

Coat of Arms
Republic of Serbia
ANTI-CORRUPTION AGENCY

Republic of Serbia
ANTI-CORRUPTION AGENCY

**ANNUAL REPORT
OF THE ANTI-CORRUPTION AGENCY FOR
2018**

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The Agency is obliged to submit the annual report to the National Assembly not later than March 31 of the current year for the previous year (Article 26, paragraph 1 of the Law on the Anti-Corruption Agency). In accordance with the provision of Article 26 paragraph 2 of the same law, the 2018 Report also includes the Report on the Implementation of the National Anti-Corruption Strategy in the Republic of Serbia for 2013-2018 and the Action Plan for its implementation. The 2018 Report was adopted at the extraordinary meeting of the Agency's Board held on March 28, 2019.

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FOREWORD

Here is the ninth report on the work of the Anti-Corruption Agency which we annually submit to the National Assembly of the Republic of Serbia in accordance with the Law on the Anti-Corruption Agency.

The year behind us was marked by continuous work on improving effectiveness and efficiency in the implementation of the Agency's competencies, as well as strengthening the capacity of employees. Bearing in mind that prevention and fight against corruption cannot be successful without proper cooperation at all levels, the Agency was especially dedicated to strengthening communication and coordination both nationally and internationally.

In this regard, it is particularly important to mention the established cooperation with the National Assembly, competent state institutions, independent bodies, civil society organizations and the media. In the domain of international cooperation, the period behind us is marked by intensified participation in all relevant international anti-corruption initiatives, which resulted in the Agency being elected one of the two Vice Presidents of the Anti-Corruption Network, made up of representatives of anti-corruption bodies from 18 countries around the world.

It is particularly encouraging to note that the Agency received the support of the Republic of Serbia in the form of strengthening capacities, including greater budget funds in the light of new and expanded competencies, which will be ensured both by the Anti-Corruption Law and by the already passed Law on Lobbying. The importance of improving the implementation of the Agency's competencies is recognized also by representatives of the international community, who provide continuous support to the Agency as a credible partner.

Bearing in mind that prevention of corruption is most effective when opportunities for corruption are minimized, with efforts aimed at strengthening integrity and good governance, in the previous period the Agency has also defined strategic goals and directions for further action.

The fact that the need to empower the Agency is also indicated by key recommendations from the report of the European Commission and the Council of Europe Group of States Against Corruption is an additional incentive and obligation of the Director, the Chairman and the members of the Board, as well as all the employees of the Agency, to work diligently to provide an even more significant contribution to the Republic of Serbia results in the fight against corruption and improving the rule of law.

We are confident that we are on the right path to accomplish this and to further strengthen the confidence of citizens in institutions and the integrity of both holders of public authorities and public sector employees.

DIRECTOR OF THE AGENCY
Dragan Sikimić

CHAIRMAN OF THE AGENCY BOARD
Danica Marinković

1 ANTI-CORRUPTION AGENCY

Anti-Corruption Agency (hereinafter referred to as: the Agency) is **established by the Law on the Anti-Corruption Agency** ("Official Gazette of the Republic of Serbia", Nos. 97/08, 53/10, 66/11 - decision US, 67/13 - the decision of CC, 112/13 - authentic interpretation and 8/15 - the decision of CC; hereinafter referred to as: the Law on the Agency), which started to have effect on January 1, 2010.

The Agency is an **autonomous and independent state body**.

The Agency is responsible for the following:

- overseeing the implementation of the Strategy and the Action Plan,
- initiating proceedings and imposing measures for violation of the Law on the Agency,
- resolving conflicts of interest,
- performing activities in accordance with the Law on Financing Political Activities
- giving opinions and instructions for the implementation of the Law on the Agency,
- initiating changes and adoption of regulations in the field of fight against corruption,
- organizing coordination of work of state bodies in the fight against corruption,
- keeping a register of officials,
- keeping a register of officials assets and incomes,
- providing guidelines for the development of public sector integrity plans,
- introducing and implementing training programs on corruption,
- acting upon complaints by legal entities and individuals,
- organizing research, monitoring and analyzing of data on the state of corruption,
- monitoring international cooperation in the field of fight against corruption,
- performing other tasks as provided by law.

The Agency reports to the **National Assembly** for the performance of tasks within its competence.

The Agency's bodies include the Board and the Director.

The Board elects and dismisses the director, decides, among other things, on increasing the salary of the director, decides upon appeals against decisions of the director imposing measures in accordance with the Law on the Agency, adopts the annual report of the Agency that is submitted to the National Assembly, oversees the work and property status of the director, proposes budget funds for the work of the Agency, adopts rules of procedure of its work and performs other duties as provided by the Law on the Agency.

The Director represents the Agency, manages the work, organizes and ensures lawful and efficient carrying out of the Agency's activities, makes decisions on violation of the Law on the Agency and imposes measures, gives opinions and instructions for the implementation of the Law on the Agency, prepares the annual report of the Agency, proposes on budget funds for the work of the Agency, adopts general and individual acts, decides on rights, obligations and

responsibilities of the Agency employees, enforces the decisions of the Board and performs other tasks as provided by the Law on the Agency.

The members of the Board are elected and dismissed by the National Assembly, at the proposal of the authorized proposers. A Board member's term lasts four years. The same person may be elected a Board member not more than two times¹.

The director is elected and dismissed by the Board. The same person may be elected a director not more than two times. The Director's term lasts five years. The Agency has a deputy director, who carries out tasks within the powers granted by the director. The deputy director is elected and dismissed by the director. The deputy director's term ceases upon electing a new director.

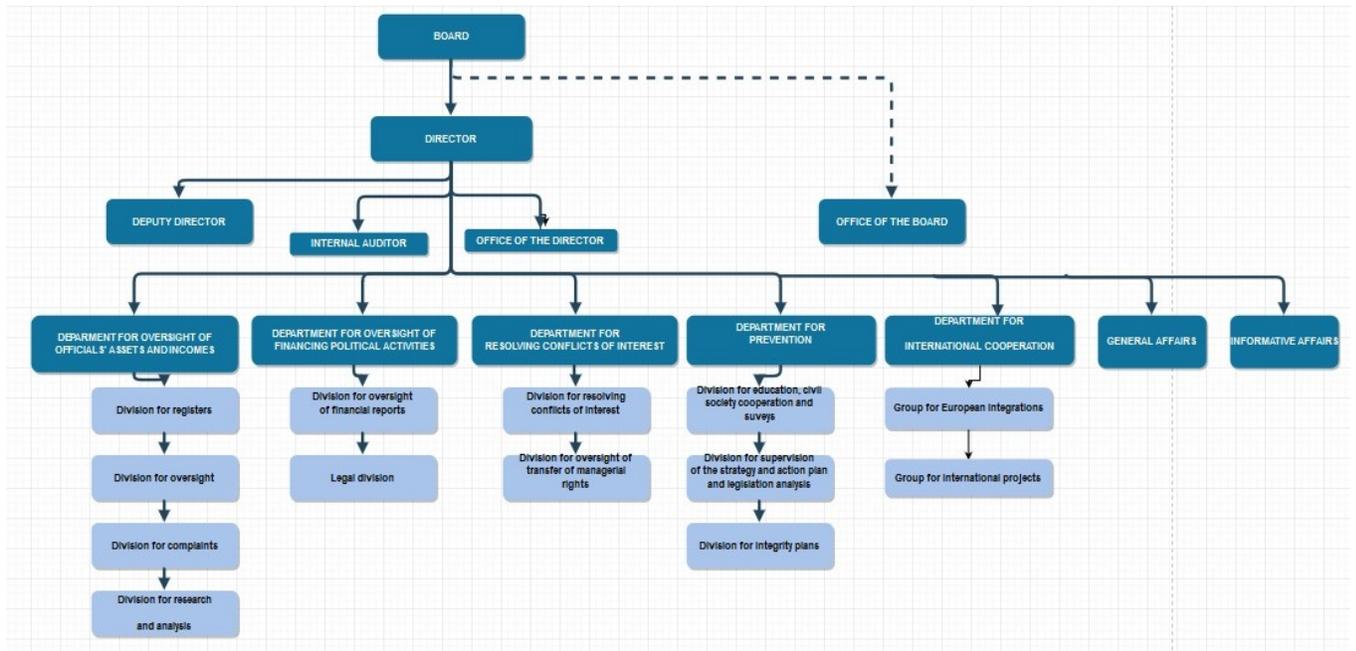
2 THE ORGANIZATIONAL STRUCTURE OF THE AGENCY IN 2018

¹ In the reporting period until June 15, 2018, the Board operated in the following composition: Danica Marinković, a retired judge of the Court of Appeal in Kragujevac, elected at the proposal of the National Assembly's Administrative Board on 27 December 2016; Miloš Stanković, PhD, assistant professor at University of Belgrade Faculty of Law, elected at the proposal of the President of the Republic; Dragan Mitrović, PhD, professor at University of Belgrade Faculty of Law, elected at the proposal of the Government of the Republic of Serbia on March 20, 2015; Slobodan Gazivoda, a retired judge of the Supreme Court of Serbia, elected at the the proposal of the Supreme Court of Cassation; Ivan Kovačević, MSc, General Manager of the "Đuro Salaj" AD Business System, elected at the proposal of the Social and Economic Council; Jelena Stanković, PhD., assistant professor at University of Niš Faculty of Economics, elected at the proposal of the State Audit Institution.

The Board operates with eight members, after the National Assembly elected the following members of the Board on 15 June 2018:

Janko Lazarević, a retired judge of the Supreme Court, at the proposal of the Ombudsman; Živojin Rakocević, MSc, a writer and journalist, at the proposal of the Journalists' Association of Serbia and the Independent Journalists' Association of Serbia.

A member of the Board elected at the proposal of the Bar Association of Serbia has not yet been elected. The Chairman and Deputy Chairman are elected by the Board members for a period of one year. In the reporting period, the function of the Chairman of the Board was performed by Prof. Dragan Mitrović, PhD until January 17, 2018, during which period the function of Deputy Chairman was held by Danica Marinković. At its session held on January 17, 2018, the Board elected Danica Marinković and Miloš Stanković, PhD, the Chairman and Deputy Chairman of the Board, respectively.



3 THE MOST IMPORTANT RESULTS AND OBSTACLES IN WORK

The 2018 Report is the ninth report the Anti-Corruption Agency submits to the National Assembly. The contents of the Report follow the logical structure of the competences entrusted by the Law on the Agency to the Agency as a free-standing and independent state body.

The introductory part explains the position and role of the Agency, its organizational structure and description of competences. The content of other parts of the Report contains a more detailed description of the work of the Agency and its results achieved in the implementation of competences provided by the Law. The Report also provides a financial overview of the funds used by the Agency from the budget and donations for the implementation of the planned activities. The document also contains the Report on the Implementation of the National Anti-Corruption Strategy in the Republic of Serbia for 2013-2018 and the Action Plan for its implementation, which the Agency must submit to the National Assembly.

The fight against corruption cannot be successful without coordination and cooperation with all relevant actors, both in the country and abroad. The Agency was very successful in the past year in the domain of international cooperation. Thus, Director of the Anti-Corruption Agency Dragan Sikimić was elected one of two Vice Presidents of the Anti-Corruption Network, formed in October 2018. The Agency was invited to be among the first founders of the Network by the National Anti-Corruption Authority of the Republic of Italy. Currently, it consists of anti-corruption institutions from 18 countries. It is chaired by the National Anti-Corruption Authority of the Republic of Italy, and the second Vice President is the Anti-Corruption Agency of the Republic of France. The purpose of establishing the Network is to promote the exchange of information and good practices among the anti-corruption institutions.

