarily to the competent regional departments for the relevant checks to be carried out. It monitors the progress of inspections and prosecutions by the Regional Directorates of the SDOE in matters under the section's jurisdiction, makes appropriate proposals for taking the necessary administrative and legislative measures for their more effective operation and action, and checks the faithful application of the applicable national and Community legislation and case law.

Furthermore, the ARO draws up operational plans for all the matters under its jurisdiction and proposes, as appropriate, the approval and inclusion thereof in the SDOE's annual action programmes. It collaborates with the EU's competent departments and bodies and sees to the

¹⁷ Council Framework Decision 2005/212/JHA of 24 February 2005 on Confiscation of Crime-Related Proceeds, Instrumentalities and Property; (OJ L 68, 15.3.2005, pp. 49-51).

¹⁸ Council Framework Decision 2006/783/JHA of 6 October 2006 on the application of the principle of mutual recognition to confiscation orders; (OJ L 328, 24.11.2006, pp- 59-78).

¹⁹ Council Framework Decision 2006/960/JHA of 18 December 2006 on simplifying the exchange of information and intelligence between law enforcement authorities of the Member States of the European Union; (OJ L 386, 29.12.2006, pp. 89-100).

participation of the Directorate's officials in EU committees and bodies, and in joint working parties or committees on issues concerning Community legislation.

Lastly, it notifies the competent national authorities and the Community departments or EU bodies of the results of investigations and inspections and of any infringements detected.

At the time of the visit Section 3 employed three officials that were all postgraduates in finance and law who were said to possess significant work experience. At operational level Section 3 is supported by the scientific and administrative staff of the SDOE and by staff seconded from the Ministry of Justice, Transparency and Human Rights by a joint decision of the Ministers for Economic Affairs and for Justice, Transparency and Human Rights, if this is deemed necessary.

According to the information received the ARO does obviously not have a role in managing seized and confiscated assets and no special structures were put in place to perform this task.

2.1.1.6. *Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority*²⁰

At the time of the on-site visit the legal framework governing *inter alia* the FIU had only very recently been updated by the entering into force of **Law 3932/2011 on the authority for combating money laundering and terrorist financing and source of funds investigations**²¹.

Therefore in February 2011 a new authority, the **Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority** (hereafter sometimes referred to as “the Authority”), was established. Although within the budget of the Ministry of Finance, the Authority enjoys administrative and operational independence and forms the umbrella for three independent units with separate responsibilities, staff and infrastructure, all reporting to the President of the Authority. These units comprise the Financial Intelligence Unit (FIU), the Financial Sanctions Unit (FSU) and the Source of Funds Investigation Unit (SFIU). The Authority is headed by a President who is appointed upon the decision taken by the Supreme Judicial Council, that requires to be endorsed by a decision from the Minister of Justice, Transparency and Human Rights. The

²⁰ Cf. also the FATF’s Tenth Follow-up Report on Greece from the Third mutual evaluation of Greece discussed by the FATF Plenary in October 2011 (FATF document FATF/PLEN(2011)62, para. 106-112).

²¹ Cf. Government Gazette No. A 49.

President of the Authority is a Public Prosecutor of the Supreme Court who is full time seconded to the Authority and who is also the President of the three Units belonging to the Authority. At the time of the visit it was envisaged that the detailed rules on the operation of the three units were in the process of being drafted.

Financial Intelligence Unit (FIU)

The Greek FIU was established in 1997 and has since undergone substantial restructuring, particularly following the FATF's 2007 evaluation report²² during the third mutual evaluation on anti-money laundering and combating the financing of terrorism after which Greece was put into the enhanced compliance procedure²³.

The FIU is one of the three units set up under the umbrella of the Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority. It replaces the former AML/CFT Commission (known as 'The Article 7 Committee') and is currently operating under a new structure which was initiated in September 2010 upon the arrival of the new President of the FIU and has been further developed since that time. According to Law 3932/2011, article 7C 7 a joint ministerial decision of the Ministers of Justice, Transparency and Human Rights, Finance, Foreign Affairs and Citizen Protection on a recommendation of the President and the Board Members of the Authority shall lay down the details of the operation of all three Units, including the FIU.

The operational independence of the three units, including the FIU, is ensured by the individual and fully protected office spaces and the separate databases without any linkage to each other.

The FIU's preliminary investigation powers that the Unit was formerly enjoying have been abolished by the same new Law.

Based on Article 7A 1(ii) of Law 3932/2011 the functions of the Greek FIU are the collection, investigation and evaluation of STRs reported by the obligated persons. According to Law 3691/2008 (in the following referred to as 'the AML Law') bank secrecy is lifted during the FIU's investigations and audits.

²² Cf. www.fatf-gafi.org: FATF Evaluation Report on Greece of 29 June 2007.

²³ Greece was moved back from enhanced follow-up to regular follow-up in October 2010 and from regular follow-up to biennial updates in October 2011, terminating the follow-up procedure.

The FIU is headed by the President and seven Members of the Board²⁴. On the basis of consensus, they decide if case files (consisting of one STR or several related STRs) are disseminated to the judicial authorities or archived for the time being. The FIU is operating under a specific structure to ensure that the core functions are taken care of and to allow the Board to take the final decisions with regard to the case files created upon receipt of an STR.

At the time of the visit, the following departments were set up and are operational: the analytical department; the criminal intelligence investigations department, the international relations and research department, the administrative and financial affairs department and the IT department. For the management of these departments, the President is assisted by the Director of the FIU. The primary role of the criminal intelligence investigations department is to collect and analyse the information the FIU can obtain both directly and indirectly from the judicial authorities, the police, and the intelligence and customs services. This kind of information is collected for all case files. In addition, this department is also actively involved in the analysis of STRs. While the members of staff in this department are seconded from police and intelligence agencies, they are not involved in police investigations taking into account the absence of investigative powers in the FIU. While integrated parts of the FIU, the administrative and financial affairs department and the IT department also provide support to the Financial Sanctions Unit (FSU) and the Source of Funds Investigations Unit (SFIU).

Law 3932/2011 has created 50 posts in the FIU of which 31 were filled at the time of the visit. The analytical department has a staff of seven. The majority of the members of staff are seconded by the ministries and agencies represented on the Board of the FIU. Once seconded to the FIU, the personnel are bound to the strict confidentiality rules imposed by the law and these are equally applicable towards their parent organisation. The respective Board Members have no oversight role with regard to the staff seconded from their ministry or agency to the FIU and the staff members work under the direct leadership of the President and the Director of the FIU.

²⁴ The Board Members are from the following authorities: (a) an official from Financial Crime Investigation Office and an official from the General Directorate of Economic Policy of the Ministry of Finance, to be nominated by the competent Minister; (b) an official from the Ministry of Justice, Transparency & Human Rights, to be nominated by the competent Minister; (c) an official from the Bank of Greece, to be nominated by its Governor; (d) an official from the Hellenic Capital Market Committee, to be nominated by its Board of Directors; (e) an official from the Hellenic Police Headquarters, to be nominated by the Minister of Citizen Protection; and (f) an official of the Hellenic Coast Guard Headquarters, to be nominated by the Minister of Citizen Protection.

Financial Sanctions Unit (FSU)

The Financial Sanctions Unit (FSU) is entrusted with the enforcement of sanctions imposed by international organisations, i.e. through Resolutions of the United Nations Security Council or Regulations and Decisions of the European Union that have been adopted in order to combat terrorist financing. It is therefore responsible to promptly notify all obligated persons and demand a thorough investigation for the detection of assets of any nature belonging to the named persons or entities.

Apart from the President, the FSU comprises two Board Members from the Hellenic Police Headquarters and the Ministry of Foreign Affairs. Furthermore the FSU is staffed and supported independently by five administrative and ancillary staff as well as two specialised scientific staff members with expertise and experience in terrorism. The five posts allocated to the FSU are filled through secondment from the Hellenic Police and the Ministry of Foreign Affairs.

Source of Funds Investigation Unit (SFIU)

The SFIU is headed by the President and two Board Members, an official from the General Secretariat of Information Systems of the Ministry of Finance and an official from the Bank of Greece. Furthermore 15 staff are serving with the SFIU, seven of which are scientific personnel. All posts are filled through secondment of personnel from the agencies of the Board Members as well as from Registries of Courts and Public Prosecutor's Offices.

According to Law 3932/2011, Article 7A 3 iii., "the SFIU shall receive the source of funds declarations of natural persons required to disclose the origin of their assets and property, other than those referred to in Articles 1 (1) (a)-(e) and 14 of Law 3213/2003 and those of the President, the Board Members and the staff of the Authority. Moreover, it shall investigate and evaluate information transmitted to it or otherwise sent to the Authority concerning failure to disclose or making false or inaccurate declarations by obligated persons, by conducting sampling or targeted audits of obligated persons' statements at its discretion. In addition to verifying the submission and the accuracy of returns, such audit shall also include, in any event, verifying whether the any acquisition of new assets or expenditure to increase the value of existing ones can be justified by the accumulated income of obligated persons net of their living and similar expenses. The SFIU can summon the persons under audit to provide clarifications or to submit additional evidence within a specific time limit."

2.1.2. Customs and Excise

The tasks of Customs and Excise in Greece are organised in a General Directorate for Customs and Excise within the Ministry of Finance that reports to the Secretary General of tax and customs issues.

Across the Greek territory the service has approximately 2 900 customs officers and some 230 customs houses²⁵. Recently, a joint police-customs cooperation centre was commissioned on the Hellenic-Bulgarian border at Promahonas in June 2010.

Although customs officials are subject to the Civil Servants Code they are wearing uniform and have the authority to carry weapons. They also have the duty and the power to conduct preliminary investigations in cases of smuggling, duty and tax evasion or any other customs offence.

In 2009 a new National Customs Code has entered into force in order to establish conformity of the Greek legislation with the changes from the completion of the Single Market and the implementation of the Community Customs Code. Furthermore Greek Customs and Excise were still in the process of working on the legislation for the implementation of all necessary amendments regarding the application of e-customs.

Within the General Directorate for Customs and Excise the **33rd Directorate of customs law enforcement** deals with a number of tasks that have an impact on financial crime and financial investigations.

The 33rd Directorate is *inter alia* responsible for the following:

- Defining the policy of customs controls
- Providing guidelines to the competent customs control services
- Choice of cases or shipment s for controls
- Coordination of the operational action of customs
- Cooperation of the customs services of other Member States
- Participation in the competent EU and international bodies and the working parties for tasks falling into its competency

²⁵ The Greek authorities have informed that in the period following the on-site visit the number of customs officials has been reduced to 2 313 and the number of customs houses to 111.

- Taking of appropriate measures for the administrative support of the controls
- Management of information systems related to customs controls;

The 33rd Directorate has six sections²⁶ that are dealing with the following tasks:

- Anti-smuggling and customs infringements
- Drugs and arms enforcement
- Investigation means/Technical equipment
- Risk analysis
- IT (AFIS)
- Cash control

The **Section for the Control of Cash for Combating Money Laundering** operates in the context of controls on cash entering and leaving the territory of the Community (Regulation 1889/2005)²⁷, and the prevention and repression of money laundering and terrorism financing (Law 3691/).

In instances where illegal activities of a financial nature are suspected or there is evidence thereof, the cases are forwarded as appropriate to the Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority.

2.1.3. Judicial authorities

2.1.3.1. Prosecution services

There are Public Prosecutors who deal exclusively with financial crime: in the public prosecutor's

²⁶ Following the on-site visit the number of sections in 33rd Directorate has been reduced to four:

- Counter-smuggling and customs infringements
- Drugs and arms enforcement
- Risk analysis
- IT (AFIS)

The cash control section has been merged with the drugs and arms enforcement section. The investigation means/technical equipment section has been moved to the 3rd Directorate (personnel) as section D "Means of enforcement".

The Greek authorities informed that all changes to the structure of their Customs Administration have been introduced in order to achieve reduction of operating costs, a better use of existing human resources and the establishment of more flexible units.

²⁷ Regulation (EC) No 1889/2005 of the European Parliament and of the Council of 26 October 2005 on controls of cash entering or leaving the Community, OJ L 309 of 25.11.2005, pp.9-12.

office attached to the Court of First Instance in Athens, which is the biggest public prosecutor's office in the country and concentrates the highest percentage of cases of financial crime, six Public Prosecutors for financial crime have been appointed.

They supervise and direct the preliminary investigations into financial crimes in respect of which they have been assigned to conduct the criminal prosecution, including all cases under the jurisdiction of the Ministry of Economic Affairs' Financial Crime Prosecution (FPU) Unit (Art. 18(4) of the Regulation on the Internal Functioning of the Public Prosecutor's Office attached to Athens Court of First Instance). For the preliminary examinations and preliminary investigations of cases under the jurisdiction of the SDOE - which covers all of Greece -, the territorial jurisdiction of the Public Prosecutor attached to the magistrates' court of Athens is extended to the entire country (Art. 30(20) of Law 3296/2004).

At the time of the on-site visit the Ministry of Economic Affairs had submitted for public consultation a preliminary draft law to combat tax evasion. Article 1 thereof provides for the **institution of the Public Prosecutor for Financial Crime** who is a senior prosecution official and has, as a matter of priority, jurisdiction throughout the country to hold preliminary investigations, and to supervise, coordinate and direct the holding of such investigations by the general and special investigators (officials of the SDOE, tax authorities, Police, Harbour Guard, Customs, etc.). The Public Prosecutor for Financial Crime will coordinate and direct the stages of the pre trial proceedings, i.e. the substantive investigation of financial crimes by all the prosecuting authorities

involved, in order that the files of the proceedings received by the "Financial Public Prosecutors" of the local prosecution offices are complete.²⁸

2.1.3.2. *Judges involved in the pre-trial phase*

With regard to investigating magistrates dealing exclusively with financial crime there are ten special investigation offices operate in Athens Court of First Instance, in which (first instance) investigating magistrates are based, having exclusive jurisdiction for investigation of financial crime cases (resolution of 16/31.12.1924).

2.1.4. **Financial Supervisory Authority**

There are two regulatory bodies under the AML Law. They have been given the power to issue binding regulations and/or comprehensive guidelines and are responsible for the AML/CFT supervision of Greek financial and credit institutions. These are:

- (1) The Bank of Greece (BoG) for banks and other credit institutions, insurance and reinsurance undertakings and brokers (as from 1 December 2011), financial leasing and factoring companies, credit companies, payment institutions (the successor of money remitters) and electronic money institutions and bureaux de change.
- (2) The Hellenic Capital Market Commission (HCMC) for: investment services firms, investment services intermediaries, managers of mutual funds (including real estate and joint venture funds) and investment portfolio firms.