The fact is that the Agency is labeled as the leading Serbian institution in the field of corruption prevention in all relevant documents of the European Commission and as such is continuously supported through bilateral and multilateral assistance instruments. Twinning project "Prevention and Fight against Corruption", funded by the European Union, worth 2 million euros, was successfully completed in January 2019. The project, which lasted 30 months, was implemented by the Agency in cooperation with the National Anti-Corruption Authority, the Ministry of Justice, the Higher School of the Judiciary of the Republic of Italy and the General Prosecutor's Office of the Kingdom of Spain, Ministry of Justice, Higher School of Justice of the Republic of Italy and the General Prosecutor's Office of the Kingdom of Spain, as well as the Sector for Contracting and Financing of EU funded programmes (CFCU, Ministry of Finance) and Ministry of Justice of the Republic of Serbia.

The project has significantly contributed to strengthening the capacities of the Anti-Corruption Agency through focused, advanced training sessions, thematic studies, legislative framework analyses and comparative analysis, study visits, internship programs, educational materials, and exchange of experience and knowledge with experts from the EU Member States. The project also included activities of empowering cooperation with other state institutions, civil society organizations and representatives of the media, with the aim of strengthening joint efforts in this field.

Also, last year, during a conference held in Morocco, "Transforming Governance to Realize the Sustainable Development Goals", of 437 projects from 79 world countries, the software solution and methodology for developing the integrity plan implemented by the Agency

entered the finals of the United Nations Public Service Award, awarded by United Nations Department of Economic and Social Affairs (UNDESA).

The Action Plan for the implementation of integrity plan for all common risk areas was developed and published on the Agency's website to assist the institutions in its implementation. The video guide "Integrity Plan Implementation Reporting" was published to assist the person responsible for monitoring the integrity plan implementation in the application. The application software for the implementation of the integrity plan within the Twinning project "Prevention and Fight against Corruption" was upgraded.

The public has been constantly interested in checking the Reports and monitoring the property status of officials. This is a very successful mechanism for preventing, but also suppressing corruption - in this way the Agency reaches data important for the work of repressive bodies in resolving cases where there is a suspicion that corruption has already occurred. By publishing part of the data from submitted reports, data on assets and incomes of officials are available to the public.

In 2018, 16 criminal complaints were filed to the competent prosecutor's offices due to the existence of grounds for suspicion that the officials did not register assets to the Agency or provided false information about assets, with the intention to conceal information about assets (Article 72 of the Law on the Agency). The competent prosecutor's offices and other competent state authorities were submitted 13 other reports due to the existence of grounds for suspicion that the officials whose assets and incomes were subject to checking committed another offense (receiving/giving bribes, tax evasion, money laundering, etc.).

Annual assets and income reports check plan (hereinafter referred to as: Report) for 2018 foresaw checking of data from the Report for 317 officials (minister, minister without portfolio, state secretaries, assistant ministers, acting assistant ministers, MPs, presidents and acting presidents of Higher Courts, prosecutors and acting public prosecutors in the Higher Public Prosecutor's Office). Report data were also checked for the seven officials that were subject to extraordinary check initiated during 2018, on suspicion of not reporting accurate and complete data.

Out of the total number, Reports check was completed for the 275 officials who were checked during 2018.

At the republic level², a total of 186 proceedings were initiated, including one against the minister, 36 against the MPs, one against the presidential adviser, 76 against judges and former judges, eight against prosecutors and deputy prosecutors, two against state secretaries. The proceedings were also initiated against eight assistant ministers and acting assistant ministers, 34 presidents and members of management and supervisory boards and councils, 19 directors, acting and deputy directors of the republic business entities and institutions, as well as against one university rector.

² The overview of initiated proceedings by the level of authority and the type of function does not include two proceedings against privately owned business entities, which were initiated due to a violation of the provision of Art. 36 paragraph 1 Law on the Agency, as well as one proceeding initiated against the official at the level of territorial autonomy.

At the local level, a total of 116 proceedings were initiated, including: four against mayors; 12 against heads, undersecretaries, and acting secretaries and undersecretaries in local self-government units; 34 against members of councils and secretaries of the assemblies of local self-government units; 18 against presidents and deputy presidents of local self-government units and their assemblies. Also, 46 proceedings were initiated against directors, deputy directors and acting directors of institutions, public enterprises and business entities founded by local self-government units, and one proceeding was initiated against presidents of the election commission and members of the board of directors of the institutions and companies of local self-government units. A total of 310 measures were imposed for violation of the Law on the Agency.

Because of the often "poor visibility" from the perspective of the capital, other major centers and the media which are mostly concentrated here, the local environments seem to be isolated and left to themselves, making them an ideal ground for corruption. It is of utmost importance to apply the concept of Local Anti-Corruption Plan (LAP) and the Provincial Anti-Corruption Plan (PAP) proposed by the Agency's models based on the identification of normative, institutional, organizational and practical risks for the occurrence of corruption and on the implementation of measures for their suppression. The purpose of adopting LAP and PAP, their effective application, consistent monitoring and measuring effects is to make local self-government units (LGUs) and territorial autonomous units more resistant to the risks of corruption existing within the framework where the LGU/the province exercises its competences, that is, to affect the reduction of corruption at these levels of government in perspective.

A system of support to local self-government units for the development and adoption of a local anti-corruption plan and the establishment of a body to monitor the implementation of this document has been established. Until December 21, 2018, the Agency received reports on the process of adopting LAP and forming a body for their monitoring from a total of 118 LGUs. According to the data from the submitted reports, in the period from the beginning of April 2017, when the Agency published the LAP Model, to the above date, these plans were adopted by a total of 86 LGUs (59% of total 145 LGUs, excluding the territory of Kosovo and Metohija). Provincial Assembly decision on the Provincial Anti-Corruption Plan was made on September 18, 2018, by which this plan was adopted.

The agency conducted a media campaign called Lap for stronger integrity, with the aim of realizing the activities of measure 3.1.5.2. of the Action Plan for the implementation of the National Anti-Corruption Strategy and the Revised Action Plan for the period 2016-2018. The campaign lasted from November 26 to December 27, 2018, and the intention was to raise public awareness of the adoption of local and provincial anti-corruption plans. The video Lap for stronger integrity was available during the campaign on the online editions of Blic and Večernje Novosti, while the radio spot was broadcast on regional local radio stations. Video Lap for stronger integrity was also available on the Agency's website: <https://www.youtube.com/watch?v=Rn4uq7C7xok&feature=youtu.b>

Prevention of corruption implies raising awareness of its harmfulness, which is why the Agency pays great attention to citizens' complaints. In 2018, acting upon 474 cases formed by complaints was finalized.

Based on the Agency's handling of complaints, during the reporting period, the following was filed:

- two indictments for criminal offenses of tax evasion, association for committing criminal offenses, fraud, unauthorized use of copyrighted work or subject of related rights and unauthorized dealing with a particular activity;
- four cases of information for criminal offenses of abuse of power, forgery of official documents, disabling control, fraud, serious theft, malpractice, violation of the duty of avoiding conflict of interest.

After the court proceeding was conducted, in one case the Agency was informed of, the final verdict was reached and the former director of the public authority was found guilty of the extended criminal offense of abuse of power.

Eleven reports were submitted to the competent prosecutor's offices due to the suspicion that the authorized persons of public authorities have committed corruption offenses, three initiatives were submitted for initiating disciplinary proceedings and three initiatives were submitted to the competent attorney to initiate a proceeding for protection of public property.

In order to facilitate the monitoring of the conduct of public authorities leading to corruption, complaints are classified by fields crucial for building systemic anti-corruption mechanisms, as recognized by the National Anti-Corruption Strategy for the period 2013-2018, although this has not exhausted all other fields in which corruptive behavior can be reported.

According to this criterion, in the reporting period, there were 107 complaints in the field of education, 73 from the field of local self-government, 68 from the field of justice, 62 from the field of public finances, 52 from the field of health, 40 in the field of construction and urban planning, 32 in the field of labor and social policy, 23 from the field of economy, 19 in the field of mining and energy, 19 in the field of police, five from the field culture and information/media, four from the field of political activities, four from the field of environmental protection, two from the field of sports, two from the field of agriculture, two from the field of defense, and 69 complaints that are deemed ungrounded or not within the scope of the Agency's competence.

The existence of a conflict of interest in holding public offices in the Republic of Serbia is regulated by the Constitution and the Law on the Agency. Bearing in mind the above, the conflict of interest is a constitutional category and the Agency has the sole authority, pursuant to Article 5 and regarding Article 1 of the Law on the Agency, to decide on conflict of interest in holding public offices. Preventing conflict of interest in holding public offices is one of the most important segments of the fight against corruption of every society, as the conflict of interest is considered a lobby of corruption.

It is important to emphasize that the officials acting upon the final and executive decisions of the Agency denying the consent to hold several public offices, or to perform another

engagement amounts to 93.33%. Competent authorities acting upon the final and executive decisions of the Agency ordering termination of the other public office by force of law is 96.43%. The number of officials' requests for giving opinion on the suspicion of the existence of a conflict of interest, filed in accordance with Article 32 of the Law on the Agency, has increased by 87.80% compared to 2017, which is the result of intensive Agency's training for officials. The number of filed requests for initiation of misdemeanor proceedings due to violation of provisions of the Law on the Agency in the field of conflict of interests has increased by 55% compared to the previous year

During the reporting period, the highest number of measures and decisions of the Agency, a total of 124, was imposed to functionaries due to the cumulation of functions³, while the second greatest number of measures imposed on officials was in situations of conflict of interest⁴, 113 of them.

Of the 124 decisions that are related to the cumulation of public offices, the Agency passed 38 decisions ordering termination of the other public office by force of law (in eight cases of which the measure of caution was imposed as well), imposed 77 measures of caution, 9 measures of public announcement of the decision on violation of the Law on the Agency and one measure of public announcement of the recommendation for dismissal from public office.

In situations that constitute a conflict of interest, out of a total of 113 measures, the Agency imposed 42 measures of public announcement of the recommendation for dismissal, 40 measures of public announcement of the decision on violation of the Law on the Agency, and 31 measures of caution.

Of the 28 executive decisions, the competent authorities acted upon 27 executive decisions of the Agency and made decisions ordering termination of the other public office by force of law. In one case, the competent authority did not act upon the decision, which was the reason for initiating a misdemeanor proceeding against the responsible person in that authority.

In 2018, the Agency controlled the reports on election campaign costs for the elections of councilors of the City Assembly of Belgrade, the Municipal Assembly of Aranđelovac, Bor, Majdanpek, Preševo, Smederevska Palanka, and the City Municipality of Sevojno (Užice). The results of the control were published on the Agency's website, in the form of the Report on election campaign costs for the election of councilors of the City Assembly of Belgrade - March 4, 2018, or in the Report on the control of costs of political entities - Campaign for the election of councilors of the Municipal Assembly of Aranđelovac, Bor, Majdanpek, Preševo, Smederevska Palanka and City Municipality of Sevojno (Užice) in 2018. In addition to analyzing the sources of funding and the election campaign costs for a total of 47 political entities, the reports include the overview of observed irregularities and possible violations of the Law on Financing Political Activities⁵, as well as data on filed requests for initiation of misdemeanor proceedings before the competent court.

³ Violation of Art. 28 of the Law on the Agency

⁴ Violation of Art. 27 and 32 of the Law on the Agency

⁵ Law on Financing of Political Activities, "Official Gazette of the Republic of Serbia", nos. 43/11 and 123/14

In addition to the 47 political entities for which the control findings are published in the reports on election campaign costs, 13 annual financial reports of political entities for 2017 were controlled. 90 requests for initiation of misdemeanor proceedings were filed before the competent court against political parties and responsible persons in political parties, that is, responsible persons of groups of citizens, due to the violation of the provisions of the Law on Financing Political Activities. Based on the final judgments, 33 decisions on losing the right to obtain funds from public sources intended for financing regular work for 2019 were passed.

An analysis of monitoring the activities of political entities during the elections for councilors of the City Assembly of Belgrade - March 4, 2018, was made based on the observers' data collected on the field during the election campaign. For the purpose of preparing the Department for upcoming amendments to the Law on Financing Political Activities, Comparative analysis of financing political entities in Bosnia and Herzegovina, the Republic of Northern Macedonia, the Republic of Serbia, the Republic of Croatia and Montenegro was made.

Modern public administration, seen as a citizen service, implies built ethical standards on the basis of which employees will shape their conduct. Ethical standards are important factors in building an organizational culture that should rest on the values of legality, impartiality, responsibility and respect. Observed in this context, education is one of the most powerful mechanisms for the prevention of corruption and various types of irregularities in the work of public administration. Therefore, during the term of the National Strategy (2013-2018), 157 employees in public sector institutions were trained to independently conduct training on ethics and integrity. Distance learning course (online training) on ethics and integrity in the public sector was enrolled by 233 trainees, out of which 217 successfully passed the knowledge test and got a certificate of participation.

The Agency divides the public sector problems as a whole, however, despite all limitations, it maintains and increases efficiency in work in the implementation of preventive, control and supervisory competencies.

4. RECOMMENDATIONS

1. Adopt the Law on Preventing Corruption by:
 - specifying the position of the Agency and extending its powers and rights (including the right to direct access to records and documents of state authorities and organizations and others legal entities relevant to the procedures conducted by the Agency);
 - providing a legal framework for strengthening the capacities of the Agency to achieve greater efficiency in its work;
 - ensuring adequate independence of the Agency and improving its financial and human resources;
 - introducing clearer and more precise rules on the rights and obligations of officials, as well as clearer and stricter rules on their responsibility.

2. Adopt the Law on Amendments to the Law on Financing Political Activities by:
 - clearly establishing and delineating the obligations of the Agency, the State Audit Institution and other bodies in the process of controlling political activities and entities;

- enforcing appropriate sanctions for all law-prohibited behaviors for which neither misdemeanor nor criminal liability is foreseen.
3. Adopt the Law on Amendments to the Law on Political Parties, in order to define the concept of a group of citizens and all contentious issues arising from this concept.
 4. Consider the need for adopting a new National Anti-Corruption Strategy as an amendment to the Action Plan for Chapter 23, in order to define the remaining objectives and measures of importance for the fight against corruption in the Republic of Serbia.
 5. Intensify cooperation with other state bodies in the field of fight against corruption, within the meaning of the Law on Organization and Jurisdiction of Government Authorities in Suppression of Organized Crime, Terrorism and Corruption.
 6. Provide necessary infrastructure and staffing conditions for the work of the Agency, as well as appropriate equipment and programs, in order to ensure unhindered and efficient work of the Agency.

5. THE SUPERVISORY ROLE OF THE BOARD OF THE AGENCY AND PARTICIPATION IN CREATING THE STRATEGIC GOALS OF THE AGENCY

5.1. Importance

In order to ensure two-stage decision-making, the Board decides upon appeals against decisions of the Director and makes decisions on other legal remedies of officials, takes legal positions and makes decisions on legal issues.

Between meetings, the members of the Board analyze cases or reporters and work on drafting decisions with counselors.

On the subject of complex legal issues, they study the regulations regulating a certain controversial legal issue, in order to take legal positions. The supervisory role of the Board is also achieved through consideration of written reports prepared by the director and submitted to the Board, as well as by the oral report of the director on the work of the Agency on the meetings of the Board. The members of the Board participate in the creation of the Agency's policy, cooperate with the director and take an active part in the realization of certain activities of the Agency in exercising competence.

5.2. Key results and activities

In 2018, the Board continued its work on the public competition for the election of the director of the Agency, which had been announced earlier, and on 17/01/2018 elected Dragan Sikimić the director of the Agency. The Board also announced a competition for the election of the deputy director of the Agency and a three-member competition commission of the Board conducted the competition procedure, interviewed candidates and short-listed three candidates, which were approved by the Board and forwarded to the director of the Agency for electing the deputy.

During 2018, the Board held 14 regular and seven telephone meetings. At meetings of the procedures for deciding upon appeals against the first instance decisions, the Board passed 170 decisions, of which in 148 cases the appeal was rejected, in 12 it was annulled and four first-instance decisions were partially annulled. In five cases, it was decided to order further and better particulars, and in one case the Board concluded that the appeal was considered a proposal for restitutio in integrum and returned the case to first instance body to decide upon the proposal.

The Board adopted the Agency's Report for 2017, which also includes the Report on the Implementation of the National Anti-Corruption Strategy in the Republic of Serbia and the revised Action Plan for its implementation for 2017, as well as the draft Financial Plan of the Anti-Corruption Agency for 2019.

The Board gave a positive opinion to the director on the Draft Rules on internal organization and job classification in the professional service of the Anti-Corruption Agency.

The members of the Board participated in a study visit to the National Anti-Corruption Authority of Italy (ANAC), with which the Agency has signed a Protocol on Cooperation.

As in previous years, in 2018 the Board participated in development activities related to Draft Law on the Agency and gave its proposals.

5.3. The Board's decisions on appeals and requests for repeating the procedure⁶

Decisions of the Board	
Appeals rejected	148
Annulled first-instance decisions	12
Partially annulled first instance decisions	4
Further and better particulars	5
Conclusion ⁷	1
Total	170

⁶ For details, see page 46.

⁷ The Board concluded that the official's appeal was considered a proposal for restitutio in integrum and returned the case to first instance body to decide upon the proposal.

Performance: 87.64% of the Agency's decisions confirmed.

5.4. The structure of the first instance decisions upon which the Board decided due to appeals

The structure of the first instance decisions	
Measure of public announcement of the recommendation for dismissal from public office	48
Decision determining the violation of the law and imposing a measure of caution obligating the official to certain actions	34
Measure of public announcement of the decision on violation of the Law on the Agency	27
Decision on the rejection of the request for giving consent to hold another public office	17
Decision on notice by the official about holding another public office or activity determining a conflict of interest and obligating the official to terminate the office or activity	15
Conclusion rejecting the request for giving consent for holding another public office as untimely	10
Decision determining the violation of Article 28 of the Law on the Agency (holding several public offices at the same time without the approval of the Agency) and terminating public office by force of law	9
Decision on rejecting the request for giving consent for establishing employment relationship or business cooperation after the termination of public office	4
Decision on rejecting the request for giving consent for performing another engagement along with the public office	3
Conclusion on rejecting the official's appeal due to lack of timeliness	2
Conclusion on the rejecting the request for giving approval as procedure is already underway in the same administrative matter	1
Total	170

5.5. Proceedings before the Administrative Court⁸

During 2018, the Board was submitted by the Administrative Court 54 claims filed for the annulment of the Board's decisions made in the appeal procedure (of which 32 claims were filed to annul Board's decisions that were passed in 2018, and 21 claims were filed to annul Board's decisions that were passed in 2017) to respond to the claims. By claims from previous years,

⁸ For details, see page 49.

there are 45 administrative disputes underway (33 by claims filed in 2017 and 12 by claims from previous years).

In 2018, the Administrative Court delivered to the Board 24 decisions (judgments and resolutions) passed in administrative disputes by claims of officials filed for the annulment of the Board's decisions. Of these, 19 claims were denied, two claims were upheld, two proceedings were discontinued and one was suspended⁹.

Decisions of the Administrative Court on the filed claims submitted in 2018	
Rejected claims	19
Upheld claims	2
Discontinued proceeding	2
Suspended proceeding	1
Total	24

Performance: 91.66% of the Board's decisions were confirmed by the Administrative Court.

6. ACTIVITIES OF THE AGENCY

6.1. Department for Oversight of Officials' Assets and Incomes and Complaints

6.1.1. Importance

The establishment and complete, proper and efficient functioning of the registry of officials provides greater transparency in the work of public authorities and officials. The basic precondition for the work of the Agency is to know exactly who is subject to the obligations, prohibitions and limitations prescribed by the Law on the Agency.

The obligation to register assets is one of the basic obligations of the officials arising from the Law on the Agency, which aims to increase transparency in holding public offices. By publishing part of the data from submitted reports, data on assets and income of officials are available to the public. This legal obligation of officials is an auxiliary tool for preserving the integrity of the officials themselves and removing suspicion of conscientious and responsible holding of the public office¹⁰.

⁹ For details, see page 47.

¹⁰ For details, see page 47.

Checking the Reports and monitoring the property status of officials is a very effective mechanism for prevention, but also suppression of corruption, as in this way the Agency reaches data of significance for the work of repressive bodies in resolving cases in which there is a suspicion that corruption has already occurred.

The purpose of dealing with complaints is to detect, demand and monitor sanctioning of corruption; to identify areas and forms in which corruption arises, the trends, problems and causes leading to corruptive actions; to provide assistance to persons reporting corruption and to restore public trust in institutions. Effective and quality acting upon complaints is also important for changing the trend of citizens being hesitant to report corruption, believing that the institutions will not do anything about their reports of corruption.

6.1.2. An overview of the situation in the relevant field

In 2018, and in the scope of competence, 105 preliminary checks and a total of 305 proceedings were initiated for violation of the Law on the Agency:

- due to failure to submit a notification of participation in the public procurement procedure - 2;
- due to untimely submission of the Report on taking office - 143;
- due to untimely submission of the Report upon termination of office - 110;
- due to untimely submission of the Report on significant changes in assets and income during the term of the office - 36;
- due to untimely submission of the Report on significant changes in assets and income within the appropriate deadline after its termination - 1;
- due to cumulative violation of the provisions of the Law on the Agency related to untimely submission of the Report on taking office and upon termination of office - 1;
- due to cumulative violation of the provisions of the Law on the Agency related to untimely submission of the Report on taking office and untimely submission of the Report on significant changes in assets and income during the term of the office - 10;
- due to cumulative violation of the provisions of the Law concerning untimely submission of the Report upon termination of office and untimely submission of the Report on significant changes in assets and income during the term of the office - 1;
- due to cumulative violation of the provisions of the Law concerning untimely submission of the Report upon taking office, upon termination of office and untimely submission of the Report on significant changes in assets and income during the term of the office - 1.

At the republic level¹¹, 186 proceedings in total were initiated, including: one (1) against the minister, 36 against MPs, one (1) against the advisor to the President of the Republic, 76 against judges and former judges, eight (8) against prosecutors and deputy prosecutors, two (2) against state secretaries. The proceedings were also initiated against eight (8) assistant and acting assistant ministers, 34 presidents and members of boards of directors and supervisory boards and councils, 19 directors, acting and deputy directors of republican economic entities and institutions, as well as against one university rector.

At the local level, a total of 116 proceedings were initiated, including: four (4) against mayors; 12 against heads, undersecretaries, and acting secretaries and undersecretaries in local self-government unit administrations; 34 against members of councils and secretaries of local self-government unit assemblies; 18 against presidents and deputy presidents of local self-government units and their assemblies. Also, 46 proceedings were initiated against directors, deputy directors and acting directors of institutions, public enterprises and economic entities founded by local self-government units, as well as one proceeding against presidents of the election commission and members of boards of directors of institutions and companies of local self-government units each.