²⁸ The Greek authorities have informed after the on-site visit that by Article 2 paragraph 1 of Law 3943/2011, an Article 17A was added to Law 2523/1997, which provides for the establishment of the institution of «Financial Crime Prosecutor». By application of the provisions of the above Article 17A of this Law, the Financial Crime Prosecutor's Office has been operating since November 2011 in the Financial Crimes Prosecution Corps (SDOE). This Office operates under the direction of the Financial Crime Prosecutor and is staffed by four more prosecutors (the deputy Financial Crime Prosecutor and three assistant Financial Crime Prosecutors, who were appointed by Act of the District Attorney's Office of the First Instance in Athens). Furthermore, eight more employees of the Ministry of Finance work in the above Office, one of these employees is a Financial Auditor, another specializes in financial and banking projects and transactions, one belongs to the Audit Bureau of Customs, three are employees of the Financial Crimes Prosecution Corps and two specialize in financial audit. Thus, other than the above-mentioned assistant Financial Crime Prosecutors, a District Attorney was appointed by Act of the Administrator of the District Attorney's Office for the First Instance in Thessalonica, who serves the above District Attorney's Office as an Assistant Financial Crime Prosecutor.

The BoG and the HCMC have adopted further enforceable requirements with sanctions for non-compliance.

The BoG may, in accordance with the Law implementing the market abuse Directive, at the request of the securities regulator (HCMC), collect financial intelligence from banks and transmit this information to the HCMC to be used for supervisory purposes. However, with regard to requests for financial intelligence made to banks and other supervised entities by judicial or law enforcement authorities or tax authorities, in the course of their financial investigations, the BoG has no powers to compel or otherwise intervene with the requested institutions other than to transmit the requests, in certain cases, to the financial institutions. In particular, by virtue of an amendment to the provisions of article 3 of the Legislative Decree 1059/1971 (on Bank Secrecy) from July 2011, the Bank of Greece has been mandated to receive the financial information requests by judicial authorities²⁹ and disseminate them to the financial institutions. Since July 2011 therefore all such requests are received by the BoG (not the Hellenic Bank Association any more) and transmitted by secure electronic mail to the requested financial institutions.

The requirement on financial institutions to respond thoroughly and timely to law enforcement or tax authorities' requests for financial information stems directly from the AML Law (Article 37(1)). Institutions that fail to comply with this requirement would be liable to the administrative and other sanctions provided for in this Law.

Other supervisory bodies with implications in the field of financial crime are:

The Accounting and Auditing Standards Oversight Board (ELTE), The Ministry of Finance (General Directorate for Tax Audits), the Gambling Control Commission of Law 3229/2004 (O.G.G.A38), the Ministry of Justice, Transparency and Human Rights and the Ministry of Regional Development and Competitiveness.

2.1.5. Insurance Supervision

Since 1 December 2010 the supervision of the insurance sector in Greece lies within the competence of the Bank of Greece (BOG) that has taken over this task from the Private Insurance Supervisory Committee (PISC).

²⁹ Information requests on bank accounts by tax authorities on the other hand, continue to be sent to the Hellenic Bank Association for dissemination to banks as well as directly to individual banks.

2.1.6. Training

2.1.6.1. Investigative authorities

Police

Training in the police is directed by the Hellenic Police Headquarters' training division that has three sections with extensive tasks: Training, Advanced Training and International and European Training.

The basic training of newly employed personnel of the Hellenic Police is provided by the Hellenic Police Officers Academy for the Police Officers, which takes place at university level and extends over four years. For Police Constables tuition is conducted at the Police Constable School, also rated as being equivalent of university level according to the Greek classification system with a two-year course.

Apart from the above-mentioned schools, the police staff receives training at the School for Advanced Training and Education of the Hellenic Police which operates in Athens and in Veroia.

Within the framework of this school the following mentionable organisational subdivisions operate:

- The Section of Advanced Professional Education of Police Warrant Officers (TEMA) that Police Warrant Officers have to obligatorily pass in order to become eligible for a promotion to Police Second Lieutenant.
- The Section of Advanced Professional Education of Officers (TEMES), in which the Police Captains are obligatorily trained to become eligible for a promotion to Police Major.

Financial crime issues are now included in the curriculum of the police academies at all levels, and part of the annual training courses for police staff.

Moreover, the School of Advanced Training and Education of the Hellenic Police organises and conducts seminars and educational programmes on specific matters of interest to the police, when the educational necessity arises. In such programmes representatives from the Hellenic Police, as well as representatives from other countries participate.

The schools of the Hellenic Police also participate in the course of the School of National Security, which is six months long. This is a course for senior officers of the Hellenic Police and in its curriculum lectures regarding financial crime are included.

The training courses are inspired by the relevant training courses organised by EUROPOL and INTERPOL but they are primarily projected onto the realities of Greek police necessities for training. Greece also provided statistics related to the number of training courses, trainees and exact training subjects. In the last five years prior to the visit 45 trainings in the field have been conducted for police staff. This number includes the seminars that have been conducted with the care either of the School of Advanced Training and Education or by various European and International organizations (INTERPOL, EUROPOL, CEPOL) and it does not include the continuous and settled procedure of training courses that are supplied on a yearly basis both in the basic Schools of the Hellenic Police and the abovementioned Schools of Advanced Training.

Financial and Economic Crime Unit (SDOE)

The experts were informed that training was compulsory for all SDOE staff that was a continuous and well structured process covering a wide range of topics and areas related to the mission and competencies of the SDOE

Basic and introductory training courses which are compulsory are offered to new entrants to the service and are taking place at the *EKDD* (National Centre for Public Administration Training Institute). The *EKDD* also holds courses on public administration matters and on special issues that are relevant for the mission of the SDOE, e.g. a training course on “economic intelligence” that is co-organized with the French *Ecole Nationale d'Administration (ENA)*.

The Training School of the Ministry of Economy and Finance (S.E.Y.Y.O.) is also involved in the training of SDOE staff: It conducts special training courses for SDOE personnel as well as specialised courses with foreign bodies on a regular basis, e.g. a one week intensive course on “investigative techniques” in cooperation with the U.S. Internal Revenue Service (IRS), the last one of which has taken place at the end of 2010. In view of the introduction of the new information system ELENXIS the S.E.Y.Y.O. has set up 44 courses for 660 SDOE officials that should have finished their course in April 2011.

Advanced training takes place in the form of in-house seminars, e.g. on taxation matters, customs matters, anti money laundering, VAT fraud, investigative techniques, use of specialized software, new trends and developments and language training.

2.1.6.2. Judicial authorities

The expert team was informed during the visit of the Court of Appeal in Thessalonica that the Judges School of the National School for Public Service in that city was providing a course on financial crime that was also open for law students. Furthermore there are special seminars for judges and prosecutors already being on active service which are taking place a few times a year. The Law School in Komotini whose faculty of laws also has specialised lecturers for financial crime was also said to hold courses in this field which are open to prosecutors and judges of all ranks and levels.

2.1.6.3. Customs and Excise

According to the information provided following the on-site visit training of customs officers is now being centrally carried out by the EKDD (National Centre for Public Administration Training).

2.2. Criminal policy

2.2.1. Proceeds-oriented Policy

In their answers to the questionnaire the Greek authorities maintained that a criminal investigation was driven by discovering the proceeds from money laundering (sic!). Under Articles 1, 2, 3 and 45 of the AML Law money laundering constituted a separate offence. Investigations are conducted by the prosecution authorities under the supervision and regular control of the Public Prosecutor at the Supreme Court.

In such investigations, all the jointly competent departments seek to establish at the same time whether the persons involved or their accomplices have also committed the crime of laundering the proceeds of crime, searching for indications of movements of capital or real estate.

In the event that this is confirmed, a confidential report will be addressed to the competent prosecutor at the misdemeanours court and also sent to the Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority.

With regard to an official investigation or prosecution policy to trace proceeds from crime the Greek authorities have explained that all the prosecution authorities act as contact points for investigating the applications submitted by the Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority via their representative seconded to the Authority.

They emphasised that while the Authority was a prosecution authority, it is also required to conduct preliminary investigations into offences relating to financial crime.

2.2.2. Prioritisation of tracing, seizure and confiscation of assets

In answering the questionnaire the Greek authorities have stated that all the prosecution authorities give priority to combating financial crime.

In this context, special public security measures have been established which are aimed, on the one hand, at combating organised crime with the emphasis on the financial dimension and the confiscation of the proceeds from crime and, on the other hand, at fighting financial and computer related crime.

All these special measures are emanated from the "Counter Criminal Programme 2010-2014" of the Ministry of Citizen's Protection.

According to the information received, these special measures include *inter alia*:

- Informing the Committee for Combating Money Laundering whenever crimes which constitute basic offences under Law 3691/2008 are confirmed
- Cooperation with the Ministry of Economic Affairs on gathering and analysing information relating to financial and fiscal fraud
- Strengthening cooperation with the Hellenic Bank Association in order to prevent and effectively combat cases of internet fraud which damage the country's financial system

- Cooperation between the prosecution services dealing with computer crime and the specialised Greek police services competent in this field (e.g. prosecution services dealing with narcotics, anti-trafficking, aliens etc.) and with the regional services on dismantling criminal organisations which commit serious crimes and use the internet to assist them
- The regional services' use of the guidelines drawn up by the Directorate for Public Security/Hellenic Police Headquarters on combating 'skimming' fraud
- Creation of mixed units including the municipal police, the Financial and Economic Crime Unit (SDOE) and other bodies responsible for combating illegal trafficking
- Making use of the channels for international police cooperation for information exchange, as well as the network of liaison officers based mainly in south east Europe for direct and effective information exchange in cases of organised crime.

A typical example that was given is the central programme for combating crime (2010 - 2014) implemented by the Ministry for the Protection of the Citizen, which establishes financial crime as a priority for the Greek police.

2.2.3. Tracing, seizing and confiscation of assets as separate objective of criminal investigations

The tracing, seizing and confiscation of assets is an objective of criminal investigations for all crimes, but only for those connected with financial crime, and with money laundering in particular. In each case throughout Greece's penal system, the seizure and confiscation of assets is ancillary in nature. The competent prosecution authorities can always deploy specialised staff from the relevant prosecution authorities, according to the needs of each case.

2.3. Conclusions

2.3.1. Investigative authorities

- From the information the experts were provided with, Greece has a monolithically structured police corps that works under the strict auspices of the Judiciary. Ideally, such a setting should provide for clearly defined competences, avoid overlap and eliminate unproductive competition between police services. In Greece, however, the centre of gravity for the investigation of serious financial crimes seems to lie with a hybrid corps that appears to be depending from the

- Ministry of Finance, the Financial and Economic Crime Unit (SDOE). As these officials depend from the Ministry of Finance and are still exercising their functions with regards to taxation and imposing fiscal fines, there is genuine reason for concern that the principle of 'equality of arms' is neither maintained nor guaranteed. Indeed, whilst using the police powers they are vested with, the SDOE officials can hardly be considered as an impartial party in the inquiry. During the evaluation visit, the team was not made aware of any checks and balances to mitigate the hazard for a due process of law.
- Within the Hellenic Police itself, it seemed that the main financial criminality that is being dealt with was advanced fee frauds, 419-type frauds and non-cash payment / card fraud.³⁰ The more serious financial criminality, such as MTIC fraud and large scale money laundering are investigated by the SDOE. The concise distribution of tasks between Hellenic Police, SDOE and customs administration is not clear nor are the criterions to refer an investigation to one or the other investigative body. The territorial distribution of investigations raises some questions as well, as the more important inquiries are investigated by the Attica investigative authorities. This also raises questions on prioritization and dilution of capacity.
- On a managerial level, no well-concerted and strategy-driven action plan to counteract financial crime seemed to exist.
- Regardless of the explicit request of the evaluation team, no clear set objectives nor performance measurement system were communicated. No Key performance indicators could be identified³¹ and statistics were only referring to imposed taxes and fines without any correlation

³⁰ The period following the on-site visit since March 2011 has seen a number of important legal and organisational changes in Greece and, notwithstanding the conclusion the evaluation team had drawn following the immediate impression of the on-site visit in March 2011, the Greek authorities have informed about and highlighted a considerable number of investigative successes they were able to account for. The fact that the newly formed organisational structures of the Financial Police Subdivision and the Cyber Crime Subdivision have played an important role in this progress obviously shows that certain measures that had just started to be implemented at the time of the visit have lead to an encouraging progress. In this respect the Greek authorities emphasised that the Hellenic Police 's Services have already been playing an important role in the efforts made by Hellenic State for the combat of tax evasion and that between 1 November 2011 and 15 March 2012 they had arrested a total of 185 persons for debts in the Public and furthermore, that the total amount of their debts amounted to more than 694m euro.

³¹ On this issue the Greek authorities have clarified that SDOE evaluates performance with indicators such as: implementation ratio of completed controls, delinquency rate, evaluation of other projects ratio, quality of violations and now is in progress the adoption of further indicators (ELENXIS applications).

to the actual recovery of the funds that were defrauded³². Obviously, given the amounts that are at stake, this raises genuine concern with regards to the state budget.

- The evaluation team did not get any insight in the IT forensics capability, supporting financial crime investigations.³³
- The overwhelming impression remains that important pre-emptive action needs to be taken to build and enhance the capacity and effectiveness with regards to fighting financial crime.
- From the presentations given on actual cases the experts concluded that only the lesser part of them seemed to have been initiated by domestic authorities and intelligence, thus contributing to the impression that Greek Law Enforcement had a need to gather expertise and know how,

³² As concerns the low level of collectability of the imposed taxes and the recovery of funds the evaluation team was informed after the on-site visit that an important step to rectify the situation has been taken and the Ministry of Finance has established the General Directorate of Tax Audits and Revenue Collection by virtue of Law 4002/22-8-2011, Article 55, with the objective to radically improve the framework of imposing and collecting state revenues.

³³ The evaluation team has been informed after the visit about the IT forensic capabilities of the Economic Police and Electronic Crime Service (YP.O.A.D.HE). This service is staffed also with specialized personnel of young scientists who were recently employed by the Hellenic Police. The abovementioned personnel, who were employed following examinations on the basis of objective knowledge and qualifications criteria, have high level theoretical knowledge and experience in financial matters, tax and bank applications, accounting, telecommunications and networks, investigation as regards digital exhibits. It is also staffed with experienced police personnel originating from the existing security structures with the view to immediately commencing work to counter illegal activities damaging interests related to public and national assets and property. Presently the service is staffed with 240 policemen and -women, 34 of whom are police officers with general duties, having graduated from the Hellenic Police Officers School. Furthermore five of them are also graduates with other university degrees. Furthermore, the service has 82 special duties policemen and -women, all university graduates in the ranks; their specialisation is as follows:

- 15 finance graduates, specialized in bank applications,
- 13 finance graduates, specialized in the money-market,
- 13 finance graduates, specialized in tax accounting applications,
- 11 finance graduates, specialized in accounting,
- 12 computer science graduates, specialized in the investigation of digital exhibits
- 7 computer science graduates, specialized as computer and data processing engineers,
- 6 computer science graduates, specialized as telecommunication engineers,
- 5 computer science graduates, specialized as electrical engineers and computer engineers.
- another 7 of the rest of the staff of YP.O.A.D.H.E. are university graduates.

Of the 159 persons from the total staff of YP.O.A.D.H.E. a large majority have knowledge of other languages with equivalent degrees (EN: 93 / EN and DE: 24 / EN and FR: 24 / EN and IT: 2 / EN and ES: 2 / FR: 5 / EN, FR and DE: 3 / EN, FR and ES: 2 / EN, DE and IT: 2 / EN, FR and IT: 2).

and that the consequent dependency on foreign input does not necessarily serve the Greek interest.

- When considering the numbers of staff allocated³⁴ to money laundering and terrorist financing investigations in the Hellenic Police and the Customs they seem to be quite low while training³⁵ in AML/CFT matters generally appeared to be insufficient.
- A representative of the Hellenic Police participates as a member in the ‘Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority’. Seven police officers were seconded to the Authority supporting its investigative work. The police services have the obligation of informing the FIU of AML/CFT cases, and a circular to this effect was circulated within the police. By order of the public security division of the Hellenic police, every police division has a liaison officer for the Committee. The Hellenic police have provided access to the FIU to its database.
- The Hellenic Police has forwarded 51 cases in 2007, 114 cases in 2008, 103 cases in 2009 and 121 in 2010 for further investigation to the FIU. The police also foresees participation of an officer in the FIU and FSU Boards, as well the secondment of police staff to the FIU.
- Presidential Decree 9/2011 has established a new Economic Police Service (EPS), that will be competent for all of Greece and fall directly under the jurisdiction of the Chief police officer of the Hellenic police and under supervision of the Public Prosecutor for organised crime.
- The mission of the EPS is the prevention, investigation and the combating of economic crimes, with a focus on organised crime and crime against the state and national economy. The EPS will consist of four sections with separate competences: i) protection of public property; ii) economic protection; iii) tax police; and iv) social security police.

³⁴ The evaluation team has been informed the Greek authorities that following the immediate period of the on-site visit the situation has changed drastically: With the establishment of Financial Police and Cyber Crime Subdivision a total of 240 policemen and -women, additionally to those having already been serving in the existing services to combat financial crimes, have been assigned to the task of investigating financial and economic crime, as well as money laundering.

³⁵ In this respect, the evaluation team would again like to emphasise the changes that have taken place and the progress that has been made with regard to training since the on-site visit and that has been referred to in sub-chapter 2.1.6 of this report.

- The EPS will be staffed by specialized personnel of approximately 100 new scientists (Branch of Informatics and Financial Studies), in co-operation with the also newly established cyber crime policing service. Staff will need theoretical and practical knowledge in financial matters.³⁶
- Owing to the transition phase in which the Greek system of countering financial crime was during the on-site visit, particularly regarding the allocation of tasks between the EPS and the SDOE, the experts were not in a position to assess the effects this would have on the effectiveness of the overall system in fighting financial crime and conducting financial investigations in Greece.³⁷
- It is therefore left to be seen whether the establishment of this new service will also offset the obvious lack of conducting so-called integrated financial investigations, i.e. an investigative component that looks from the commencement of investigations into organised crime or economic crime cases into the possibility of the securing of criminally gained assets.

2.3.2. Financial Supervisory Authority

- The Bank of Greece (BoG) as supervisory authority in the AML/CTF field cannot gather financial intelligence for the benefit of either the judicial or law enforcement authorities nor the tax authorities in the course of their on-site inspections or off-site surveillance as such information can only be used for supervisory purposes and shared with other competent supervisory authorities. An exception are suspicious transactions which, if detected during the

³⁶ From the information that has been received after the on-site visit the evaluation team was able to deduct that staff recruited for the Financial Police seems to have adequate theoretical qualification and that a number of specialised trainings have been conducted for them under the auspices of the Hellenic Police which, namely:

- In November 2010 25 persons from the Economic Police and Cyber Crime Subdivision have received training on matters of financial crime by American trainers from I. R. S.
- In May of 2011 all officers of specialised duties from the Economic Police and Cyber Crime Subdivision have been trained for five weeks in the S.E.Y.Y.O.
- In July 2011 the same staff has received a two-week training from S.D.O.E.
- In October 2011 114 policemen and –women of the regional services have been trained in order to be able operating as contact points with the Economic Police and Cyber Crime Subdivision, for the crimes falling under its jurisdiction.
- In November 2011 16 officers of the Economic Police and Cyber Crime Subdivision have been trained by KE.SY.D.E.P. in analysing operational information.

³⁷ As to the conclusion under this bullet point and the one following, the Greek authorities have stated their opinion that the results after the establishment of the Financial Police have already been obvious and showing significant progress in countering financial crimes.

course of supervision, would need to be reported to the FIU (either by the financial institution under inspection or the BoG).

- The Bank of Greece in the Decision 290/12/11.11.2009 of the Banking and Credit Committee on the “Framework governing the imposition of administrative sanctions on institutions supervised by the Bank of Greece in accordance with Article 52 of Law 3691/2008” has set up a fairly wide and prohibitive range of financial and non-financial sanctions in cases of failure to comply with certain regulatory aspects of the AML Law: The fines for legal persons are ranging from €30.000 to €2.000.000 or €50.000 to €3.000.000, in case of recurrence. For natural persons they range from €10.000 to €300.000 and €20.000 to €500.000, in case of recurrence. The sanctions other than fines are for legal persons: prohibition of carrying out specific business, prohibition of network expansion or capital increase and in case of serious or repeated violations, permanent or temporary suspension of authorization. For natural persons they can result in a suspension from office for a definite or indefinite time and/ or prohibition of taking up any other office.

2.3.3. Judicial authorities

- The way in which the Greek public prosecution system and the judiciary are structured is based on the same principles as most of the EU civil law systems. It appears, however, that the Greek penal law system in certain respects did not keep pace with that of most of the other EU Member States. One example to illustrate this is the attitude towards the criminal liability of legal persons: It was repeatedly stated that the introduction of the latter concept into the Greek legal system would be impossible, as it was considered being in contravention to the constitution and the principle of “guilt” which – according to the Greek interpretation - could never be attributed to legal entities. Particularly with regard to the subject under review this perception appeared to merit to be re-considered, particularly as it has been overruled in most of the modern penal law systems. Furthermore, the adherence to this principle might cause

severe difficulty to effectively prosecute serious and organized financial crimes, where corporate vehicles are often instrumental to commit this kind of criminality.³⁸

- The visits of both, the tribunals in Athens and Thessalonica, clearly indicated that the prosecution office responds in an exclusively reactive way to financial crime. The experts were informed that no special capacities were reserved to conduct pro-active investigations. From the information received during the visit of the SDOE in Athens it was questionable whether the concept of pro-active investigation was familiar at all. On the contrary the SDOE Regional Directorate (Central Macedonia) in Thessalonica however, proved to be very creative in different pro-active investigation projects. Nevertheless, this again raises concern on the supervision exerted by the prosecution office and the judiciary as well as the distinction between fiscal or administrative inquiries and criminal investigation.

³⁸ Cf. FATF/PLEN(2010)27/REV1: In an opinion, given by three professors from the universities of Athens, Thrace and Thessalonica on the question of whether the introduction of a criminal liability against legal entities would be compatible with fundamental principles laid down in the Greek Constitution or other legislation, the answer was as follows: "The introduction of criminal sanctions against legal entities would be in conflict with fundamental principles of Greek law. Under Greek law criminal responsibility is based on the principle of individual culpability, which dictates that only a person may be held responsible for an act that he/she committed and be criminally punished (*nullum crimen nulla poena sine culpa*). Article 7 par. 1 of the Constitution defines crime as a person's act constituting a criminal offence by virtue of a statute prior to its perpetration, while Article 2 par.1 of the Constitution establishes protection of human dignity as a fundamental principle governing all State activities. Criminal punishment without an individual's act, for which criminal culpability may be attributed to him/her, would violate both the above Articles of the Constitution. Indeed, legal entities as such cannot act and they cannot have a guilty mind in respect of an act. Punishment of a legal entity would mean a shift of criminal responsibility from individual persons to a kind of collective organizational liability which would run contrary to the above principles. The legal entity's inability to act would not justify criminal sanctions against the legal entity for acts committed by its officers or employees. But also introduction of criminal sanctions against individuals based solely on their capacity within the legal entity and not on their own culpable acts would not be compatible with the Constitution. It is noteworthy that the Criminal Code defines in Article 14 the crime as an act which can be attributed to the specific culpability (*culpa*) of the perpetrator. The perpetrator must be capable of being the bearer of culpa. An attempt to transfer this genuinely moral element of criminal responsibility into the area of legal entities would undermine the very basis of the system of criminal sanctions. Non introduction of criminal sanctions would not mean, however, that harmful activities of legal entities cannot be sanctioned efficiently. Administrative sanctions (e.g. fines, confiscation of property, withdrawal of permits etc.), a wide array of which are provided for in Greek legislation, can be effective while not infringing the above fundamental principles. Point 12 of FATF Recommendation II allows States to opt for administrative (instead of criminal) sanctions in respect to legal entities. It is against this background that Greece has abstained from introducing criminal sanctions while strengthening its system of administrative sanctions to combat money laundering and financing of terrorism practices."

- When questioned on the management methodologies applied at the courts of first instance and the court of appeal, the Greek representatives maintained that they did not actually believe in modern business or corporate management methods to be applied to the judicial system. This approach was reflected in the absence of objectives, defined key performance indicators and performance management system. As far as the evaluation team was able to assess, only limited or non-business processes were automated and no auto-critical assessment, let alone scrutinizing, of existing structures had ever been performed. It appears recommendable that a thorough reengineering of existing processes, entailing the introduction of modern management in these prosecutorial and judiciary bodies will be performed to thoroughly modernize the entire apparatus. This appears to be imperative to turn the existing structure into a performance driven and effective means to provide a meaningful response to financial crime and corruption.
- The representatives of the prosecution offices and the judiciary also appeared to be unaware of the products and services of EU Law enforcement agencies to strengthen their efforts in countering serious and organized financial crime, thus accounting for a complete absence of any integrated approach. E.g. AWFs and the existence of the Pan European integrated platform for pro-active sharing of relevant crime intelligence seemed to be unknown and were therefore not properly exploited to their potential.
- In response to the acute situation that Greece was facing before, during and after the on-site visit the office of a new public prosecutor for financial crime was in the process of being set up. It was explained that this office, supervised by the Supreme Court, would be staffed with a group of experts from first instance courts and would have nation wide competence. Although the experts noted this development as a step towards improvement of the existing system they were unable to assess its practical implications as it was under consideration in Parliament during the visit.

2.3.4. Criminal policy

- During the on-site visit the Greek authorities have repeatedly referred to a national strategy comprising several comprehensive measures to enhance combating financial crime and to alleviate the difficult situation of the state budget. However, neither was there an English language version available, nor was there an executive summary of this document. Therefore the expert team was neither in a position to comment on the content nor on the adequacy of the document referred to.
- This strategy has apparently led to reinforcing the competence and effectiveness of the SDOE by strengthening both, their capacity and capabilities.
- There were certain signs of policy-driven action in the individual entities: During the on-site visit e.g. the Hellenic Police Headquarters informed that they had issued a central „Programme to counter criminal action 2010-2014” which was serving as central reference for all police services. According to this programme specific actions were selected with regard to public security and which, among others, focus on both, confronting organised crime with the emphasis on financial and cybercrime.
- In this respect, several specialized actions were highlighted that were apparently not only supposed to implement the anti-crime policy but also facilitate coordination among the different players both within the police and from other competent authorities and bodies as for instance the SDOE.
- Furthermore, the entity that served as the Greek Financial Intelligence Unit (FIU) has been reinforced after the unit had been rated as a non-compliant item during the FATF’s third round of evaluations and Greece had been placed into enhanced follow-up at the FATF Plenary meeting in October 2009. In October 2010 Greece has been removed from enhanced follow-up to regular follow-up as the FATF saw sufficient progress with regard to the developments concerning the FIU and moved back into the biennial reporting process one year later, some months after the on-site visit. As the changes made had been implemented far too recently with respect to the on-site visit, it seemed rather premature to evaluate them yet.

2.3.5. Training

- The Hellenic Police has a generic standard training for police officials and tuition on financial crime has been added to the curriculum of all ranks. At the time of the on-site visit no formal

accreditation process for financial investigators had been developed. The experts would therefore see fit to recommend to setting up a special fast-track programme for high potentials in order to give well-qualified young professionals a career perspective while at the same time upgrading the performance of their overall system to combat financial and economic crime.

- It also remained unclear to which extent SDOE members are being trained as all of them are recruited from the tax or customs administration, depending from the Ministry of Finance. Although the evaluation team has received information about training all SDOE staff had to undergo as part of their initial training and some form of specialised training, e.g. the new IT system ELENXIS, no evidence was procured with regard to any structured and comprehensive training. From what was presented during the evaluation visit and what could be deducted from the discussions with the different services, there appears to be a clear lack in forensics and criminalistics. The same applies to special investigation techniques, as any adequately structured, continued and comprehensive training trajectory has not been developed or implemented.
- Specific training on financial investigation and financial crimes for the judiciary is as it appears, almost inexistent. Prosecutors have to rely on their own initiative to get external training. Besides 'on the job training', there does not seem to be any structured and tailored training trajectory that provides magistrates with continued professional training. There is no formal accreditation process or procedure that would corroborate or substantiate the required expertise or specialisation for magistrates involved in the financial investigation or sentencing process at any stage.
- Although during the visit to the Athens Court of First Instance the experts were informed that investigating magistrates dealing with cases of financial crime in general, money laundering in particular were very specialised, it was not explained how the prosecutors have obtained this level of expertise and whether special training courses were offered for them.
- During the visit to the 33rd Directorate of Customs Controls the experts were informed that basic training for staff consisted of two weeks and that training, particularly on the exchange with other Member States seemed to be an issue. Furthermore the introduction of new computer systems necessitated the recruitment of computer-literate staff and appropriate training, something that also applies to many younger customs officials that have university degrees but are lacking the customs specific training in order to fulfil their duties.