A total of 310 measures were imposed for the violation of the Law on the Agency, including:

- 286 measures of caution,
- 21 measures of public announcement of the decision on violation of the law and
- three (3) measures of public announcement of the recommendation for dismissal.



Structure of imposed measures of caution

¹¹ The overview of initiated proceedings by the level of authority and the type of function does not include two procedures against privately owned companies, which were initiated due to a violation of the provision of Art. 36 para. 1 of the Law on the Agency, as well as one proceedings initiated against an official at the level of territorial autonomy.

Appeals were filed to the Board against 12 decisions imposing measures. In 2018, acting upon the appeals of the officials filed before and in 2018, the Board overruled appeals in four (4) cases, rejected appeals in one case and accepted appeals in (3) cases and annulled the first instance decision.

In 2018, the Misdemeanor Court in Belgrade issued a total of 99 decisions based on requests for initiating a misdemeanor procedure filed before and in 2018.

During the reporting period, the Agency filed 18 appeals to the Misdemeanor Appellate Court. Appeals were filed against decisions imposing warnings (14 appeals) and fines below the legal minimum (4 appeals).

Acting upon the appeals of the Agency filed before and during 2018, the Misdemeanor Appellate Court ruled in 24 cases based on appeals against verdicts imposing warnings or fines below the legal minimum to officials.



Structure of court decisions

The structure of the second instance court decisions of misdemeanor courts:

- seven (7) decisions reversing first instance verdicts (imposing warnings) and fines of RSD 50.000,00 and RSD 30.000,00 (in five cases and in two cases in second instance proceedings, fines of RSD 50.000,00 and 30.000,00 RSD were imposed, respectively);
- four (4) decisions rejecting appeals;
- one (1) decision rejecting an appeal and terminating the proceedings due to the statute of limitations;
- nine (9) decisions reversing first instance verdicts and terminating the proceedings due to the statute of limitations;
- three (3) decisions rejecting appeals.

Within the scope of its competencies, the Agency acts upon citizens' complaints in which the applicants point to corrupt actions in the manner of work and acting of a public authority or public official - a civil servant holding position, not necessarily related to the applicant, or as a result of which the applicant considers some of his/her rights or legal interest have been violated.

Since the Agency has no inspection or investigative powers but has a preventive role in the society, the purpose of acting upon complaints is to uncover corruption cases in cooperation with citizens and to point public authorities to actions creating opportunities for corruption in the public sector.

In order to facilitate the monitoring of public authority actions leading to corruption, the complaints are classified by areas crucial for the construction of systemic anti-corruption mechanisms, as recognized by the National Anti-Corruption Strategy for the period 2013-2018, although this has not exhausted all other areas in which corruptive behavior can be reported.



Structure of complaints by areas

6.1.3. Key results

- ✓ In the course of 2018, 16 criminal complaints were filed with the competent prosecutor's offices for the existence of grounds for suspicion that officials had not reported assets or had provided false information to the Agency, with the intent of concealing information about assets (Article 72 of the Law on the Agency).¹²
- ✓ 13 reports were submitted to the competent prosecutor's offices and other competent state authorities due to the existence of grounds for suspicion that officials whose assets and

¹² For details, see page 48.

incomes were subject to check committed another offense (receiving/giving bribes, tax evasion, money laundering, etc.), including:

- competent prosecutor's offices - two (2),
 - Tax Administration - two (2),
 - Administration *for the* Prevention of Money Laundering - nine (9).
- ✓ In 2018, in this segment of the Agency's work, a total of 45 requests for initiation of misdemeanor proceedings were submitted, due to:
- untimely submission of reports on assets and incomes - 43,
 - failure to provide documents and information at the request of the Agency - two (2).
- ✓ During the reporting period, the Agency gave a total of eight opinions regarding the implementation of the Law on the Agency.



Key results

6.1.4. Other results¹³

- ♦ Action was completed in 474 cases formed by the complaints submitted to the Agency.
- ♦ 13 training sessions were held for representatives of institutions from the education system in the field of reporting assets and conflict of interest (Vranje, Kragujevac, Kruševac, Leskovac, Niš, Novi Pazar, Novi Sad, Pancevo, Užice, Šabac), based on the analysis of training needs analysis made using the databases and records kept by the Agency. The training was attended by 696 representatives from 428 institutions.
- ♦ A statistical analysis of the Agency's proceedings regarding the officials' to submit a report on assets upon entering into office, or after its termination for 2017, as well a statistical analysis of proceedings related to checking the assets and incomes of officials in the period from 2013 to 2017 was made.

¹³ The Agency keeps and publishes a list of legal entities in which the officials own more than 20% of the shares or stocks in public procurement procedures. During 2018, 8 legal entities submitted 144 notices of participation in public procurement procedures, as well as 185 notices on completion of the procedure to the Agency.

- ◆ The fourth analysis of the Gift catalog¹⁴ for 2017 was made, which contains information on categories of officials who received gifts, types of gifts, and whether gifts were kept in private ownership or became public property.
- ◆ In 2018 a total of 2,851 notices were received from the authorities obligated to notify the Agency that the official has entered into office or that his office was terminated.
- ◆ The total number of active officials in the Register of Officials in 2018 was 32,979.
- ◆ In 2018, 5,505 reports on assets and incomes of officials were received, which is approximately equal to the number of reports received in 2017 (5,612), and from the establishment of the Agency to the end of the reporting period in total, 48,193 reports were processed and published.
- ◆ The annual plan for checking reports on assets and incomes of officials for 2018 foresaw checking the data from reports for 317 officials (minister, minister without portfolio, state secretaries, assistant ministers, acting deputy minister, MPs, presidents and acting presidents of higher courts, prosecutors and acting public prosecutors in Higher Public Prosecutor's Office). Report data were also checked for the seven (7) officials who were subject to extraordinary check launched in 2018, on suspicion of not reporting accurate and complete data. Out of the total number, reports were checked for 275 officials who were checked during 2018.
- ◆ In the course of 2018, new 583 cases were formed by complaints, and action was terminated in 474 cases. At the end of the year, there are a total of 1,088 cases (cases from 2018, as well as those transferred from previous years)¹⁵.
- ◆ In the reporting period, the Agency sent a total of 1,147 letters to public authorities, and besides public prosecutor's offices, it most frequently addressed Ministry of Education (in 74 cases), Budget Inspection (in 34 cases), Labor Inspectorate (in 29 cases), Ministry of Health (in 26 cases), Public Procurement Administration (in 16 cases), Tax Administration (in 15 cases) and Republic Commission for Protection of Rights in Public Procurement Procedures (in 6 cases).

Based on the Agency's handling of complaints in the reporting period, the following were filed:

- two (2) indictments for criminal offenses of tax evasion, association for committing criminal offenses, fraud, unauthorized use of copyrighted work or subject of related rights and unauthorized dealing with a particular activity;
- four (4) cases of information for criminal offenses of abuse of power, forgery of official documents, disabling control, fraud, serious theft, malpractice, violation of the duty of avoiding conflict of interest. After the court proceeding was conducted, in one case the Agency was informed of, the final verdict was reached and the former

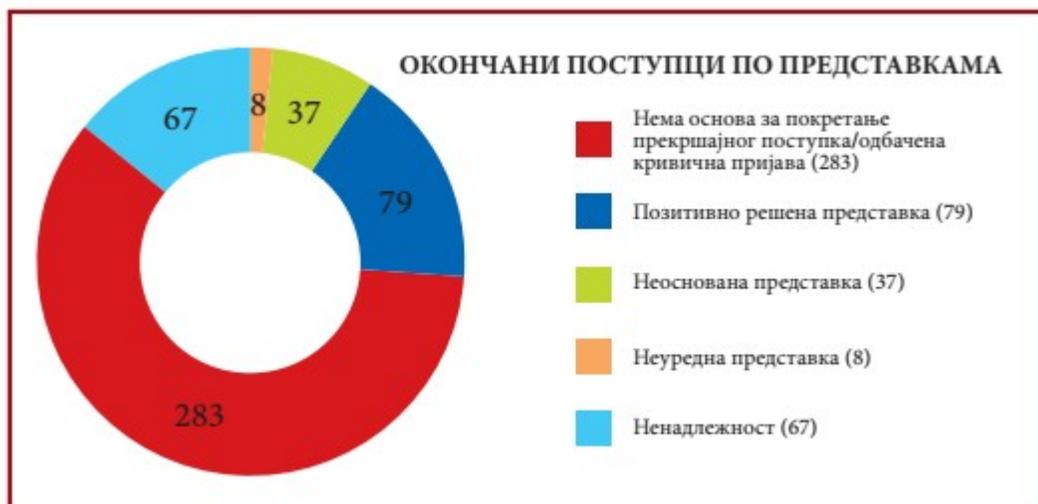
¹⁴ Statistic analysis of the Gift catalog for 2017 can be found on the Agency's website (<http://www.acas.rs/10629-2/>).

¹⁵ For details, see page 48.

director of the public authority was found guilty of the extended criminal offense of abuse of power.

Based on the handling of complaints - handling of criminal complaints and reports of the Agency filed with the competent prosecutor's offices before and during 2018:

- three (3) first instance verdicts were passed (one sentencing to six months of jail term, the other sentencing to six months of jail term suspended for two years, and the third sentencing to six months of jail term suspended for two years);
 - two (2) final verdicts were passed (one sentencing to five months of jail term suspended for one year, the other sentencing to three months of jail term suspended for one year),
 - three (3) acquittals were passed, one final and two first instance, that were appealed against by the competent prosecutor's offices;
 - one (1) second instance verdict was passed confirming the first-instance acquittal;
 - four (4) indictments were filed and proceedings are pending before the competent court;
 - in 17 cases, evidence collecting procedure is in progress;
 - in 14 cases, criminal complaints were rejected with the application of the principle of opportunity;
 - in 10 cases, criminal complaints were rejected;
 - in four (4) cases, the competent prosecutor's office rejected, as a criminal complaint, a report which was submitted by the Agency.
- ♦ Eleven reports were submitted to the competent prosecutor's offices due to the suspicion that the authorized persons of public authorities have committed corruption offenses, 3 initiatives were submitted for initiating disciplinary proceedings and three initiatives were submitted to the competent attorney general to initiate a proceeding for protection of public property.
 - Of the total number of completed cases (474), the competent prosecutor's offices informed the Agency in 257 cases of citizens' complaints that there were no grounds for initiating criminal proceedings, while in 26 cases the Agency's reports on irregularities were considered to be a criminal complaint which was rejected after checking. In 18 cases, after the response of the acting public prosecutor, the Agency required the direct higher public prosecutor to issue a mandatory instruction to a lower public prosecutor for actions in certain cases when she considered that there was suspicion of effectiveness and the legality of the actions of the lower public prosecutor, in three (3) cases of which the initiative of the Agency accepted.



In 67 cases, the Agency terminated the procedure due to lack of jurisdiction and forwarded the complaint to the competent authority, notifying the applicant.

According to the Agency's requests for supervising the work of public authorities, during 2018 the inspection bodies acted in several cases, and irregularities were found in 26 reports on inspection supervision, leading to the initiation of appropriate misdemeanor and criminal proceedings.