3. INVESTIGATION AND PROSECUTION

3.1. Information and databases available

3.1.1. Databases and Registers

The main databases that are established within the Greek administrative entities that are used in the field of fighting financial and economic crime and conducting financial investigations are the following:

For information on **real estate**:

- National Land Registry

For information regarding **companies**:

- Register of Public Limited Liability Companies, kept in the prefectures
- Companies Register, kept in each Court of First Instance
- General Business Register, kept in each Chamber of Commerce
- A relevant database is also kept at the General Secretariat for Information Systems

For **vehicles**:

- Ministry for the Protection of the Citizen, Hellenic Police Headquarters,
- Ministry of Transport and Communications

For **vessels**:

- Ministry of Maritime Affairs, Islands and Fisheries (Directorate for Maritime Policy)
- Ministry for the Protection of the Citizen (Coast Guard)

A more detailed description of the most important databases can be found in the following subchapters of the report.

3.1.1.1. Bank accounts

Greece has no centralised register of bank accounts. The Greek authorities upheld however, that access to bank account information was possible via the Hellenic Bank Association and the Bank of Greece.

At the time of the on-site visit the identification of bank account data takes place via a request to the Hellenic Bank Association in order to identify and detect bank data and individuals connected to a bank account.

3.1.1.2. National Land Registry

The National Land Registry is a new service, which records real estate in each region and those who owned or own it (for each real estate entry); it will gradually replace the Land Charges Registry in which the share of property held by Greek citizens was recorded and updated (for each citizen's entry, sales/purchases of real estate, mortgages - pre notices, foreclosure, claims, charges, etc.). All public services have access to the National Land Registry, on submission of the relevant application.

The Land Registry records legal and technical information for the purpose of defining accurately the boundaries of real estate properties and to make public the entries in the land registry books of rights and charges in a way that safeguards public confidence. The Land Registry is governed by the following principles:

(1) Organising land registry information focusing on property, which requires the drafting, keeping and permanent updating of land registry plans, (2) checking the legality of land titles and the other essential requirements for acceptance of the application for registration in the Land Registry Offices, (3) ensuring that land registry entries are ordered according to the time of submission of the relevant application (principle of chronological precedence), (4) the public nature of Land Registry Offices, (5) ensuring public confidence, so that any *bona fide* participant in a transaction who relies on the land registry records is protected, and (6) ensuring the suitability of the Land Registry as a passive registration system to which additional categories of information could be added at any time in the future (principle of an open Land Registry). All legal and territorial information is kept in a large digital database: the National Land Registry Information System, which is maintained by the Land Registry (*Ktimatologio S.A.*) and to which the 96 Land Registry Offices are linked via the Internet. The Land Registry (*Ktimatologio S.A.*) is a full member of EUROGRAPHICS.

3.1.1.3. Companies

Information on companies is contained in different registers:

- (1) Each Court of First Instance keeps a Register of Companies, in which mandatory details are recorded of partnerships, limited partnerships and companies with limited liability, which have their headquarters in the region covered by that Court (Article 42 of the Commercial Law, Article 8 of Law 3190/1955).
- (2) In each prefecture, the competent department of the Ministry of Trade keeps a Register of Public Limited Liability Companies, in which details of each public limited liability company which has its headquarters in the region of that prefecture are kept (Article 7b(2) of Law 2190/1920). In the case of banks, insurance joint stock companies, limited mutual funds and unit trusts and limited companies listed on the Athens stock exchange, the abovementioned Register is kept in the competent central department of the Ministry of Trade.
- (3) In each Chamber of Commerce and Industry, a General Business Register is kept, in which records are kept of all the companies, irrespective of legal form, for which the Chamber is competent *ratione materiae* and *ratione loci*. The Chambers are, however, public legal entities that operate under the supervision of the Ministry of Trade (Law 2081/1992, as amended subsequently).

In the above cases all interested parties can access the Registers mentioned, and copies of the relevant records and instruments of the companies are available on request.

3.1.1.4. Vehicle registers

At the Ministry of Protection of the Citizen, Hellenic Police Headquarters, there is a database of motor vehicle registration certificates. A database is also kept on vehicle thefts/recovery and on vehicle number plates.

The vehicle registration certificates database is updated daily from the corresponding database of the Ministry of Transport and Communications, which is responsible for the data concerned. The Hellenic Police is responsible for the mopeds registration certificates database, as well as for

vehicle thefts/recovery. To date, access to these databases has been provided for all bodies cooperating directly with the Hellenic Police, such as the Coast Guard, the Ministry of Transport and Communications and the Ministry of Economic Affairs (Customs).

As for the databases kept by the Ministry of Protection of the Citizen, police officers have direct access thereto via the electronic applications provided for this purpose.

(A judicial authorisation is not required.)

3.1.1.5. Registers for boats and vessels

Due to the topographic characteristics of Greece and the strong necessity of maritime transport, maritime registers are bearing a somewhat greater importance than in other EU Member States and are therefore explained in more detail.

In the Ministry of Maritime Affairs, Islands and Fisheries (Directorate for Maritime Policy), the following central registers are kept:

- (1) Registers of Shipping Companies (Law 959/79) (Greek Official Gazette 192, 24.8.1979, Part A) and
- (2) Registers of Pleasure Boat Shipping Companies (Law 3182/03) (Greek Official Gazette 220, 12.9.2003, Part A).

The Register of Shipping Companies lists around 4 570 companies, while the Register of Pleasure Boat Shipping Companies lists around 1 320 companies.

In accordance with the Laws referred to above, which govern the above companies, the following information is kept in the two registers:

- Shipping Companies Register book and Pleasure Boat Shipping Companies Register book,
- File on each company,
- Record for each company, and
- Directory of companies.

The Register of Shipping Companies and of Pleasure Boat Shipping Companies is a public document. It is freely accessible and photocopies may be made, without the need to demonstrate any legitimate interest, merely on submission of an application.

Files are also kept on foreign shipping companies which establish offices in Greece, in accordance with Article 4 of Law 2234/94 (Greek Official Gazette 142, 31.8.1994, Part A), which are involved with the management, operation, etc. of ships of more than 500 tons gross engaged not in domestic but in international traffic.

There are 1 350 such offices, which submit each year to the jointly competent Ministries annual reports of their financial activities.

Information concerning the legal status of these companies at any time will have to be obtained from the register in the country in which they have their headquarters (principal place of business). Registers of Greek ships (ships bearing a unique call sign) are also maintained in accordance with the provisions of Article 44 of Royal Decree 10/17 July 1910 and of Article 19(2d) of Presidential Decree 242/1999 (Greek Official Gazette 201, Part A) and the relevant indexes. The registers record for each ship her name, call sign, type, propulsion power, port of registration, gross and net tonnage, date of registration and de registration.

With regard to ships of over 1 500 gross tons registered under the provisions of Article 13 of Legislative Decree 2687/53 as foreign capital, individual files are kept on each one.

There is no electronic database for the registers and offices referred to in the paragraphs above.

The Ministry's Maritime Transport Directorate (Maritime Tourism Section) has produced an informal table showing the register of professional pleasure boats referred to in Law 2743/99, in which all the details entered in the vessel's licence are recorded. The register in question contains around 7 300 entries, is updated daily and serves the needs and the proper functioning of the Section.

In the event the Coast Guard, Security Directorate, which is part of the Ministry of the Protection of the Citizen, requires information on records of Greek shipping companies or pleasure boat companies during an investigation, it would contact the Shipping Policy Directorate in the Ministry of Maritime Affairs, Islands and Fisheries. For information on records of vessels (of any category) it contacts the local harbour authorities, which maintain a registry of Small Craft Record Books and Shipping Registers. In addition, there is a database for professional fishing vessels, which is kept by the Port Police Directorate of the Ministry of Protection of the Citizen and to which all port authorities have indirect access.

3.1.1.6. Data bases of the General Secretariat for Information Systems of the Ministry of Economic Affairs

In addition, to achieve its objectives, the Financial and Economic Crime Unit (SDOE) uses the computer infrastructure of the General Secretariat for Information Systems of the Ministry of Economic Affairs, to which it has direct access. More precisely, the following applications operate in the General Secretariat:

TAXIS

The technological infrastructure of TAXIS is made up of an integrated online network of 282 local computers (one server for each public finance department), 8 600 workstations allocated to public finance departments, depending on their size, and one central computer unit in the General Secretariat.

The TAXIS applications include databases for the following:

- Income tax of natural and legal persons
- Wages tax
- Register of natural and legal persons
- Books and Information Code
- VAT
- Recording effective cross-checks
- Information system on real estate - ETAK
- Information system on (passenger) vehicles and on payment of motor vehicle taxes
- Recording and monitoring of equipment failures.

Integrated Customs Information System (ICIS)

Via the ICIS (Integrated Customs Information System), the following Customs Department formalities/procedures are performed:

- Management of goods manifests
- Management of imports/exports
- Management of excise duty

- Monitoring of goods transport between two points in the EU with electronic data interchange (EDIFACT)/supervision of ATA and TIR forms
- Management of implementing customs tariff (TARIC) and of the national customs legislation
- Monitoring of goods prices
- Threat analysis for the checks performed and assistance with decision making
- Management of natural and legal persons
- Management of customs violations/smuggling

Pilot Information System for the Prosecution of Financial Crime (SDOE)

At the interim stage up to the completion and productive functioning of ELENXIS, two subsystems of ICIS have been installed in the Financial and Economic Crime Unit (SDOE).

- (1) Subsystem of special information and cases. It includes the management of inspection orders, of information forms showing inspection results, etc.
- (2) Subsystem of physical and human resources. It includes human resource management (operational development, changes, staff lists, inspection reports, etc.) and management of inspection methods. In addition, it provides statistical monitoring of the effectiveness of means of prosecution and of human resources.

Integrated Information System for Inspection Departments - ELENXIS

In addition, in the context of the Operational Programme "The Information Society", the General Secretariat for Information Systems has assumed responsibility for developing the ELENXIS IT project which prior to the on-site visit was expected to be put into operation.

ELENXIS provides a standard solution for all Inspection Departments of the Ministry of Economic Affairs (tax inspection services, Financial and Economic Crime Unit (SDOE), Customs Inspection Departments, Finance Inspectorate) with the direct objective of improving the efficiency and effectiveness of the government's inspection services and contributing to enhancing the services provided to the citizen.

The Greek authorities expected that, once completed, ELENXIS would provide full back up to the inspection work, since it will offer access to a variety of information, e.g.:

- Up to date data
- Creation of records based on models
- Calculation of fines (Books and Information Code, VAT, etc.)

- Support for financial data analysis (Computer Audit SESAM)
- Online searches
- Cross checks
- Checks on legal issue of unregistered data based on Ministry of Economic Affairs Decision 1083/2003
- Checks on forgery of lorry documents and number plates
- Cross-check between wage earner's TIN and payroll tax declarations (M7 form)
- Checks on forgery of classification certificates
- Consultation and cross checking of data under Article 20 of Books and Information Code
- Checks on stolen IDs and passports
- Checks on TIM
- Application for quantitative measurement of stocks - enclosed storage
- Application for quantifying cash and securities

3.2. Cooperation at national level

3.2.1. Identification of bank accounts

3.2.1.1. Legal Framework

Access to the following information pertaining to bank accounts for law enforcement in Greece, namely

- a) the identification of an unknown bank account belonging to a specified person
- b) the identification of the unknown owner of a specified bank account
- c) the identification of operations from and to a specified bank account in a specified period in the past
- d) the monitoring of operations to and from a specified bank account in the future,

is basically governed by **two legal bases**:

1. **Article 3 of Legislative Decree 1059/71** for any felony³⁹:
2. **Law 3691/2008** [PREVENTION AND SUPPRESSION OF MONEY LAUNDERING AND THE FINANCING OF TERRORISM AND OTHER PROVISIONS] (in particular Article 7) for money laundering and predicate offences:

3.2.1.2. Types of crimes covered

As already explained in chapter 3.2.1.1 the measures described under (a) to (d) can be obtained for any felony (with Article 3 of Legislative Decree 1059/71 applying).

Furthermore the measures can be obtained under Law 3691/2008 for money laundering and its predicate offences⁴⁰.

³⁹ A felony according to Greek law is a criminal offence that is sanctioned with no less than five years in prison.

⁴⁰ Predicate offences are: (a) criminal organisation (Article 187 of the Penal Code (PC)) (b) terrorist acts and the financing of terrorism (Article 87A PC), (c) passive bribery (Article 235 PC), (d) active bribery (236 PC), (e) bribery of a judge (237 PC), (f) trafficking in human beings (Article 323A PC), (g) accounting fraud (Article 386A PC), (h) trafficking in women (Article 351 PC), (i) the provisions contained in Articles 20, 21, 22 and 23 of Law 3459/2006 "Code of law on narcotic drugs", (j) the provisions contained in Articles 15 and 17 of Law 2168/1993 "Weapons, ammunition, explosive materials etc", j(a) the provisions contained in Articles 53, 54, 55, 61 and 63 of Law 3028/2002 "On the protection of antiquities and cultural heritage in general", j(b) the provisions contained in paragraphs 1 and 3 of Article 8 of Law 181/1974 "Protection from ionised radiation", j(c) the provisions contained in Articles 5, 6, 7 and 8 of Article 87, as well as Article 88 of Law 3386/2005 "Entry, residence and the social integration of third-country nationals in the territory of Greece", j(d) the provisions contained in Articles 3, 4 and 6 of Law 2803/2000 "Protection of the European Communities' financial interests", j(e) bribery of a foreign public official as provided for in Article 2 of Law 2656/1998 "On combating bribery of foreign public officials in international business transactions", j(f) bribery of officials of the European Communities or of the Member States of the European Union, as provided for (a) under Articles 2, 3 and 4 of the Convention on the fight against corruption involving officials of the European Communities or officials of the Member States of the European Union, which was ratified by Article 1 of Law 2802/2000 and (b) under Articles 3 and 4 of Law 2802/2000, j(g) the provisions contained in Articles 29 and 30 of Law 3340/2005 "On the protection of the capital market from abuse of privileged information and market manipulation", j(h) tax evasion offences set out in Articles 17, 18 and 19 of Law 2523/1997, as applicable, and smuggling offences as set out in Articles 155, 156 and 157 of Law 2360/2001, as applicable." "j(i) all other offences punishable by deprivation of liberty with a minimum duration of six months and by a fine.

3.2.1.3. Duration of a measure regarding a bank account

Neither in cases where access is obtained under Article 3 of Legislative Decree 1059/71, nor under Law 3691/2008 does the law provide for a maximum duration of the measure.

3.2.1.4. Other measures necessary to obtain the measure

In cases of a felony but also in cases of money laundering the necessary information in order to start an investigation is an essential condition for its detection and punishment and hence for obtaining the measures described under (a) to (d) in paragraph 3.2.1.1.

3.2.1.5. Competent authorities

In cases where access for the measures is obtained under Legislative Decree 1059/71 the competent authority to request them is the prosecutor (during the preliminary investigation) or the examining magistrate (at the stage of the main investigation). In this case an order from the competent judicial council is required. Such judicial requests are sent to the Bank of Greece, which consequently forwards it to all credit institutions.

In cases of prevention and suppression of money laundering and the financing of terrorism under Law 3691/2008 the competent authority is the Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority that does not require any further authorisation to obtain the measure.

Requests from all authorities eligible to request financial information from financial institutions requests are sent to and forwarded to credit institutions by the Hellenic Bank Association. Moreover in the case of SDOE or other tax authorities entitled to seek bank account information from credit institutions, direct requests to the latter may also be sent.

3.2.1.6. Information of persons affected by the measure

According to the information received there is no provision for informing the persons concerned by one of the measures mentioned under (a) to (b) in chapter 3.2.1.1.

3.2.1.7. Secrecy obligations or privileges impeding or affecting the measure

Execution of the measures under (a) to (b) in chapter 3.2.1.1 is not impeded by any secrecy obligations or privileges.

The law establishing the Financial and Economic Crime Unit (SDOE) (3296/2004 - Article 30(6) and the organisation of the Unit (Presidential Decree 85/2005 Article 2 (3a)) refer clearly to the right of its officials to bypass the secrecy provisions but to their obligation to observe the provisions on discretion (Article 26 of the Code for Officials - Law 2683/1999). This is made even clearer in Article 28b of Presidential Decree 154/1997 (Rules laying down the duties of the officials of the financial and commercial matters).

It is thus clear that the departments of the SDOE do not require further authorisation (e.g. from the prosecution or judicial authorities) to open bank accounts or obtain banking information. This right is granted by law not only for taxation audit purposes but in all cases where the SDOE acts as a prosecution service in conjunction with any of the crimes which fall within the wider field of its responsibilities.

3.2.1.8. Enforcement of the measures in practice

In cases under Article 3 of Legislative Decree 1059/71 (Felonies): Following authorisation of a measure concerning a bank account, the request for the lifting of the banking secrecy are in these cases sent to the BoG which forwards such requests to the credit institutions for implementation.

In cases under Law 3691/2008 (money laundering and predicate offences, terrorist financing): The Greek authorities have informed that in such cases it was forbidden to inform a person involved or a third party that information has been forwarded or requested or that an investigation is being, or may or is likely to be conducted into money laundering offences.

As regards the monitoring of banking operations (measure (d) in chapter 3.2.1.1), the information in such cases is transmitted to the investigators by the credit institutions on a regular basis.

3.3. Cooperation at European level

3.3.1. Legal Framework

Greece has not yet transposed the Protocol to the Convention on Mutual Legal Assistance between Member States of the EU⁴¹, nor the Convention⁴² itself, into its national law.

3.3.2. Simplified information exchange on bank accounts

Greece has not yet transposed FD 2006/960/JHA of 18 December 2006 on simplifying the exchange of information and intelligence between law enforcement authorities of the Member States of the European Union. Under the existing system, the information under (a) to (c) referred to in chapter 3.2.1.1 can be provided to judicial authorities only on the basis of a request for mutual legal assistance on the basis of the Council of Europe Convention on Mutual Assistance in Criminal Matters of 1959.

3.3.3. Information requests via the ARO

The Greek national Asset Recovery Office within the FCP Unit cooperates and exchanges information with the corresponding departments in the EU Member States on the detection and tracing of proceeds and other assets originating from cross-border criminal activities for the purposes of judicial assistance in seizing, confiscating or freezing assets in criminal cases. The assets are recovered by means of judicial assistance.

Furthermore, at national level the national Asset Recovery Office cooperates with all competent authorities in the country in providing assistance and an immediate response to requests from the

⁴¹ COUNCIL ACT of 16 October 2001 establishing, in accordance with Article 34 of the Treaty on European Union, the Protocol to the Convention on Mutual Assistance in Criminal Matters between the Member States of the European Union; OJ C 326, 21.11.2001, pp. 1-8.

⁴² COUNCIL ACT of 29 May 2000 establishing in accordance with Article 34 of the Treaty on European Union the Convention on Mutual Assistance in Criminal Matters between the Member States of the European Union; OJ C 197, 12.7.2000, pp. 1-23.

corresponding departments in the EU Member States, in accordance with the national and Community laws in force, and to requests from departments in third countries under agreements on mutual judicial assistance entered into by Greece.

3.3.4. Competent authorities

3.3.4.1. Acting as receiving State

Under **Article 458 of the Greek Code of Criminal Procedure**, requests for judicial assistance are generally sent by the Ministry of Justice, Transparency and Human Rights to the locally competent public prosecutor's office at the court of appeals: then, following an order from the latter, they are given to the examining magistrate(s) in the area where the investigation will take place. In addition, under the provisions of **Article 53(1) of the Schengen Convention**, which was ratified by Greece by Law 2514/1997⁴³, requests for judicial assistance may be sent from one judicial authority to another directly.

Lastly, under **Article 15(5) of the 1959 European Convention on Mutual Assistance in Criminal Matters** and ratified by Greece by Legislative Decree 4218/1961⁴⁴, urgent requests for judicial assistance may also be sent via Interpol. The same procedure is followed for the receipt and execution of the requests for judicial assistance pertaining to bank information as set out in points (a) to (d) in chapter 3.2.1.1.

At the time of the on-site visit there were fifteen public prosecutors at the courts of appeal in Greece.

3.3.5. Problems encountered

The Greek authorities have informed the evaluation team that problems which arise frequently in practice with regard to bank information are rooted in residual particularities of the national penal systems within the European Union. Although they conceded that considerable progress had been

⁴³ Cf. Greek Official Gazette 140, 27.6.1997, Part 1.

⁴⁴ Cf. Greek Official Gazette 171, 19.09.1961, Part 1.

made, they still saw a lot of leeway for work to be accomplished in order to render the tools of judicial cooperation more operational. They have emphasised that in order to execute requests for judicial assistance, the requirements set out in Article 5 of the 1959 European Convention on Mutual Assistance in Criminal Matters must be met, and that consequently waiving banking secrecy in the context of carrying out a request for judicial assistance is, for example, permitted under Article 3 of Legislative Decree 1059/1971⁴⁵ for cases of felony only.

3.4. Financial investigations and use of financial intelligence

3.4.1. Legal framework

With regard to financial investigations and the use of financial intelligence Legislative Decree 1059/71 and particularly the special provisions of the AML Law 3691/2008 are applicable. This existing legal framework has superseded the previous one that consisted of Law 2331/1995 as amended and supplemented by Law 3424/2005.

Together with the legal changes, procedures have been put forward for the ongoing improvement of cooperation between the jointly competent authorities, including more flexible procedures and mechanisms for detection and control, combating or suppressing money laundering.

While in the opinion of the Greek authorities, the AML Law had taken stock of several developments, prerequisites and requirements at EU and international level and has put them into a single, practical framework, the 2008 AML Law has been supplemented by Law 3932/2011 on the Authority for combating money laundering and terrorist financing and source of funds investigations that has altered the legal and organisational set-up of the Financial Intelligence Unit and set up the Financial Sanctions Unit (FSU) and the Source of Funds Investigation Unit (SFIU).

3.4.2. Special legal powers and tools for investigating the financial aspects of criminal activities

Special legal powers and tools do exist for investigating the proceeds from crime and their financial aspects in Articles 4-44 of Law 3691/2008 and Article 30(6) of Law 3296/2004.

⁴⁵ Cf. Greek Official Gazette 270, 23.12.1971, Part 1.

In addition, Article 253a of the Code of Criminal Procedure provides for special investigations into criminal organisations. In particular the use of personal data is subject to the same guarantees and procedures under the substantive terms and conditions of Law 2472/1997 [PROTECTION OF INDIVIDUALS WITH REGARD TO THE PROCESSING OF PERSONAL DATA].

3.4.3. Use and effectiveness of financial investigations in specific crimes

In their answers the Greek authorities maintained that financial investigations constituted an exceptionally useful and effective means of gathering evidential data on financial crime and economic crime (e.g. fraud jeopardising public interests or the interests of the EU) and corruption as well as other forms of serious and organised crime, e.g. illegal trafficking in narcotic substances, weapons and ammunition, in works of art and objects under protection, trafficking in human beings, cybercrime, terrorism etc. It was conceded that investigations into financial transactions can unveil the persons involved, as well the whereabouts of the illegal products and capital, and can eventually contribute to their location and recovery.

Continuation of an investigation into the financial aspects of crime after closure of a case

In Greece an investigation into the proceeds from crime, or more generally its financial aspects, can also be continued after the investigation into the predicate offence has been completed or following the conviction in the context of an investigation into the offence of the laundering of the proceeds from a crime (Articles 2, 3 and 45 of the 2008 AML Law) committed by the same, or another person, or in the context of an investigation into the acceptance by another offender of the proceeds of a crime (Article 394 of the Penal Code).

3.4.4. Involvement of private experts during investigations

According to Article 184 of the Code of Criminal Procedure the Greek legal system allows the involvement of private experts (e.g. accountants, financial experts) when investigating the proceeds of crime or the financial aspects of crime, provided that the investigating officials involved in a given case or the court consider that their specialist knowledge is required for the correct diagnosis and evaluation of a fact. The expert is selected from a table of experts drawn up in accordance with

Article 185 of the Code of Criminal Procedure, or, in exceptional cases, without recourse to this table. The same grounds for exclusion apply to these persons as for court officials; they are required to perform their duties with complete impartiality and with due diligence and confidentiality (Article 194 of the Code of Criminal Procedure).

3.4.5. Financial intelligence

3.4.5.1. Financial investigations in the intelligence phase

Financial investigations are conducted both during the preliminary investigation carried out by both specialised and non-specialised officials on the basis of an order from the Public Prosecutor at the Court of First Instance, and during the administrative investigations conducted by the competent tax authorities, the SDOE etc.

3.4.5.2. Financial intelligence information as a starter for criminal and financial investigations

Analysed financial intelligence may be used as an indicator as to whether to initiate a criminal investigation and an investigation into financial transactions by the public prosecutor to whom such intelligence was sent by the competent authorities conducting the preliminary investigation, or by the administrative authorities or by the Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority. This also applies to information from the FIU.

3.4.5.3. Cooperation with and collection of financial intelligence from other authorities in the intelligence phase

For the purposes of gathering the financial intelligence needed for investigating their various cases, the prosecution authorities cooperate with a large number of departments and bodies in the public and private sphere at national and international level (taxation and customs authorities, Hellenic Bank Association, Bank of Greece, HELEX (Hellenic Exchanges Group), EUROPOL, OLAF etc).

The further explained that cooperation was not systematic, but happened rather on a case-by-case basis: according to the information received the auditors search for the information required in “the optimum way” with regard to quality of intelligence, reliability of the source and speed of response.

3.5. Cooperation with Europol and Eurojust

3.5.1. Europol

3.5.1.1. Past experiences

The Greek prosecution authorities cooperate with Europol via the Europol National Unit, as regards the receipt, sending and handling of cooperation requests and also through participation by representatives of the prosecution authorities in the Analysis Work Files (AWFs), by contributing cases and exploiting the information provided from the experience gained by their counterparts in other MS. Europol's analytical products are forwarded to the competent prosecution authorities for further exploitation.

Under Greek law (Law 3663/2008), joint investigation teams (JITs) may be formed for the following categories of offences: drug trafficking, trafficking in human beings and terrorist activity. Therefore the Greek authorities are lacking experience in employing joint investigation teams in the area of financial investigations.

Article 24 of Law 2772/99⁴⁶ on the ratification and application of the Naples II Convention on mutual assistance and cooperation between customs administrations of the Member States of the EU also provides for the establishment of “joint teams for special investigations”, which can undertake duties for a specific purpose and for a limited period of time.

3.5.1.2. Expectations

Europol's role is clearly perceived as assisting Member States in investigations aimed at combating both the laundering of the proceeds of crime and financial crime in general.

Consequently, expectations of cooperation with Europol have been and remain high, just as exploitation of the information provided has always made an exceptional contribution to a successful outcome in major cases.

⁴⁶ Greek Official Gazette 282, 17.12.1999.

Furthermore the Greek authorities expected a significant transfer of know-how from cases contributed by other Member States to the AWFs.

3.5.2. Eurojust

3.5.2.1. Past experiences

The Greek judicial and prosecution authorities reported that they cooperated closely with Eurojust, particularly in cases of financial crime and for financial investigations. In this connection, they have sent legal assistance requests to Eurojust but have also received requests from other EU MS via Eurojust, with excellent cooperation and results in every case.

As regards the formation of joint teams, the details set out in chapter 3.6.5.1 on Europol do apply.

3.5.2.2. Expectations

Owing to the results of cooperation in the past, the expectations of cooperation with Eurojust in the area of financial investigations are high and are also stimulated by the greater possibilities created by the new Eurojust Decision.

3.6. Conclusions

3.6.1. Information and data bases

- In Greece there is no centralised register for bank accounts. In order to identify bank accounts or holders of bank accounts a request by the appropriate investigating authorities needs to be forwarded to the Bank of Greece who forwards it to the requested institutions' compliance officers electronically and records are kept to this effect. However the BoG does not receive (by neither requesting authority nor the requested institution) any feedback on these requests. Nevertheless, there be cases of credit institutions failing to respond in a thorough and timely way to requests for financial intelligence by eligible public authorities, appropriate sanctions or corrective measures would be taken as per the relevant provisions of the AML Law.

- According to the information received, the Hellenic Association of Banks does not have a computerized system for accessing bank account data and requests are rather taking days to be met instead of the eight hours foreseen in the Swedish Initiative.
- As a new service Greece has introduced a National Land Registry that at the time of the visit was reported to be gradually replacing the Land Charges Registry. After the on-site visit the experts have learnt from public sources that work on this project has come to a halt⁴⁷ because of the public funding situation.

3.6.2. Cooperation at European level

- As long as the appropriate EU instruments for mutual legal assistance have not been transposed, requests for judicial assistance are governed by the 1959 European Convention on Mutual Assistance in Criminal Matters, and therefore waiving banking secrecy in the context of carrying out a request for judicial assistance is, for example, permitted under Article 3 of Legislative Decree 1059/1971⁴⁸ for cases of felony only. Taking into account that “felonies” are crimes that are punishable by at least five years in prison this is creating quite a ‘hurdle’ for waiving bank secrecy and questions the effectiveness of the whole procedure.