6.2. DEPARTMENT FOR RESOLVING CONFLICTS OF INTEREST

6.2.1. Importance

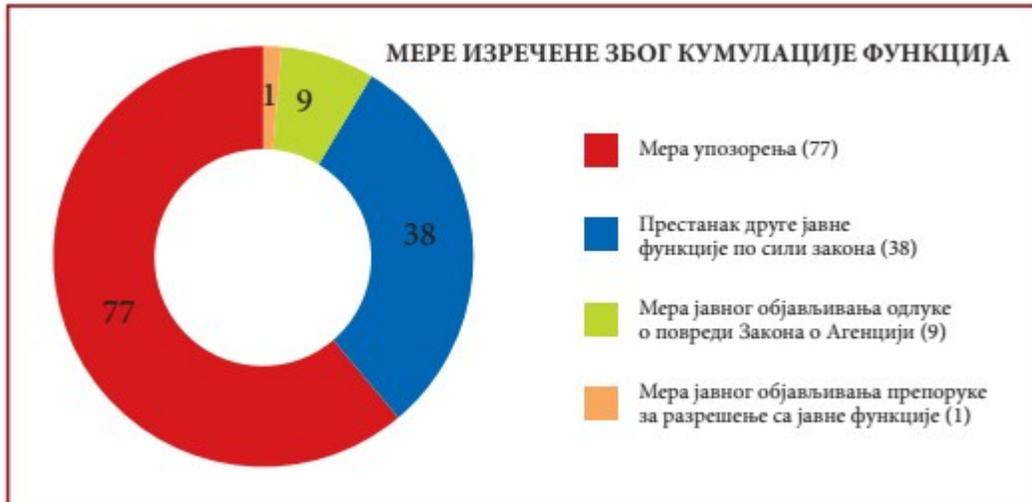
The existence of a conflict of interest in holding public offices in the Republic of Serbia is regulated by the Constitution and the Law on the Agency. Bearing in mind the above, the conflict of interest is a constitutional category and the Agency has the sole authority to decide on conflicts of interest, pursuant to Art. 5 and in connection with Art. 1 of the Law on the Agency. Preventing conflict of interest in holding public offices is one of the most important segments of the fight against corruption of every society because conflict of interest is considered the lobby of corruption.

The competence of the Anti-Corruption Agency of the Republic of Serbia, on the basis of the Law on the Agency, is also the prevention and resolution of conflicts of interest in holding public offices. The task of the Agency, with its decisions or opinions, as well as positions taken, is to prevent, resolve and eliminate the consequences of conflicts of interest in holding public offices; to resolve the cumulation of public offices; performance of another engagement, exercise control over the transfer of management rights and entrusting management; decide on the prohibition of establishing a company or public service during the holding of a public office, membership in an association and bodies of association, unauthorized influence on officials, prohibition of employment or business cooperation after the termination of public office, act in case of violation of the provisions of the Law on the Agency related to the conflict of interest. In order to prevent corruption, in this way, the Agency promotes the integrity and accountability of public officials, as well as institutional integrity.

6.2.2. An overview of the situation in the relevant field

Regarding all decisions made and measures imposed, as well as the opinions given, it was noted that most officials appreciated the decisions of the Agency and that the Agency's opinions were respected, all of which leads to the strengthening of the integrity of officials in holding public offices. However, it happens that the competent bodies that have elected, appointed or nominated officials do not exercise or respect the Agency's recommendation for dismissal, which was primarily noted at the lower level of government. Most of those who failed to comply with the Agency's decisions indicate, as a reason for non-compliance, that they have found no conflict of interest, which is not within their competence and does not lead to the rule of law and respect for institutions.

However, during the reporting period, there was an encouraging fact observed regarding the initiatives for dismissal of heads of educational institutions, since based on the amendments to the Law on the Education System Foundation the dismissal of these officials is now within the scope of competence of the Minister of Education, who increasingly responds positively to the initiatives of the Agencies.



In the reporting period, the highest number of measures and decisions of the Agency, a total of 124, were imposed to officials due to the cumulation of offices¹⁶, while the following by number, 113 of them, were measures imposed on officials in situations of conflict of interest and nepotism¹⁷.

Of the total of 124 decisions related to the cumulation of public offices, the Agency made 38 decisions which imposed the termination of the second public office by force of law (in eight cases of which a measure of caution was imposed as well), imposed 77 measures of caution, nine (9) measures for publicly announcing the decision on the violation of the Law on the Agency and one (1) measure of public announcement of recommendation for dismissal from a public office.



In situations that involve conflict of interest and nepotism, from a total of 113 measures, the Agency imposed 42 measures of public announcement of recommendation for dismissal, 40

¹⁶ Violation of Art. 28 of the Law on the Agency.

¹⁷ Violation of Art. 27 and 32 of the Law on the Agency.

measures for public announcement of the decision on violation of the Law on the Agency and 31 measures of caution.

For not transferring managerial rights in a company¹⁸, the Agency imposed 31 measures including three (3) measures of public announcement of recommendation for dismissal, five (5) measures of public announcement of the decision on violation of the Law on the Agency and 23 measures of caution. Of these, three (3) measures of public announcement are recommendations for dismissal from a public office and two (2) measures of public announcement of the decision on violation of the Law on the Agency because of the failure of the official to act upon the previously stated measure of caution and transfer its management rights in a company, within the time period allowed.

Regarding the imposed measures public announcement of the recommendations for dismissal due to the violation of the Law on the agency in situations involving a conflict of interest, 22 measures were imposed to officials who hold their functions in the education system institutions (primary and secondary schools, higher education institutions, faculties and preschool institutions), four (4) measures were imposed on officials in health institutions, four (4) on municipal presidents, seven (7) on municipal council members, one on a head of the municipal administration, one on a director of the center for social work, one on a director of a tourist organization, one on a deputy president of the municipality, two on directors of public enterprises, one on a director of the company founded by a local self-government unit, one on a director of a company founded by RS.

Upon the execution of the Agency's decisions rejecting the requests for giving consent for holding another public office, performing another engagement or activity, 42 officials terminated simultaneous performance of the incompatible public office, that is, performance of an engagement, an activity, which in percentage amounts to 93.33% of the number of executed decisions of the Agency (45). In 30 proceedings the decisions are not executive or deadline for submission of evidence is in progress.

Five officials have filed a claim to the Administrative Court against the final decisions of the Agency rejecting requests for giving approval for holding another public function, that is, performing another engagement or activity.

13 officials have filed a claim to the Administrative Court against the final decisions that determined the violation of the Law on the Agency, including six (6) against decisions imposing a measure of public announcement of recommendation for dismissal from a public office, five (5) against officials who were issued a measure of caution with a warrant and two (2) against the decisions which determined termination of the other public function by force of law.

¹⁸ Violation of the provisions of Art. 35 of the Law on the Agency.



In the reporting period, a total of 1431 new cases were registered, based on:

- 557 requests for giving consent (for the performance of another public office or other engagements or activities, for membership in the bodies of association, for the establishment of employment or business cooperation after the termination of public office - pantouflage),
- 14 requests for giving opinion on the implementation of the Law on the Agency and other regulations regulating the matter of conflict of interest,
- five (5) notices on the transfer of managerial rights, in accordance with the provisions of Art. 35 of the Law on the Agency,
- 547 proceedings were initiated to determine the violation of the law, including 343 on the basis of the submitted complaint, 204 ex officio and eight (8) requests for obtaining data.

The largest number of proceedings, a total of 166 (145 based on the complaint and 21 ex officio), was initiated because of conflict of interest, as the public office was used to gain benefits for oneself or an associated person. The following by number are the proceedings initiated against officials who hold another or several public offices without the approval of the Agency, and 151 of such proceedings have been initiated (37 on the basis of the complaint and 114 ex officio).

Of the 28 executive decisions, the competent bodies acted upon 27 executive decisions of the Agency and made decisions determining the termination of another public office by force of law. In one case the competent body failed to act upon the decision, so a misdemeanor procedure was initiated against the responsible person in that body.

Due to a violation of the provisions of the Law on the Agency in the field of conflict of interest, a total of 31 requests were submitted for the initiation of misdemeanor proceedings, of which 19 were submitted for violations from Art. 74 para. 1 point 1 of the Law on the Agency, against officials who accepted another public office without the Agency's approval (violation of Article 28), 5 for the offense referred to in Art. 74 para. 1 point. 4 of the Law on the Agency, against officials who failed to inform the Agency in writing of a conflict of interest (violation of

Article 32), 5 requests were submitted for violation of Art. 74 para. 2 point 1 of the same law against the responsible person in a state body and organization, territorial autonomy body, local self-government body, public service or other legal entity which exercises public authority, who failed to submit to the Agency all documents and information within the prescribed deadline (violation of Article 25, paragraph 2), one for the violation referred to in Art. 74 para. 1 point 3 of the Law on the Agency against officials performing other activities contrary to the provisions of Art. 31 of the same law and one for the offense referred to in Art. 74 para. 1 point 5 of the Law on the Agency, against the official acting contrary to the prohibition prescribed by provisions of Art. 33 of the same law.

In the reporting period, the Misdemeanor Courts submitted to the Agency first instance verdicts in 28 proceedings, determining the responsibility of the officials for the committed violation by imposing 11 fines (one in the amount of RSD 100,000.00 (Article 32), one in the amount of RSD 75,000.00 (Article 75), one in the amount of the legal minimum of RSD 50,000.00 (Article 28), three in the amount of RSD 20,000.00 (Articles 25 and 28), three in the amount of RSD 10,000.00 (Articles 28 and 32) and two in the amount of RSD 5,000.00 (Article 32) and 12 reprimands. Five proceedings ended with the adoption of a decision determining the statute of limitations regarding misdemeanor proceedings.

Representatives of the Department participated in roundtables held in 13 municipalities and cities of Serbia in connection with familiarizing officials with, among other things, the rights and obligations related to conflict of interest, within the IPA 2013 "Prevention and Fight against Corruption" project.

6.2.3. Key results

- ✓ Acting of officials upon the final and executive decisions of the Director of the Agency denying the consent for holding several public offices or performing other engagements amounts to 93.33%.
- ✓ Executed procedures of the competent authorities by the final and executive decisions of the Director of the Agency determining the termination of another public office by force of law amount to 96.43%.
- ✓ The number of requests by officials for giving opinions on suspicion of the existence of conflict of interest, submitted within the meaning of Art. 32 of the Law on the Agency, increased by 87.80% compared to 2017, which is the result of intensive training of the Agency for officials.
- ✓ The number of submitted requests for initiation of misdemeanor proceedings due to violation of the provisions of the Law on the Agency in the area of conflict of interests increased by 55% compared to the previous year.

6.2.4. Other results¹⁹

During the reporting period, Department for resolving conflict of interest ended a total of 1358 proceedings as follows:

- 312 opinions were given on the implementation of the law;
- 162 decisions were made on giving consent for holding another public office, that is, for performing other engagement or activity, for membership in the bodies of association, for the establishment of employment or business cooperation after the termination of public office - pantouflage;
- 127 cases were completed by informing the parties that there was no interference for simultaneous performance of another engagement or activity, for membership in the bodies of association, for the establishment of employment or business cooperation after the termination of a public office within the meaning of Art. 30, 31, 34 and 38 of the Law about the Agency;
- 11 procedures were completed by informing the parties that there was no interference for holding another public office, within the meaning of Art. 28 of the Law on the Agency;
- 75 decisions were made on the rejection of the request for giving consent for holding another public office or performing other engagement or activity (out of that number, in 25 cases the incompatibility of holding a public function with the performance of an engagement or activity was determined);
- 77 opinions were given on the requests of officials for giving opinions on suspicion of the existence of conflict of interest, filed within the meaning of Art. 32 of the Law on the Agency;
- A total of 45 decisions were made determining the violation of the law and imposing the measure of public announcement of recommendation for dismissal of officials;
- 72 decisions were made determining the violation of the law and imposing the measure of public announcement of the decision on violation of the law;
- 38 decisions were made determining the violation of the provisions of Art. 28 of the Law on the Agency and termination of the office by force of law, in 8 cases of which the measure of caution was imposed as well, while in one case the measure of public announcement of recommendation for dismissal from public office was imposed as well;
- 218 decisions were made determining the violation of the law and imposing a measure of caution to the officials;
- Three (3) procedures were terminated by notifying the official to transfer the managerial right or management rights, and providing evidence on the official's actions following the notice;
- 35 proceedings were completed with conclusions about the rejection of requests due to untimeliness or incompleteness;
- 37 proceedings were completed with the conclusion on the suspension of the proceeding;

¹⁹ For details, see page 48.