3.6.3. Financial investigations and use of financial intelligence

- The Greek FIU is one of the three independent units under the administratively and operationally independent "Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority". Following substantial criticism from the FATF

⁴⁷ Regarding the National Land Registry or ‘Hellenic Cadastre’, the Greek authorities have clarified after the on-site visit that the Ministry for the Environment, Energy and Climate Change (E.E.C.C.) being the only stakeholder of the *Ktimatologio S.A.* was responsible for the organizational support and function of its cadastre offices. The cadastre is being maintained by the *Ktimatologio S.A.*, a private legal entity and by the "*Organization of Cadastral registration and defining of geographical positions*" which together with the Ministry of E.E.C.C. have the supervision of the register. During the years 2008-2009 the first phase of the cadastre was completed for the big urban centres. In 2010/2011 some complications regarding the tender procedure have occurred. Most recently the Minister of Environment, Energy and Climate Change has announced in an interview given on 1 March 2012 (cf.: <http://ktimatologio.gr>) a draft Law which will include measures in order to accelerate the work of the cadastral registry and the reconstruction of the whole system.

⁴⁸ Cf. Greek Official Gazette 270, 23.12.1971, Part 1.

in its Mutual Evaluation in 2007⁴⁹ the FIU, that had materialised in a ‘non-compliant’ rating on the FIU (the former Recommendation 26 of the FATF Standards), the unit was entirely rebuilt and the FATF has conceded in June 2011 in its Report by the Europe/Eurasia Regional Review Group Co-Chairs 2011 their confidence “that all tasks assigned to the FIU will be effectively implemented”⁵⁰.

- Although the information received on the FIU with the answers to the questionnaire and during the on-site visit remained very limited – most probably owing to the legal and organisational changes that had taken place just prior to the on-site visit - the comprehensive information available from the FATF, combined with the removal of Greece from the enhancement compliance procedure in October 2011 suggest that substantial progress has been made.⁵¹
- One of the three components of the AML Committee has the potential to develop into EU “best practice”. Greece is the only EU MS that has properly integrated a comprehensive personal financial disclosure for PEPs into its FIU. When properly developed this holds the unique potential of being the first EU dynamically managed personal financial disclosure disposition, continuously cross-matched with disclosed SARs. The current shortcoming is clearly that the enhanced due diligence obligation contained in the third EU AML directive is not applicable to domestic PEPs. Obviously this adversely affects the effectiveness of the disposition and renders the integration of national PEPs’ financial disclosure into the FIU rather obsolete while an inclusion of domestic PEPs would result in a very powerful and affective means to counteract corruption.

3.6.4. Cooperation with Europol

- The country report on Greece clearly indicates that the cooperation through Europol and the use made of products and services offered by Europol to the Member States is far below average.

⁴⁹ Summary of the third Mutual Evaluation Report Anti-Money Laundering and Combating the Financing of Terrorism on Greece 29 June 2007

⁵⁰ Cf. FATF document FATF/ICRG(2011)12, p. 31.

⁵¹ The Greek authorities have informed in the period following the on-site visit that in 2011, the FIU had issued 187 orders freezing criminal assets amounting to nearly 224m euro, more than those that had been frozen in the entire period from the establishment of the FIU in 1997 until 2010 (217m euro). Furthermore, they informed that the trend for 2012 was further strengthened and that during the period from 1 January until 2 March 2012, 62 orders have been issued, freezing criminal assets in excess of 166m euro.

- Though it has to be conceded that Greece adheres to most of the financial AWFs the quantity and quality of the contributions definitely leaves room for improvement. Greece clearly does not exploit any of the benefits offered by the Pan European Platform for pro-active and integrated analysis of financial intelligence contained in SARs. Contributions are poor, both in quantity and in quality. The Greek ELO desk is clearly not up to deal with its tasks, and one of the most important shortcomings is clearly that the SDOE is not represented with the ELO desk. Furthermore, Greece would clearly benefit from seconding Greek officers as national experts, to pool expertise from other EU MS and to make a better understanding of Europol penetrate to all segments of Greek LE and Judiciary.
- Possible recommendations to EU, Council and Commission would consist of better scrutinizing the complementarities of EU bodies such as Europol and OLAF. Several cases were identified through the presentations of case studies by the SDOE, indicating that a very competitive and unproductive attitude is being displayed with regard to, especially but not exclusively MTIC fraud, CP4200 fraud and cigarette smuggling. Several cases, supported by OLAF, were deliberately kept from the relevant Europol AWFs, thus violating the pledged commitment implicitly displayed by formally joining the analysis group of the AWFs concerned. Again a renewed and genuine commitment to reinforce structures giving access to the products, services and pooled EU MS expertise, available at Europol should be considered.
- The employment of JITs in the form of crime under review in this report was only hypothetically described and owing to the Greek legislation, while JITs had been tested in organised crime cases, no JIT had been set up with regard to financial crime.

4. FREEZING AND CONFISCATION

4.1. Freezing

4.1.1. At national level

4.1.1.1. Legal basis

The legal basis for the freezing of assets before conviction is laid down in the **AML Law 3691/2008, Article 48**.

Furthermore, in accordance with **Articles 253, 258, 259 and 260 of the Code of Criminal Procedure**, if an investigation or a preliminary investigation is conducted **for felony or for a misdemeanour**, it is possible to seize cash related to the crime, securities held in banks or in other public or private institutions in quantities held in a current account, or any other deposited object or document, when the latter are kept in a safe: even when they do not belong to the accused person or are not registered in his name, they are still deemed to be connected to the crime.

As far as the **SDOE** is concerned, under the law setting it up (**Law 3296/2004**, Article 30(6) or (5)), it may *inter alia*

- a) **seize** books, documents, personal property, means of transport and other items including electronic means for the storage and transport of data, in accordance with the relevant taxation and customs provisions in force in each case.
- b) **freeze** bank accounts and assets accompanied by a document from the head of the competent regional directorate informing the prosecutor of the measure within 24 hours, in special cases concerning the protection of public interests in instances of financial crime, large-scale tax evasion and illegal trafficking.

Lastly, under **Article 11 of Law 3213/2003** [DECLARATION AND AUDIT OF THE ASSETS OF MEMBERS OF PARLIAMENT, PUBLIC OFFICIALS, MASS MEDIA OWNERS AND OTHER CATEGORIES OF PERSONS], as supplemented by Article 9 of **Law 3849/2010**, when a regular examination concerns any of the offences under paragraphs 1 and 2 of Articles 4, 5 and 6, and under Article 8, the examining

magistrate may, with the agreement of the prosecutor, prohibit the movement of all types of accounts, securities or financial products held in a credit institution or financial body, as well as the opening of any safes belonging to the accused person, or any other type of safe held jointly with another person, provided there are well-founded suspicions that the accounts, securities, financial products or safes could contain assets which may be liable for confiscation under the provisions of paragraph 3 of Article 9. In the event of a preliminary examination, the prohibition of the movement of accounts, securities and financial products or of the opening of safes may be ordered by the judicial council. The order by the examining magistrate or by the judicial council serves as a confiscation report; it is issued without a summons to the accused or to a third person: it is not necessary to refer to a specific account, security, financial product or safe and is given to the accused and to the legal representative of the credit institution or financial body or to the head of the branch in the place where the examining magistrate or prosecutor presides. In the case of joint accounts, securities, financial products or a joint safe, the order is also given to the third person. If the requirements of paragraph 1 are met, the examining magistrate or judicial council may order the prohibition of the auction of certain real estate belonging to the accused.

4.1.1.2. Types of crime for which the measure can be obtained

The measure of freezing can be obtained for the crime of money laundering and the predicate offences as laid down in chapter 3.2.1.2 of this report.

4.1.1.3. Duration of the measure

The duration of the measure is not specified by Greek legislation; consequently the freezing measure stays in force until the final judgment on the case is passed.

However, the accused or the person suspected of having committed offences under Articles 2 and 3 of Law 3691/2008 may submit an application to the Judicial Council to revoke the order handed down by the examining magistrate or the decision ordering the freezing of assets (Article 48(4) of the AML Law).

4.1.1.4. Other conditions necessary to obtain the measure

In order to obtain the measure the public prosecutor and the examining magistrate have to be in agreement in the course of the regular examination and the Judicial Council has to decide on the freezing in the course of the preliminary examination or inquiry.

4.1.1.5. Competent authority

The competent authorities to serve a freezing order are the following:

The examining magistrate during the main investigation, the public prosecutor during the preliminary investigation or inquiry and the Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority during the investigation or preliminary examination under Article 7(11) of Law 3691/2008.

4.1.1.6. Information of persons affected by the measure

The order by the examining magistrate or the decision ordering the freezing of assets serve as a confiscation report which is transmitted to the accused person/person concerned (Article 46(3) of Law 3691/2008).

4.1.1.7. Legal remedies and withdrawal of a freezing order

The accused person or person suspected of committing an offence under Article 2 or 3 of Law 3691/2008 may apply to the Judicial Council to revoke the order handed down by the examining magistrate or the decision ordering the freezing of assets. The persons mentioned above and the public prosecutor at the Misdemeanours Court or at the Court of Appeal may lodge an appeal against the decision with the council of the Court of Appeal which takes a final decision. The submission of the application does not suspend the execution of an order.

Freezing orders are revoked if new information comes to light.

4.1.1.8. Management of seized assets

According to the information received Greece has no centralised management of seized assets: Assets in monies are placed in an interest-bearing deposit account with the Deposits and Loans Fund. The Public Material Management Organisation also takes care of seized assets, and by law private individuals may also act as receivers.

4.1.2. Cooperation at European level - Implementation of Framework Decision

2003/577/JHA

Greece has not yet implemented Council Framework Decision 2003/577/JHA⁵².

At the time of the visit, a draft law on the incorporation of FD 2003/577/JHA had already been drawn up and was about to be put before Parliament. In the opinion of the Greek authorities the national law in force at the time of the on-site visit was adequately covering the objective of the Framework Decision until the latter will have been fully implemented.

As a consequence of the pending transposition process of FD 2003/577/JHA cooperation with regard to the execution of orders freezing property or evidence is conducted on the basis of the mechanisms described in chapter 3.3.4 of this report, namely under the Greek Code of Criminal Procedure, the Schengen Convention and the 1959 Council of Europe Convention on Mutual Assistance in Criminal Matters.

The Greek authorities emphasised that despite the non-applicability of FD 2003/577/JHA immediate communication on the basis of the Schengen Convention was the principal way in which requests are transmitted.

4.1.3. Mutual assistance in the area of freezing

4.1.3.1. Statistics

The Greek authorities assessed the mutual legal assistance undertaken in this area on the basis of the legal instruments that are in use as functioning smoothly and satisfactorily. They stated however, that maintaining statistics was extremely difficult, since the implementation of the Schengen Convention has led to the involvement of many departments in the process which are not connected electronically with one another so as to enable statistics to be provided.

⁵² Council Framework Decision 2003/577/JHA of 22 July 2003 on the execution in the European Union of orders freezing property or evidence, OJ L 196, 2.8.2003, p. 45.

4.1.3.2. Experience when acting as an issuing State

Competent authority

The Greek authorities have explained that with regard to the transmission of mutual legal assistance requests concerning freezing orders, the same channels referred to in chapter 3.3.4 are used and that the actual execution was governed by the specificities of the individual case. Therefore, the seriousness of a case as well as the speed with which it needs to be handled will determine the choice of a particular channel. According to their self-assessment the Greek authorities have adopted a flexible regime while at all times complying with the safeguards and requirements laid down in the legislation in force as regards execution.

EJN Atlas

The EJN Atlas was considered a useful tool which according to the information received is utilised on a daily basis by the Public Prosecutor's Offices at the Court of Appeal.

4.1.3.3. Experience when acting as an executing State

Mechanisms of receipt

The Greek authorities reported that legal assistance requests concerning freezing orders can be transmitted to the Public Prosecutor's Offices at the Courts of Appeal by any appropriate means, even by fax or e-mail. Once it has been confirmed that they originated from a judicial authority in a Member State, they are then forwarded for execution to the territorially competent investigating magistrate, indicating that they are urgent.

Additional information required by Greece

The questions commonly put to requesting authorities concern the requisite information, specified in the relevant articles of the European Convention on Mutual Assistance in Criminal Matters.

Competent authorities and role of ARO

If the basis is a freezing procedure under Greek law, i.e. a freezing order issued by a criminal court or a judgment by a civil court, the authority competent for execution in the first case is the territorially competent Public Prosecutor to whom the request is addressed.

4.2. Confiscation (including FD 2005/212/JHA and FD 2006/783/JHA)

4.2.1. Confiscation at national level

4.2.1.1. Legal basis

Under the basic (general) provisions laid down in Article 76 of the Greek Criminal Code and Article 373 of the Greek Code of Criminal Procedure, the final judgment issued by the Court may order the confiscation of assets as an ancillary penalty imposed on the proceeds of crime, or substitutes therefore, and on the means used to commit the crime.

In addition, the specific provisions laid down in Article 46 of the AML Law provide for the following:

1. Assets derived from a predicate offence or the offences referred to in Article 2 of the AML Law or acquired directly or indirectly out of the proceeds of such offences, or the means that were used or were intended to be used for committing these offences shall be seized and, if there are no grounds for returning them to the owner, shall mandatorily be confiscated by virtue of the court judgment. Confiscation shall be ordered even if the assets or means belong to a third person, provided that such person was aware of the predicate offence or the offences referred to in Article 2 at the time of their acquisition. The provisions of this paragraph shall also apply in cases where an attempt has been made to commit the above offences.

2. Where the assets or proceeds referred to in para. 1 above no longer exist or have not been found or cannot be seized, assets of a value equal to that of the said assets or proceeds at the time of the court judgment shall be seized and confiscated according to the conditions laid down in para. 1. Their value shall be determined by the court. The court may also impose a fine up to the value of the said assets or proceeds if it rules that there are no additional assets to be confiscated or the existing assets fall short of the value of the said assets or proceeds. These provisions of Law 3691/2008 extend the scope of confiscable assets; in this case, confiscation is mandatory.

Criminal legislation also provides for confiscation in connection with specific categories of offences, as follows:

- a) Under Article 160 of Law 2960/2001 [NATIONAL CUSTOMS CODE], in all cases of smuggling, the goods smuggled are confiscated. This article provides that confiscation is carried out regardless of whether or not those holding any kind of right to the goods participated in the commission of the offence, unless they can prove that they did not participate in, and were unaware of, the criminal act committed.
- b) Under Article 238 of the Penal Code, concerning bribery (Articles 235, 236 and 237 of the Penal Code), the judgment orders the confiscation of gifts and of any other assets given, as well as assets acquired directly or indirectly thereof. If such proceeds of the offence have been amalgamated with assets acquired from legitimate sources, the assets concerned are subject to confiscation up to the assessed value of the proceeds amalgamated with them. Income or other benefits deriving from these proceeds, from assets acquired with these proceeds or from assets with which the latter have been amalgamated are also subject to confiscation to the same extent as the proceeds of the offence. If the assets subject to confiscation under the above paragraph no longer exist, have not been found, cannot be seized or belong to a third party from whom confiscation cannot be ordered, other assets belonging to the offender of a value equal to that of the confiscable assets at the time of the court judgment, as assessed by the court, shall be confiscated.

- c) Under Article 37 of Law 3459/2006 [Code of law on drugs] where a court hands down a sentence for a felony under that Law, it orders the confiscation of all assets derived from the act in question, of their value and of movable and immovable assets acquired therewith, whether these belong to the offender or to any of the participants or to third parties who did not participate in the crime, if the latter were aware that these objects were intended for the commission of the crime.
- d) Confiscation can be ordered by the competent court under Article 76 of the Penal Code even if a specific person has not been sentenced for the offence committed.
- e) Under Article 88 of Law 3386/2005, assets which constitute the proceeds of the criminal activity referred to in that article, as well as paragraphs 5, 6 and 8 of Article 87 of Law 3386/2005 (offences relating to the facilitation of illegal immigration) or which have been acquired in any manner from the proceeds of such criminal activity or assets which have been used, wholly or in part, for the above criminal activity are seized and, except in cases where they are returned to their owner under Articles 310(2) and 373 of the Code of Criminal Procedure, are mandatorily confiscated by virtue of the court judgment. Confiscation is ordered even if the assets belong to a third person, provided that such person was aware of the criminal activity at the time of their acquisition. In cases where the assets or proceeds referred to in the abovementioned provisions amount to more than € 4 000 and cannot be seized, then in accordance with those provisions assets of a value equal to that of the abovementioned assets or proceeds are seized and confiscated.

4.2.1.2. *Types of crime for which confiscation is possible*

In accordance with the general provisions laid down in Article 76 of the Greek Criminal Code, a sentence imposed on a specific individual for a felony or the misdemeanour of fraud is a fundamental precondition for ordering confiscation as an ancillary penalty. In addition, under the above specific provisions of Article 46 of Law 3689/2008, confiscation is ordered even if the assets or means belong to a third person, provided that such person was aware of the predicate offence or the offences referred to in Article 2 at the time of their acquisition. That is to say, confiscation is ordered in this case even though the precondition that the owner of the property has been sentenced has not been fulfilled.

4.2.1.3. Competent authorities

The only authority competent to decide on confiscation as an ancillary penalty is the court which issued the final judgment in the case concerned.

The authority competent to enforce confiscation is the Public Prosecutor of the court which ordered the confiscation, who generally sees to the enforcement of all the judgments issued by the court (Art. 549 of the Code of Criminal Procedure).

4.2.1.4. Information of persons affected

Persons affected by the confiscation measure are informed in the same way as persons are informed of decisions relating to them issued by criminal courts. Therefore, if they are present they are informed of them directly, and if they are unobtainable decisions are served on them in the manner specified.

4.2.1.5. Legal remedies for a person affected

For the person concerned, i.e. a person whose assets have been ordered to be confiscated, legal remedy is provided for in the form of annulment of provisions which form part of the court judgment. This legal remedy is identical with those of appeal and action for annulment which have been provided for in respect of court judgments (Articles 462, 477 and 504 of the Code of Criminal Procedure).

4.2.1.6. Involvement of the ARO during this procedure

Under the current legal framework, the ARO's role is confined to forwarding the legal assistance request to the competent judicial authority.

4.2.1.7. Confiscation of property owned by corporations

According to the information received from the Greek authorities with the answers to the questionnaire, the Greek legal system allows to “pierce the corporate veil” and confiscate assets owned by corporations which have not been prosecuted if the court considers (deduces) that advantage is being drawn from the assets in question by owners (natural persons) who have been

sentenced either for committing or for participating in the criminal acts referred to below. In such a case the assets, if they constitute the proceeds of the predicate offence or of the offence of money laundering, are mandatorily confiscated by virtue of the court judgment.

On the other hand however, it is not possible to "pierce the corporate veil" and confiscate assets owned by corporations which have not been prosecuted, if the court believes (deduces) that advantage is being drawn from the assets in question by owners (natural persons) who have not been sentenced.

4.2.2. Confiscation at European level

Although at the time of the on-site visit Greece had not implemented Framework Decision 2006/783/JHA they have stated that from their experience its implementation had accelerated and simplified procedures through the tools which have become available and through the secure means of communication.

4.3. Conclusions

- The Freezing of assets can either take place under the relevant provisions of the Code of Criminal Procedure for felonies or misdemeanours or the AML Law (Law 3691/2008) before conviction.
- Greece has no centralised system for the management of seized assets; governmental as well as even private entities can be entrusted with this task. Given the diversity of this practice the experts would rather advocate a system that would allow for a centralised overview of the whereabouts and values that have been confiscated, also with a view to possible confiscation.
- At the time of the visit, Greece had not yet implemented Framework Decisions 2003/577/JHA, 2005/212/JHA and 2006/783/JHA. However, three extra laws had to do so had been forwarded to the minister of justice on seizure and confiscation of assets and regarding the transposition of the legal instruments mentioned above as well as the ratification of the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism ('The Warsaw Convention')⁵³.

⁵³ CETS No. 198

- Although the implementing legislation was under way at the time of the visit, it was neither assessable to what extent the non-transposition had hampered cooperation within the European Union on matters of freezing and confiscation nor was it clear with regard to the current political situation that the legislative process would take place with the necessary swiftness. The experts would therefore again remind that a speedy implementation is the formal prerequisite for an improved cooperation in this field within the EU.

DECLASSIFIED

5. PROTECTION OF THE FINANCIAL INTERESTS OF THE COMMUNITIES

5.1. Available mechanisms, particularly cooperation with OLAF

5.1.1. Measures to ensure pro-active transmission of information to OLAF

In their answers to the questionnaire the Greek authorities have reported that the exchange of information with OLAF had occurred on the following dossiers and occasions:

- Smuggling of tobacco products (EMII2913/1273/E0034/18-12-03)
- Mutual assistance and messages on cases of fraud
- AM (E1753/611/E0034/22-6-99)
- Joint Customs Operations (orders on a case-by-case basis)

Such information was exchanged on the basis of Regulation 515/97⁵⁴ on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters. MAB (Mutual Assistance Broker) was the channel of communication used for such pro-active transmission of information.

5.1.2. Information of OLAF on the outcome of relevant cases

The competent services in Greece, the main actors of which are the SDOE and the 33rd Directorate of Customs Law Enforcement, inform OLAF on the basis of the appropriate national legislation in force. When informing OLAF, they take account in every case of the requirements of secrecy in the investigation and of data protection.

⁵⁴ COUNCIL REGULATION (EC) No 515/97 of 13 March 1997 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs and agricultural matters, OJ L 82, 22.3.1997, p. 1.

5.1.3. Possible role of the European Commission in a criminal investigation

Representatives of OLAF can participate in preparatory activities (specifically, in preliminary investigations, facilitating the investigations by providing and cross-checking information etc.). They play a coordinating and advisory role.

Questions relating to the civil action are ruled on, case by case, in accordance with national law. In addition, under Article 7 of the 2nd Protocol to the PIF Convention, which was ratified in Greece by Law 2803/2000, Greece and the Commission cooperate in combating fraud. The competent authorities can exchange information with the Authority with a view to more easily ascertaining the facts and ensuring effective action against fraud.

5.1.4. Participation of OLAF officials in a criminal investigation

The Greek authorities stated that OLAF officials could take part in a criminal investigation if the financial interests of the EU are directly prejudiced? No information was obtainable however, whether this had already occurred in practice?

5.1.5. OLAF participation in a joint investigation team (JIT)

Based on the provisions of a) Law 3663/2008 on joint investigation teams and b) Law 2772/99 on the ratification and application of the Naples II Convention on mutual assistance and cooperation between customs administrations of the Member States of the EU (Article 24) it would be possible for OLAF officials to participate in a joint investigation team.

5.1.6. Experience with JITs dealing with fraud against the financial interests of the European Communities

The Greek authorities have not revealed any information regarding past or present joint investigation teams dealing with the fraud against the financial interests of the European Communities.

(When representatives of OLAF – who have a coordinating role – are sent to third countries in connection with an investigation in an AM message case, cooperation is the responsibility of the Greek customs authorities.)

5.1.7. Coordination of contacts with OLAF

In Greece the responsibility for coordinating contacts with OLAF in concrete cases lies within the customs administration, namely Department E - Intelligence - of the 33rd Directorate of Customs Law Enforcement. All departments of the 33rd Directorate cooperate and exchange information with other national prosecuting authorities. In parallel, the Financial and Economic Crime Unit (SDOE) has also accepted and dealt with a significant number of requests from OLAF and cooperates with the European Anti Fraud Office in matters of EU fraud and irregularities as well as cases of smuggling etc.

5.1.8. Expectations with regard to support from OLAF

The Greek authorities have expressed that the support expected from OLAF would consist primarily in the transfer of the know-how that the European Anti Fraud Office has acquired from its experience in investigating cases of fraud against the financial interests of the Communities.

5.2. Conclusions

- While the organisational and legal set-up of the Greek authorities in order to facilitate cooperation with OLAF seemed to be formally complying, not very many results were presented during the on-site visit. According to the figures presented by the SDOE the number of cases that have been dealt with by this entity with regard to structural funds, direct expenditure etc. amounted to 82 over a five year period which from the evaluation team's point of view did not seem to be reflecting the importance of the Community funding received by Greece..
- During the visit to the 33rd Division of Customs and Excise the experts were informed that more than 3000 declarations according to EC Regulation 1885/2005 had been made in 2010. In 17 cases of a non-declaration the threshold was exceeded and subsequently administrative penalties amounting to 253 000 euro were paid. The data concerning the declarations is transmitted every trimester to the Cash Control Group in the European Commission.
- Furthermore the expert team was informed about cigarette and tobacco seizures in 2010, which equalled 88m euro of excise duties and taxes that have been evaded.

6. RECOMMENDATIONS

6.1. Recommendations to Greece

Given the present legal and organisational set-up, while taking into account the specificities of the Greek governmental and administrative services, the evaluation team came to the conclusion that cooperation between the different players works sufficiently well in general terms. All practitioners met seemed to be highly motivated and dedicated to their duties.

Nevertheless the evaluation team thought fit to make a number of suggestions for the attention of the Greek authorities, and the experts would like to summarise their suggestions in the form of the following recommendations:

1. Should continue to quickly implement any steps that have been taken in order to improve the system of countering financial and economic crime, e.g. the setting up of the Economic Police Service (EPS) or the Public Prosecutor for Financial Crime; (cf. 2.3.1.)⁵⁵
2. Should set up a well-concerted and strategy-driven action plan to counter financial and economic crime; (cf. 2.3.1)⁵⁶
3. Should implement a robust performance management methodology in all segments of law enforcement and the judiciary. At the very least adequate management information in the form of statistics and key indicators needs to be produced. (cf. 2.3.1)

⁵⁵ The evaluation team has noted the substantial progress that has been made on this recommendation. However, depicting the situation at the time of the visit while at the same time highlighting the efforts invested by Greece they have opted to leave it as it stands.

⁵⁶ The evaluation team has been informed of the progress made in respect of this recommendation and has been made aware by the Greek authorities of the following developments:

- a) A National Operational Program to suppress tax evasion has been constituted by Article 1 of Law 3943/2011, which is anticipated by this Article.
- b) In accordance with the provisions of Law 4022/2011 (judgment of the acts of corruption of politicians etc), Article 2 a preliminary inquiry into serious corruption crimes is conducted by the public prosecutor of the court of first instance and have to be completed within a period not exceeding two months.

4. Should continue enhancing its capabilities and building up its capacities with regard to fighting financial and economic crime; (cf. 2.3.1) ⁵⁷
5. Should consider setting up a special fast-track programme for high potentials in order to give well qualified young professionals a career perspective while at the same time upgrading the performance of their overall system to combat financial and economic crime; (cf. 2.3.5)
6. Should consider broadening their approach into an integrated and integral disposition on financial and economic crime complementary to the presently predominant action against tax crime (cf. 2.3.1)
7. Should step up the special training in matters regarding financial crime in the Police force; (cf. 2.3.4)
8. Should consider institutionalising specialised trainings for financial investigators and setting up a formal accreditation process⁵⁸ for such specialists; (cf. 2.3.4)
9. Should introduce tangible avenues of training for prosecutors in matters regarding financial crime and financial investigations; (cf. 2.3.4)
10. Should with a view to provide a meaningful response to financial crime consider for the courts a thorough re-engineering of existing processes and the introduction of modern management in these prosecutorial and judiciary bodies; (cf. 2.3.3)
11. Should ensure that the concept of integrated financial investigations is executed as a standard procedure when investigating serious and organized as well as economic crime; (cf. 2.3.1)
12. Should, while taking into account the progress that has been made, in the field of anti-money laundering measures strive to swiftly remedy the deficiencies that have been laid down in the Tenth Follow-up Report of the FATF's third mutual evaluation of Greece; (cf. 2.1.1.4, 2.3.3)
13. Should – notwithstanding the existing administrative sanctions regime – consider introducing the criminal liability of legal persons in order to effectively prosecute serious and organised crimes; (cf. 2.3.2)

⁵⁷ The evaluation team concedes that progress has been achieved on this point however, reflecting the situation during the on-site visit and the information available at the time has opted to keep it to document the progress made.

⁵⁸ The Greek authorities have informed that since the on-site visit has taken place the procedures for the accreditation of 2335 financial investigators for the Ministry of Finance have already begun through written examinations, part of which concerns SDOE. The first written examination has taken place on 18 February 2012 and 257 financial investigators were selected. At the same time training in specialized fields of economic crime, e.g. money laundering, is being conducted in co-operation with the Task Force for Greece of the European Commission.