- 150 proceedings were resolved in another way (by notifying the parties that the Agency had previously found that there are no grounds for conducting the proceeding before the Agency, by notifying the officials that the Agency was not competent to act, by notifying the competent Public Prosecutor's Office, etc.).

6.3. DEPARTMENT FOR OVERSIGHT OF FINANCING POLITICAL ACTIVITIES

6.3.1. Importance

By controlling reports on election campaign costs and annual financial reports of political entities, as well as their publishing, the Agency acquaints the public with the collection and spending of resources of political entities for regular work and election campaigns. At the same time, the Agency timely responds to observed violations of the law and submits complaints to the competent authorities.

The preventive role of the Agency is reflected in, among other things, providing professional help to those responsible in political entities regarding their concerns about the implementation of the law²⁰.

6.3.2. Situation in the relevant field

All political entities that had declared election lists in the 2018 elections were obliged to submit to the Agency a report on election campaign costs²¹ which contains data on the origin, amount and structure of collected and spent funds from public and private sources²², within 30 days from the date of publication of the final results.

In 2018, 64 political entities (47 political parties²³ and 17 groups of citizens) were obliged to submit the I2 Report, as they participated in the elections for councilors of the City Assembly of Belgrade, the Municipal Assembly of Aranđelovac, Bor, Majdanpek, Preševo, Smederevska Palanka, and the City Municipality of Sevojno (Užice).

The legal obligation was fulfilled by 47 political entities, i.e. 38 political parties and nine groups of citizens, with three other political entities submitting the I2 Report, but not in the

²⁰ For details, see page 48.

²¹ Hereinafter: I2 Report

²² The obligation is prescribed by Article 29 para. 1 and 2 of the Law on Financing Political Activities "Official Gazette of the Republic Serbia ", no. 43/11 and 123/14

²³ The data includes political parties that acted independently in the elections but also political parties that, as coalition holders, had a legal obligation to submit to a I2 Report to the Agency in 2018

manner prescribed by the Rulebook on Records and Reports of Political Entities²⁴, i.e. the I2 Reports were missing a barcode²⁵.

All registered political parties, as well as groups of citizens that have representatives in representative bodies, were obliged to submit to the Agency by April 15, 2018 an annual financial statement for 2017²⁶, as well as a report on contributions and assets, with a previously obtained opinion of a certified auditor licensed in accordance with accounting and auditing regulations²⁷.

In 2018, a total of 241 political entities, of which 113 political parties and 128 groups of citizens, were required to submit 2017 AFS²⁸ to the Agency.

The legal obligation was fulfilled by 112 political entities, i.e. 71 political parties and 41 groups of citizens.

The Agency controlled 13 political entities that submitted 2017 AFS. Criteria on the basis of which the selection of political entities to be controlled included:

- the total income of a political entity annually exceeds the amount of RSD 25,000,000.00 and
- the control of selected political entities includes at least 80% of funds from public sources for financing the regular work of political entities on an annual basis.

The Agency organized monitoring of the election campaigns for the election of councilors of the City Assembly of Belgrade, which lasted from January 29 to March 4, 2018.

The activities of 24 political entities with the declared election lists were monitored by a total of 27 observers deployed in 17 Belgrade municipalities, six coordinators and one central coordinator. The required number of observers is selected from the existing network, formed on the basis of a public invitation in 2016, and in the manner prescribed by the Election Observation Handbook²⁹.

Funds for controlling election campaign costs were approved to the Agency from the budget of the Republic of Serbia in the amount of RSD 12,300,000.00. RSD 3,800,874.48 was spent (30.90%), while the unused funds were returned to the state budget at the end of the year.

Based on observers' data collected during the election campaign on the field, an Analysis of monitoring the activities of political entities was made during the election for councilors of Belgrade City Assembly - March 4, 2018.

According to the provisions of the Law on Financing Political Activities, political entities that had declared electoral lists in 2018 were obliged to submit their I2 Report to the Agency at the latest 30 days from the date of the announcement of the final election results.

In the control procedure, the following irregularities were noted:

²⁴ Rulebook on Records and Reports of Political Entities, Official Gazette of the Republic of Serbia ", No. 7/16

²⁵ For details, see page 52.

²⁶ Hereinafter: 2017 AFS

²⁷ The obligation is prescribed by Article 28 paragraph 1 of the Law on Financing Political Activities.

²⁸ For details, see page 52.

²⁹ Election Observation Handbook No. 110-00-0002/2016-01 with amendments dated February 21, 2017.

- as in the previous years, the most common violation of the Law on Financing Political Activities was failure to submit I2 Reports;
- delay in submitting the I2 Report to the Agency was observed in seven political entities that participated in the elections in Belgrade (three groups of citizens), Majdanpek (one political party), Preševo (two political parties) and Sevojno (one group of citizens);
- failure to present funds received from public sources for covering the election campaign costs;
- misrepresentation of funds received from public sources for covering the election campaign costs;
- failure to present the use of services and goods from public sources without compensation (services and goods from public sources, in terms of the provisions of the Law on Financing Political Activities, are services and goods determined by special regulations given to political entities by the authorities of the Republic of Serbia, autonomous provinces and local self-government units, as well as other organizations founded by them; the law also prescribes services and goods from public sources to be mandatorily given under the same conditions to all political entities)³⁰;
- exceeded maximum amount of the contributions from a legal entity of 200 average monthly earnings on an annual basis for the election campaign;
- exceeded maximum amount of the contributions from an individual of 20 average monthly earnings on an annual basis, with a note given in the I2 Report that the contribution was given on behalf of a group of citizens;
- failure to disclose contributions that exceed on an annual basis the average monthly salary excl. taxes and contributions in the Republic of Serbia in 2017 on the website of the political entity, with the filed I2 Report stating that some of the political entities did not even have their own web site and
- I2 reports do not contain all information on the origin, amount and structure of the collected and spent funds from public and private sources, specifically the costs of renting space for organizing a public event, advertising costs, and the like.

It should be kept in mind that the election campaign is a set of activities of a political entity from the date of announcing the elections to the day of announcing the final election results and that the political entity opens a special account for the purpose of collecting funds for financing the election campaign, which cannot be used for other purposes. All funds intended for financing election campaigns are paid to this account and all payments of election campaign costs are made from that account. For the needs of financing the election campaign (as well as regular work), political entities can borrow from banks and other financial institutions in the Republic of Serbia, in accordance with the law. At the same time it has been found that there is a large number of political entities that showed in their reports outstanding liabilities based on services rendered by legal entities during the campaign. Since the election campaign is

³⁰ According to Article 6 para. 1 and 2 of the Law on Financing Political Activities

time-bound and after the expiration of the campaign the election account is no longer the account on which funds can be collected and from which obligations arising from in the campaign can be paid, one of the possibilities left for a political entity is to settle them from regular work account, which has happened in the practice so far. And in this case, it can be said of a violation involving use of funds regular work for unintended purposes. To determine in each specific case determines whether the violation has been committed, it is necessary to compare the data from the filed I2 Reports with the data to be obtained in the process of controlling annual financial statements of political entities in the following period.

According to the provisions of the Law on Financing Political Activities, the political entities having representatives in representative bodies and registered political parties were obliged to submit to the Agency their AFSs as well as reports on contributions and assets for 2017 until April 15, 2018. These statements are submitted with the previously obtained opinion of an authorized auditor licensed in accordance with the accounting and auditing regulations.

In the control procedure, the following irregularities were noted:

- as in previous years, the most common violation of the Law on Financing Political Activities is reflected in failure to submit AFS to the Agency; to a certain extent, this can make it difficult to control the revenues and expenditures of political entities, and not give the true picture when comparing their operations over a longer period of time or in relation to other political actors;
- failure to submit the opinion of an authorized auditor, with the AFS, is also one of the violations of the Law which is repeated year after year;
- the Law on Financing Political Activities stipulates the obligation of the political entity to use at least 5% of the total monetary funds received from public sources for regular work in the calendar year in that same year for professional development, international cooperation and work with membership; except for political entities that have complied with this legal provision, we can notice that some did not even allocate funds for this purpose, that is, some did it in an insufficient amount, while certain political entities expressed this type of cost in the wrong positions in the AFS;
- exceeded maximum amount of contributions from individuals of 20 average monthly earnings on an annual basis for regular work;
- failure to publish AFS on the website of the political entity;
- failure to publish contributions exceeding the average monthly earnings on the website of the political entity;
- control of AFS observed that on several occasions in the previous year, political entities used the funds obtained to finance regular work for unintended purposes, that is, the political entity used them to pay the obligations arising from the election campaign, without transferring them to a special account open to collect funds and to pay the costs of the election campaign, although the Law explicitly emphasizes that the funds received for financing regular work are used to pay the costs arising from the regular activities of a political entity.

In 2018, a total of 90 requests for initiation of misdemeanor proceedings were filed for various violations of the Law on Financing Political Activities³¹.

The largest number of requests, a total of 57, was filed by the Agency for not submitting AFSs for 2016 or in 2017.

A total of 17 requests were filed for not submitting the opinion of the certified auditor with the 2016 AFS. Four requests were filed for not submitting I2 Reports for election campaigns held in 2018,

Also, four requests were filed by the Agency for exceeding the maximum amount of contributions by legal entities to political entities on an annual basis in 2018.

Three requests were filed against political entities that used funds for unintended purposes in 2016, that is, 2017, while two were filed against political entities that filed I2 Reports that do not contain all data on the origin, amount and structure of the collected and spent funds from public and private sources in 2016.

One request was filed because the political entity: 1) failed to publish a contribution that exceeds the average monthly earnings in the Republic of Serbia without taxes and contributions, 2) submitted to the Agency the I2 Report for the election of councilors of the City Assembly of Belgrade in 2018 which does not contain all the information on origin, amount and structure of collected and used funds from public and private sources; and 3) failed to submit data at the request of the Agency.

During 2018, the Department received 15 complaints. Analysis and control of the allegations found that in six complaints there were no indications of a violation of the Law on Financing Political Activities, in seven complaints there were indications but violation of the law was not determined, while for the remaining two complaints two requests were filed for initiating a misdemeanor proceeding to the competent court.

On the basis of final verdicts, in 2018 the Agency made 33 decisions by which politically entities lose the right to obtain funds from public sources intended to finance regular work in 2019. Of these, 32 decisions refer to political parties, while one decision refers to a group of citizens³².

The amount of funds to which the political entity loses the right is determined in proportion to the imposed penalty for offense. In all of the above-mentioned decisions, the Agency determined a deduction of ten percent of the said funds.