14. Should review the management methodologies applied in the prosecutorial and judiciary bodies; (cf. 2.3.2)
15. Should encourage with regard to investigations into financial crime and the financial aspects of crime the pro-active approach as observed in the SDOE Regional Directorate in Thessalonica; (cf. 2.3.2)
16. Should consider introducing a centralised register of bank accounts in order to facilitate a quick response from the financial sector; (cf. 3.6.1)
17. Should continue to set up the National Land Registry in order to provide up-to-date and timely information on ownership and other real estate data; (cf. 3.6.1)
18. Should see that the ongoing process of transposing the Protocol to the Convention on Mutual Legal Assistance between Member States of the EU is swiftly finalised; (cf. 3.3.1)
19. Should see that the ongoing process of transposing the following EU instruments is swiftly finalised:
 - Council Framework Decision 2003/577/JHA
 - Council Framework Decision 2005/212/JHA
 - Council Framework Decision 2006/960/JHA (cf. 4.3)
20. Should continue the process of ratification of the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism ('The Warsaw Convention'); (cf. 4.3)
21. Should consider a more centralised and unison approach with regard to the management of assets; (cf. 4.1.1.8, 4.3)
22. Should promote the presence of Greek law enforcement personnel at Europol not only as liaison officers, but e.g. as seconded national experts (SNEs) which will then be able to channel the pooled expertise into the newly created unit for fighting economic and financial crime; (cf. 3.6.5)⁵⁹
23. Should conduct a follow-up on the recommendations given in this report eighteen months after the evaluation and report on progress to the Working Party on General Affairs, including Evaluations (GENVAL).

⁵⁹ SDOE informed after the on-site visit that they intended to support their presence at EUROPOL with the placement of a liaison Officer and also with the placement of staff as NE (Seconded National Experts).

- 6.2. Recommendations to the European Union, its Member States, institutions and agencies**
24. The Member States should study the newly set up Source of Funds Investigations Unit (SFIU) within the recently formed Anti Money Laundering, Counter Terrorist Financing and Source of Funds Investigation Authority; (cf. 2.1.1.4.3)
 25. The complementarity of EU bodies, such as Europol and OLAF, should be scrutinized, in order to rule out unproductive side effects on ongoing investigations and fully exploit the possibilities of the existing legal framework; (cf. 3.6.4)
 26. Should study the Greek integration of comprehensive personal financial disclosure for PEPs into its FIU as a possible implementation model; (cf. 3.6.4)

DECLASSIFIED

ANNEX A: PROGRAMME FOR THE ON-SITE VISIT

TUESDAY, 29 MARCH 2011

9:00 -10.00 Ministry of Justice Transparency & Human Rights
(Welcome of the evaluation team)

10.30 – 12.00 Court of First Instance of Athens

12.30 – 14.00 Court of Appeal of Athens

14.30 - 16.30 Lunch

17.00 – 19.00 Ministry of Citizen Protection - Hellenic Police Headquarters Public Security
Division – Section 2 of Economic Crimes

WEDNESDAY, 30 MARCH 2011

09.30 - 11.30 Ministry of Finance – DG of Customs & Excise Duties, Directorate of Customs
Law Enforcement

12.00 - 14.00 Bank of Greece

14.30 – 16.30 Lunch

17.00 – 19.00 Ministry of Finance – Financial and Economic Crime Unit of Athens (SDOE)

THURSDAY, 31 MARCH 2011

Morning Transfer to Thessaloniki

10. 00 - 12.00 Court of Appeal of Thessaloniki

12.30 - 14.00 Financial and Economic Crime Unit of Thessaloniki (SDOE)

14.30 Lunch

Afternoon Transfer to Athens

FRIDAY, 1 APRIL 2011

09.00 - 11.00 Anti-Money Laundering and Anti-Terrorism Financing Commission

11.30– 12.30 Ministry of Justice Transparency & Human Rights, Wrap-up meeting

Afternoon Departure of expert team

ANNEX B: LIST OF PERSONS INTERVIEWED/MET

1) MINISTRY OF JUSTICE TRANSPARENCY & HUMAN RIGHTS

- Mr Athanasios Ksiros, General Secretary
- Mr Georgios Christodoulou, Judge by the Court of Appeal
- Mrs Eugenia Kyvelou, Public prosecutor by the Court of First Instance
- Mr Ioannis Androulakis, Legal Expert
- Mrs Eytichia Filippaki, Head of the General Directorate of Legislative Coordination & of Special Legal Affairs
- Mrs Kaiti Nikou, Head of the Directorate of Legislative Coordination & of Special Legal Affairs
- Mrs Panagiota Karatzaferi, Head of Section of EU Matters
- Mrs Athanasia Founta, Hellenic Police Headquarters, Public Security Division – Section 2 of Economic Crimes
- Mr Aristomenis Binis, Financial and Economic Crime Unit of Athens (SDOE)
- Mrs Ioanna Voulgaraki, Official, Section of EU Matters

2) PUBLIC PROSECUTOR'S OFFICE, COURT OF FIRST INSTANCE OF ATHENS

- Mrs Eleni Skeparnia, Public Prosecutor at the Court of First Instance
- Mrs Eleni Siskou, Public Prosecutor at the Court of First Instance
- Mrs Stavroula Koutoulakou, Public Prosecutor at the Court of First Instance
- Mr Charalampos Tzonis, Public Prosecutor at the Court of First Instance
- Mr Dimitrios Prokopiou, Public Prosecutor at the Court of First Instance
- Mrs Eugenia Kyvelou, Public Prosecutor at the Court of First Instance
- Mr Dimitrios Zimianitis, Public Prosecutor at the Court of First Instance

3) PUBLIC PROSECUTOR'S OFFICE, COURT OF APPEAL OF ATHENS

- Mr Ioannis Sakellakos, Public Prosecutor at the Court of Appeal, Head of the Public Prosecutor's Office of the Court of First Instance of Athens
- Mr Evangelos Pantioras, Public Prosecutor at the Court of Appeal, Head of the Section of Extraditions and of Mutual Assistance

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- Mr Vasileios Pliotas, Public Prosecutor at the Court of Appeal, Head of the Section of Execution of Sentences
- Mrs Eustathia Spyropoulou, Public Prosecutor at the Court of Appeal
- Mrs Anna Zairi, Public Prosecutor at the Court of Appeal, Section of Extraditions and of Mutual Assistance
- Mr Ioannis Angelis, Public Prosecutor at the Court of Appeal, Section of Extraditions and Mutual Assistance,
- Mr Isidoros Dogiakos, Vice Public Prosecutor at the Court of Appeal
- Mr Syridon Mouzakitis, Vice Public Prosecutor at the Court of Appeal
- Mr Georgios Gerakis, Vice Public Prosecutor at the Court of Appeal
- Mr Panagiotis Athanasiou, Vice Public Prosecutor at the Court of Appeal
- Mrs Christina Lymperi, Secretary, Section of Extraditions and of Mutual Assistance

4) MINISTRY OF CITIZEN PROTECTION - HELLENIC POLICE HEADQUARTERS

PUBLIC SECURITY DIVISION

- Mrs Athanasia Founta, Deputy head of the Division
- Mr Panagiotis Koumpoulas
- Mr Evaggelia Vamvakaki
- Mr Georgios Grammatikakis

INTERNATIONAL POLICE CO-OPERATION DIVISION

- Mrs Zaharoula Tsirigoti
- Mr Anagnou Georgios

PASSPORTS' DIVISION

- Mr Georgios Dedemadis

NATIONAL SECURITY DIVISION

- Mr Ilias Paliogiorgos

IT DIVISION

- Mr Christos Tsitsimpikos

CRIMINAL INVESTIGATION DIVISION

- Mrs Georgia Arvanitidou

CONFRONTATION OF SPECIFIC CRIMES OF VIOLENCE

- Mr Thanos Loukas

SECURITY DIVISION OF ATTICA

- Mr Konstantinos Ragos
- Mrs Eleni Karatasiou

COAST GUARD

- Mr Nikolaos Sompanis

5) MINISTRY OF FINANCE – DG OF CUSTOMS & EXCISE DUTIES

DIRECTORATE OF CUSTOMS LAW ENFORCEMENT

- Mrs Anastasia Spilioti, Head of Directorate 33, Customs Law Enforcement
- Mrs Ageliki Matsouka, Directorate 33, Head of Section B
- Mrs Zafeiria Athanasaki, Directorate 33, Section F
- Mr Sotiris Velentzas, Directorate 33, Section E
- Mr Konstantinos Gonos, Directorate 33, Section E

6) BANK OF GREECE

DEPARTMENT FOR THE SUPERVISION OF CREDIT & RELATED FINANCIAL INSTITUTIONS

MONEY LAUNDERING PREVENTION DIVISION

- Mr Themistoklis Antoniou, Deputy Head of Department
- Mr Antonios Vlissidis

7) MINISTRY OF FINANCE - FINANCIAL AND ECONOMIC CRIME UNIT OF ATHENS (SDOE)

A. DIRECTORATE OF ADMINISTRATIVE SUPPORT

- Mrs Efthalia Xatzioannidou, Deputy Head of the Directorate
- Mr Ioannis Mavrodontis, Head of Section of Mutual Administrative Assistance

B. DIRECTORATE FOR PLANNING & COORDINATION OF AUDITS

- Mr Nikolaos Lekkas, Head of the Directorate
- Mr Zompolas Antonios, Deputy Head of the Directorate
- Mr Stavros Thomadakis, Head of Section of Tax Audits

C. DIRECTORATE FOR SPECIAL CASES

- Mr Evangelos Karamanos (coordinator of discussions), Head of the Directorate
- Mrs Ioanna Gioti, Deputy Head of the Directorate
- Mrs Panagiota Tsirka, Section A'

- Mr Aristomenis Binis, Mr Georgios Emmanouil, Mrs Xaido Veliouri, Section of Assets' Recovery

D. REGIONAL DIVISION OF ATTICA

- Mr Panagiotis Mandouvalos, Deputy Head of the Directorate
- Mr Theodoros Floratos, Vice Head of the Directorate
- Mr Georgios Papadopoulos
- Mr Eustathios Tsirbas

8) PUBLIC PROSECUTOR'S OFFICE, COURT OF APPEAL OF THESSALONIKI

- Mr Panagis Giannakis Public Prosecutor by the Court of Appeal, Head of the Public Prosecutor's Office of the Court of First Instance of Athens
- Mr Eirini Apostolou, Public Prosecutor by the Court of Appeal
- Mr, Charalampos Vourliotis, Public Prosecutor by the Court of Appeal, Section of Extraditions and of Mutual Assistance
- Mrs Kallitropia Dakou, Secretary, Section of Extraditions and of Mutual Assistance
- Mrs Aikaterini Kakali, Secretary, Section of Extraditions and of Mutual Assistance

9) FINANCIAL AND ECONOMIC CRIME UNIT OF THESSALONIKI (SDOE)

A. DIRECTION OF CENTRAL MACEDONIA DISTRICT

- Mr Mavridis Demetrios, Director
- Mr Athanasios Athanasiadis, Vice Director
- Mr Gavris Charalambos, Head of 1st Section
- Mr Demetrios Trantas, Head of 2nd Section
- Mr Ioannis Markovits

B. OPERATIONAL DIRECTION IN SPECIAL CASES OF THESSALONIKI

- Mr Fotios Savvidis, Vice Director
- Mrs Meropi Voyatzi, Head of Department
- Mr Nikolaos Konstantinidis, Head of Department
- Mr Isaak Geogiadis, Head of Department

**10) ANTI-MONEY LAUNDERING, COUNTER-TERRORIST FINANCING AND SOURCE OF FUNDS
INVESTIGATION AUTHORITY**

- Mr Panagiotis Nikoloudis, Chairman of the Authority
- Mr Vassileios Sarris, General Director
- Mrs Ourania Andritsi, Head of Administration & Finance Department
- Mrs Koutsouri Sophia, Head of the Research & International Relations Dep.
- Mr Mavraganis Georgios, Head of the Criminal Intelligence Department
- Mr Flokas Elias, Head of the Information Technology Department

11) MINISTRY OF JUSTICE (WRAP-UP MEETING)

- Mr Athanasios Ksiros, General Secretary
- Mr Georgios Christodoulou, Judge by the Court of Appeals
- Mrs Eugenia Kyvelou, Public prosecutor by the Court of First Instance
- Mrs Eytichia Filippaki, Head of the General Directorate of Legislative Coordination & of Special Legal Affairs
- Mrs Kaiti Nikou, Head of the Directorate of Legislative Coordination & of Special Legal Affairs
- Mrs Athanasia Founta, Hellenic Police Headquarters, Public Security Division, Section 2 of Financial Crimes
- Mrs Panagiota Tsirka , Financial and Economic Crime Unit of Athens (SDOE)
- Mrs Ioanna Voulgaraki, Official, Section of EU Matters

ANNEX C: LIST OF ABBREVIATIONS/GLOSSARY OF TERMS

ACRONYM ABBREVIATION TERM	ACRONYM IN THE ORIGINAL LANGUAGE	ENGLISH TRANSLATION/EXPLANATION
AM message	-/-	Customs irregularities message, sent by OLAF
AML/CTF	-/-	Anti-Money Laundering/Counter Terrorism Financing
ARO	-/-	Asset Recovery Office
AWF	-/	Analysis Work File
BoG	-/-	Bank of Greece
CARIN	-/-	Camden Assets Recovery Inter-Agency Network
CPC	-/-	Criminal Procedure Code
EJN	-/-	European Judicial Network
EKDD	-/-	National Centre for Public Administration Training Institute
ELO	-/-	Europol Liaison Officer
ELTE	-/-	Accounting and Auditing Standards Oversight Board
ENA	<i>École Nationale d'Administration</i>	French National School of Administration
EPS	-/-	Economic Police Service
EU	-/-	European Union
FATF	-/-	Financial Action Task Force
FD	-/-	Framework Decision
FIU	-/-	Financial Intelligence Unit
FPU	-/-	Financial Crime Prosecution Unit
FSU	-/-	Financial Sanctions Unit
HCMC	-/-	Hellenic Capital Market Commission

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ACRONYM ABBREVIATION TERM	ACRONYM IN THE ORIGINAL LANGUAGE	ENGLISH TRANSLATION/EXPLANATION
ICIS	-/-	Integrated Customs Information System
IRS	-/-	Internal Revenue Service
JIT	-/-	Joint Investigation Team
MDG	-/-	Multidisciplinary Group on Organised Crime
MS	-/-	(EU) Member-State
MTIC	-/-	Missing Trader Intra-Community
OCTA	-/-	Organised Crime Threat Assessment
OLAF	<i>Office européen de lutte anti-fraude</i>	European Anti-Fraud Office
PC	-/-	Penal Code
PEP	-/-	Politically exposed person
PISC	-/-	Private Insurance Supervisory Committee
ROCTA	-/-	Russian Organised Crime Threat Assessment
S.E.Y.Y.O.	-/-	The Training School of the Ministry of Economy and Finance
SAR	-/-	Suspicious Activity Report
SDOE	-/-	Financial and Economic Crime Unit
SFIU	-/-	Source of Funds Investigation Unit
STR	-/-	Suspicious Transaction Report
VAT	-/-	Value Added Tax