6.3.3. Key result

- ✓ In 2018, reports on election campaign costs for election of councilors of the City Assembly of Belgrade, the Municipal Assembly of Aranđelovac, Bor, Majdanpek, Preševo, Smederevska Palanka, and the City Municipality of Sevojno (Užice) were

³¹ For details, see page 53.

³² For details, see page 53.

controlled. Control results were published on the Agency's website in the form of the Report on election campaign costs for the election of councilors of the City Assembly of Belgrade - March 4, 2018, or in the Report on the control of costs of political entities - Campaign for the election of councilors of the Municipal Assembly of Arandelovac, Bor, Majdanpek, Preševo, Smederevska Palanka and City Municipality of Sevojno (Užice) in 2018. In addition to analyzing the sources of funding and the election campaign costs for a total of 47 political entities, the reports include the overview of observed irregularities and possible violations of the Law on Financing Political Activities, as well as data on filed requests for initiation of misdemeanor proceedings before the competent court.

6.3.4. Other results

- In addition to the 47 political entities for which the control findings are published in the reports on election campaign costs, 13 annual financial reports of political entities for 2017 were controlled.
- 90 requests for initiation of misdemeanor proceedings were filed before the competent court against political parties and responsible persons in political parties, that is, responsible persons of groups of citizens, due to the violation of the provisions of the Law on Financing Political Activities.
- Based on the final judgments, 33 decisions on losing the right to obtain funds from public sources intended for financing regular work for 2019 were passed.
- An analysis of monitoring the activities of political entities during the elections for councilors of the City Assembly of Belgrade - March 4, 2018, was made based on the observers' data collected on the field during the election campaign.
- It was noticed that a group of citizens showed in the I2 Report contributions of legal entities the amount of which exceeds the maximum prescribed amount on an annual basis. In the process of control, the Agency found a violation of Article 40, paragraph 1, point 1) and filed four requests for initiation of misdemeanor proceedings against legal entities and responsible persons in legal entities that gave contributions to political entities to the Misdemeanor Court in Belgrade.
- For the purpose of preparing the Department for upcoming amendments to the Law on Financing Political Activities, Comparative analysis of financing political entities in Bosnia and Herzegovina, the Republic of Northern Macedonia, the Republic of Serbia, the Republic of Croatia and Montenegro was made.

6.4. DEPARTMENT FOR PREVENTION

6.4.1. Importance

Prevention (obstruction of corruption) is the detection and elimination of sources (factors) of risk for the occurrence of corruption (normative, institutional, procedural and personal) through the design, and then the application of appropriate measures for managing those risks. The purpose of prevention of corruption is to mitigate, to the greatest possible extent, the devastating effects on the economy, democracy, to promote social well-being, and to improve the quality of services provided by the public sector.

6.4.2. An overview of the situation in the relevant field

The Law on the Anti-Corruption Agency stipulates that public authorities in the Republic of Serbia are obligated to develop and adopt integrity plans (4,267 institutions have this obligation) and the Agency is responsible for the supervision over the process of developing and adopting plans and assessing their quality. For the purpose of controlling the quality and objectivity of the integrity plans, the Agency has developed a methodology for collecting and analyzing data, including the questionnaires used when visiting institutions for interviewing employees and executives. Given the number of made integrity plans (2,716), the quality and objectivity check of integrity plans was carried out on a sample. When selecting institutions, equal representation of institutions by systems, or by type of institution, as well as by their regional affiliation was taken into account. From the beginning of February to the end of November 2018, the Agency supervised 24 institutions from different systems (judiciary, healthcare, education, social policy, local self-government) in 7 cities including Belgrade, Sombor, Šabac, Bor, Kragujevac, Pirot and Niš.

Based on the control, it can be concluded that the quality, that is, the objectivity of the integrity plans adopted by public authorities in Serbia, is uneven. The Agency is of the opinion that one of the reason lies in the lack of understanding of the importance and essence of the integrity plan itself as a preventive mechanism for the implementation of which the institution is responsible. Most institutions marked risks for the occurrence of corruption, in the areas that were being evaluated, as low-intensity risks, although by applying the given methodology and guidelines for assessing the risk intensity, they should be assessed as medium or high. Regarding the identification of areas that are at risk of corruption, most sampled public authorities have done this process correctly, however, some institutions failed to identify the obvious risks of corruption, as they did not take into account all relevant internal acts and the existing practice in the institution during the assessment.

During 2018, the Agency made opinions on the assessment of the risk of corruption in the provisions of fourteen draft laws and two bills. Some ministries submitted draft laws to the Agency in order to obtain an opinion on the assessment of the risk of corruption. In 2018 these ministries sent a total of nine draft laws to the Agency to give an opinion: Ministry of Education, Science and Technological Development - four, Ministry of State Administration and Local Self-Government and Ministry of Finance – two each, and Ministry of Health - one draft.

All the opinions containing findings and recommendations for improving the text of analyzed draft laws and bills were submitted by the Agency to the ministries. As in previous years, only some of the recommendations, relating to draft laws and bills that were passed in the meantime, were adopted in whole or in part. During the previous year, 20% of the Agency's recommendations were adopted, mainly those of a technical nature (e.g. prescribing the deadline for public authority acting). On the other hand, recommendations which required significant interventions in the draft regulations were generally not accepted. In this way, in all the laws the drafts of which had been previously analyzed by the Agency, certain decisions containing corruptive risks remained.

The number of opinions on the assessment of the risk of corruption in this year is significantly lower compared to 2017.³³ There are several reasons for this decline. First of all, a smaller number of draft regulations in the fields foreseen in strategic documents have been made, with public debates on them mostly not conducted. Also, the draft laws were referred to the parliamentary procedure, primarily on an urgent basis. We also recall that there is still no obligation of ministries to submit draft laws envisaged in strategic documents to the Agency for opinion, so the Agency performs an analysis and gives opinions on assessing the risk of corruption only in those draft regulations in the public hearing procedure or for which line ministries request an opinion. Also, the Agency analyzes only those plans and proposals for laws that fall under areas identified in strategic documents for the fight against corruption as particularly risky for the occurrence of corruption.

In accordance with the obligation in the Action Plan for Chapter 23 (Activity 2.2.10.36), the Agency developed a Model Local Anti-Corruption Plan for Local Self-Government Units³⁴, and then a Model Provincial Anti-Corruption Plan³⁵. Models are based on the analysis of causes and manifestation forms of corruption at the local and provincial level, which have been made by the Agency in accordance with the obligation from the Action Plan for Chapter 23 (activity 2.2.10.35).³⁶ The model LAP proposes 17 areas of action, but each LGU can extend its LAP to additional areas, and in accordance with its specificities and needs. The Model gives only some elements of the strategic document - areas, objectives and measures, while each individual LGU is left to define the manner of implementation of the proposed measures in accordance with its

³³ During 2017, the Agency gave opinions on the assessment of the risk of corruption in the provisions of the eighteen draft laws and five bills, one draft and one proposal of the regulation regulating the issues envisaged by strategic documents in the field of fight against corruption

³⁴ The model LAP is available at: <http://www.acas.rs/wp-content/uploads/2017/04/Model-LAP-04042017.pdf?pismo=lat>; version in English is available at: <http://www.acas.rs/wp-content/uploads/2014/09/Model-lokalnog-antikorupcijskog-planaENG.pdf?pismo=lat>. Both versions have also been printed, thanks to the support of the Standing Conference of Towns and Municipalities.

³⁵ The model PAP is available at: <http://www.acas.rs/wp-content/uploads/2017/05/Model-PAP-Drugi-nacrt-30042017.pdf?pismo=lat>

³⁶ The analyses are available at: <http://www.acas.rs/wp-content/uploads/2012/06/Analiza-uzroka-i-pojavnih-oblika-korupcije-na-lokalnom-nivou.pdf?pismo=lat> and <http://www.acas.rs/wp-content/uploads/2012/06/Analiza-uzroka-i-pojavnih-oblika-korupcijena-pokrajinskom-%C4%87irilica.pdf?pismo=lat>.

own needs and capacities, which includes the definition of activities, deadlines, responsible persons, necessary funds and indicators.

By December 21, 2018, the Agency received reports on the process of adopting LAP and forming bodies for their monitoring from a total of 118 LGUs. According to the data from the submitted reports, in the period from the beginning of April 2017, when the Agency published the Model LAP, to the date mentioned above, these plans were adopted by a total of 86 LGUs (59% out of a total of 145 LGUs, excluding the territory of Kosovo and Metohija). Seven adopted plans do not correspond to the Agency's Model with their form and content, while in the remaining 79 documents, LGUs mostly abided by the Model. Seventeen LGUs have designated a body to be in charge of monitoring the implementation of the LAP, of which only six were formed in accordance with the Agency's Model. Namely, either this task was entrusted to some of the existing bodies in the local self-government or a new body was formed but in a manner that does not comply with all of the guidelines in the Model.

The Action Plan for the implementation of the National Anti-Corruption Strategy in the Republic of Serbia for the period 2013-2018 (Action Plan) foresaw the obligation to attend training on ethics and integrity for all employees in the public sector after the adoption of the New Law on Preventing Corruption. In the past five years, the Agency directed all activities in the field of education to the adequate preparation of institutions for fulfillment of this obligation, and special focus was on continuous training for future lecturers (training for trainers). Training of future lecturers is a strategically chosen form of education, as it can educate the target group that counts about 500,000 trainees in the most effective way. During 2018, two four-day training sessions for trainers were held, the first one in Belgrade, and the other in Subotica, with a total of 22 participants. As the previous education cycle included the central and provincial levels of government, that is, the state administration and provincial authorities, representatives of local self-government units were invited to this year's trainings, i.e. city municipalities of the City of Belgrade, and in Subotica, in addition to the representatives of the city administration, the public companies founded by City. All participants have acquired the necessary knowledge and skills to conduct training on their own, which they could demonstrate by conducting one segment of training and passing the knowledge test.

By recapitulating the results achieved during the five-year implementation of the Action Plan, we can note that the Agency conducted 13 multi-day training sessions for trainers on which 157 employees in the public sector were trained to independently conduct training sessions on ethics and integrity. Distance learning course (online training) on ethics and integrity were attended by 233 trainees in 2018, 217 of whom (93%) successfully completed the course by passing the knowledge test. The advantage of this organization and implementation of training is reflected in the fact that there are no costs of organizing and conducting training, so using this modality of education is maximally cost-effective for public sector institutions. Also, employees can adapt the learning process to their work duties by choosing the time and pace of adoption of the material, which is more efficient compared with training conducted in real time and within

fixed time periods. After all, another distance learning advantage is reflected in the fact that the coverage of the target group is much higher compared to the training performed in classrooms.

Support for civil society organizations (CSO) realized through project funding is important for preserving continued participation of the civil sector in the fight against corruption. Bearing in mind the above, in 2018 the Agency announced the ninth public competition for allocation of financial resources to CSOs for the realization of five projects in the field of fight against corruption. The focus of this year's competition was on strengthening cooperation between the civil and public sectors on the development of local anti-corruption plans (LAP). In order to further assist LGUs that did not start the process of developing LAPs, the Agency decided to allocate funds to those CSOs that will use their experience and expertise to provide assistance to LGU to successfully produce LAPs and form a body to monitor its implementation. During 2018, the Agency held two consultative meetings with representatives of civil society organizations. Since 2018 is the last year in which the Action Plan is implemented, the Agency organized a group semi-structured interview (focus group) with CSO representatives from Belgrade, in order to recapitulate previous cooperation and explore opportunities for its improvement. The second consultative meeting was organized with the members of the Coalition of Associations against Corruption in Ecology (Coalition) in Užice. The meeting was attended by seven representatives of the Coalition that was formed with the goal of preserving natural resources in the area of West and Southwest Serbia.

6.4.3. Key results

- ✓ The quality and objectivity of the integrity plans in 24 institutions from different systems (judiciary, education, healthcare, social policy, local self-government) were controlled in seven (7) cities in the territory of the Republic of Serbia (Sombor, Šabac, Bor, Kragujevac, Pirot, Niš and Belgrade) and reports on controls containing recommendations for quality improvement of adopted integrity plans in the sampled institutions were prepared.
- ✓ 22 employees in the public sector institutions were trained to independently conduct training on ethics and integrity, and in the period of validity of the National Anti-Corruption Strategy 2013-2018 a total of 157 employees in the public sector were trained to conduct this training.
- ✓ The established system of support to local self-government units for drafting and adoption of a local anti-corruption plan and forming bodies for monitoring the implementation of this document.
- ✓ Five grants awarded to civil society organizations which will provide assistance to local governments to develop anti-corruption plans and form bodies for their monitoring.

6.4.4. Other results in 2018

- ◆ By applying the Methodology for Assessing the Risk of Corruption in Regulations³⁷, the Agency gave 16 opinions on the assessment of the risk of corruption in the draft regulations and proposal regulations.
- ◆ The Agency prepared the text of the draft provisions on the prevention of conflict of interests of civil servants, on the basis of the initiative for amendments to the Law on Civil Servants, the Law on Employees in Autonomous Provinces and Local Self-Government Units and the Draft Law on Employees in Public Services.
- ◆ The Action Plan for the Implementation of the Integrity Plan was developed and published on the Agency's website for all common risk areas to assist the institutions in its implementation.
- ◆ Video guide "Reporting on the implementation of an integrity plan" was published to assist the person responsible for monitoring the integrity plan implementation in the application.
- ◆ The application software for the implementation of the integrity plan within the Twinning project "Prevention and Fight against Corruption" was upgraded.
- ◆ Within the conference held in Morocco "Transforming Governance to Realize the Sustainable Development Goals ", in competition of 437 projects from 79 countries of the world, the software solution and methodology for developing the integrity plan implemented by the Agency entered the finals of the United Nations Public Service Award, awarded by United Nations Department of Economic and Social Affairs (UNDESA).
- ◆ Five training sessions on ethics and integrity for civil servants in the judiciary system, attended by 86 participants, were held.
- ◆ In co-operation with the National Academy for Public Administration, training on ethics and integrity of public sector employees was held, attended by 21 participants.
- ◆ 233 trainees enrolled in distance learning (online training) on ethics and integrity in the public sector, 217 of whom successfully passed the knowledge test and received a certificate of participation.
- ◆ Two consultative meetings with civil society organizations were held.

6.5. DEPARTMENT FOR INTERNATIONAL COOPERATION

6.5.1. Importance

International cooperation contributes through various mechanisms to the improvement of the results in the fight against corruption of all countries. Establishment and development of international cooperation, exchange of experiences and good practices and commitment to

³⁷ In 2013, the Agency prepared the Methodology for Assessing the Risk of Corruption in Regulations, which it applies as an internal act.

international anti-corruption standards are essential for effective prevention and suppression of corruption and represent the pillar of building effective partnerships at the regional and international level.

6.5.2. An overview of the situation in the relevant field

Bearing in mind the importance of the rule of law and the implementation of effective measures to prevent and combat corruption in the context of the European Integration Process of the Republic of Serbia, the Anti-Corruption Agency is committed to cooperating with competent state institutions as well as international actors in this field.

The Agency participates in all activities within the negotiations of the Republic of Serbia for membership in the European Union, or Negotiating Chapter 23 - Judiciary and Fundamental Rights. During the past year, the Agency presented the work results through quarterly reporting on the implementation of the Action Plan for Chapter 23 (subsection Fight against Corruption). The activities envisaged by this document reflect the recommendations of the European Commission from the Report on the Analytical Review and Assessment of Harmonization of the Regulations of the Republic of Serbia with Acquis Communautaire (Screening Report), related to the overall strengthening of the capacities of the Anti-Corruption Agency. With a goal of establishing a system of monitoring results and cases from the scope of work of the Agency, reports on the implementation of transition criteria for Chapter 23 in the field of conflict of interest interests, control of assets and incomes of public officials, in particular judges and prosecutors, as well as control of financing political activities were submitted on a semi-annual basis. In order for the above documents to better reflect the essence of the Agency's competence, during the reporting period, the Agency also participated in the audit of both the Action Plan for Chapter 23, and the documents for reporting on transition criteria.

The Agency reported on the results and challenges in the work also for the needs of preparing the annual report of the European Commission on the progress of the Republic of Serbia in the reforms in the field of political criteria, fight against corruption, judiciary and public administration reform, implementation of the Stabilisation and Association Agreement (SAA) through the implementing body - the SAA Committee, the Subcommittee on Justice, Freedom and Security and the Special Public Administration Reform Group, as well as for the needs of preparing the report of the European Commission expert mission in the field of combating high-level corruption, organized crime and money laundering. Information on the implementation of the National Program for Adoption of the Acquis of the European Union was provided quarterly.

In the process of European integration and international cooperation, the Agency realizes continuous and successful coordination and communication with all relevant state institutions, especially with the National Assembly, Ministry of European Integration, Ministry of Justice, Ministry of Foreign Affairs, Ministry of Public Administration and Local Self-Government, Ministry of Interior, Ministry of Finance, Public Procurement Directorate, Directorate for

Prevention of Money Laundering, Republic Public Prosecutor's Office, State Prosecutors' Council, High Judicial Council and Misdemeanor Court.

The Agency is also committed to strengthening cooperation with representatives of the international community, in particular in the field of harmonization with international recommendations and standards in the domain of prevention of corruption, and in 2018 it continued successful communication with the representatives of the European Commission, the Delegation of the European Union in Serbia, the SIGMA Initiative³⁸, Mission of the Organization for Security and Cooperation in Europe (OSCE), the United States Agency for International Development (USAID), as well as the embassies of the United States, Italy, France, Germany, the Netherlands, the United Kingdom, Austria, Slovakia, Norway, Finland, Russia, Ukraine, etc.

The Delegation of the Republic of Serbia, led by the Director of the Agency, took part in all plenary sessions of GRECO, as well as in drafting the Reports of the Republic of Serbia on harmonization with the GRECO recommendations from the Fourth Review Cycle, which includes the prevention of corruption related to MPs, judges and prosecutors. The representatives of the Agency were also evaluators for the Netherlands and Denmark within the Fifth GRECO Review Cycle on the prevention of corruption and improvement of integrity for holders of the highest offices and law enforcement institutions.

With the aim of presenting the state of implementation of the UN Convention against Corruption (UNCAC), last year the Agency drafted an appendix on UNCAC provisions relating to resolution of conflict of interest and the application and effectiveness of reporting assets and incomes of officials. Results of the Agency in that field were also presented at the annual meeting of the Intergovernmental Working Group on Prevention of Corruption. In the capacity of evaluators, the Agency's representatives participate in the monitoring of the implementation of UNCAC in the Second Review Cycle, which includes prevention measures (Chapter II of the UNCAC) and the return of goods (Chapter V of the UNCAC) for Egypt and Armenia. In this context, excellent cooperation has been achieved with the competent state institutions³⁹, which contributed according to the specific areas of their work.

6.5.3. Key result

Director of the Anti-Corruption Agency Dragan Sikimić was elected one of two Vice Presidents of the Anti-Corruption Network, formed in October 2018. The Agency was invited to be among the first founders of the Network by the National Anti-Corruption Authority of the Republic of Italy. Currently, it consists of anti-corruption institutions from 18 countries, namely Serbia, Albania, Azerbaijan, Bosnia and Herzegovina, Croatia, Denmark, Estonia, France, Greece, Italy, Moldova, Montenegro, Romania, Slovakia, Slovenia, Ukraine, Benin and Ivory Coast. The Network is chaired by the National Anti-Corruption Authority of the Republic of Italy, and the

³⁸ SIGMA is a joint initiative of supporting the OECD and the European Commission to strengthen public administration and implement reforms of governance in countries candidates for accession to the European Union.

³⁹ Ministry of Finance, Administration for the Prevention of Money Laundering, Public Procurement Administration, High Judicial Council, State Prosecutors' Council, Republic Public Prosecutor's Office.

second Vice President is the Anti-Corruption Agency of the Republic of France. The purpose of establishing the Network is to promote the exchange of information and good practices among the anti-corruption institutions.

6.5.4. Other results

- ◆ At the 18th annual conference and meeting of the General Assembly of the EPAC/EACN on identifying innovative solutions for successful prevention and fight against corruption, the Agency, as an example of good practice, presented the Twinning project "Prevention and Fight against Corruption"⁴⁰. At the same meeting, the Pannonia Declaration was adopted, which is, among other things, aimed at assessing and managing the risk of corruption, managing data during the investigation of corruption cases, promoting information technologies for the purpose of combating corruption, exchanging data and good practice, as well as the importance of strengthening the independence of anti-corruption institutions.
- ◆ The initiative of the Republic of Serbia was presented at the 23rd Plenary Meeting of the ACN/ OECD Monitoring Group in the field of prevention of corruption and promotion of transparency, accountability and integrity in the police, as well as cooperation between the Agency and Ministry of Interior in that area. In the reporting period, a contribution was also made to the development of a thematic study "Prevention of Corruption at Local Level in Eastern Europe and Central Asia", and a report on the implementation of the ACN/OECD Work Program for 2017 was made.
- ◆ The Agency was presented at the seventh meeting of the Assembly of the International Anti-Corruption Academy, which is focused on education and research, as well as the exchange of knowledge and experience in the field of fighting corruption.
- ◆ In the previous year, the Agency's participation in international conferences and forums intensified, bearing in mind the importance of networking with related institutions, as well as the fact that it is international cooperation that is an inseparable part of the successful fight against corruption. In this respect, the Agency participated in negotiations on data exchange in the area of conflict of interest and control of assets within the Austrian chairmanship of the Council of the European Union, the conference on corruption in the digital age during the Italian chairmanship of the Organization for Security and Cooperation in Europe, the conference on strengthening transparency and accountability in the organization of the Council of Europe, as well as the gathering of the International Corruption Hunters Alliance, organized by the World Bank and Ministry of Foreign Affairs of Denmark.

⁴⁰ More about the Twinning project in the section dedicated to the support of the international community for the work of the Agency.

- ◆ The Twinning Project "Prevention and Fight against Corruption", which was financed by the European Union in the amount of two million euros, through the Instrument for Pre-Accession Assistance (IPA 2013), was successfully completed. The main partner of the project was the Italian National Anti-Corruption Authority, in cooperation with Ministry of Justice and Higher School of Justice. Intensive cooperation with the Italian anti-corruption institution has continued through implementation of activities of the Anti-Corruption Network. In the previous year, the Agency attended the presentation of the annual report of the Anti-Corruption Agency to the Italian Parliament.
- ◆ In the Twinning project, the exchange of knowledge and experience was also achieved with the Spanish anti-corruption bodies, primarily with the younger Twinning partner, the Chief Prosecutor's Office of the Kingdom of Spain. Expert consultations with representatives of the Office of Conflict of Interest of Ministry of Finance and State Administration of the Kingdom of Spain were also of particular importance.
- ◆ In 2018, a Protocol on Cooperation with the Anti-Corruption Agency of the Republic of France was signed, envisaging the exchange of good practices, implementation of joint activities, as well as the improvement of anti-corruption mechanisms and public sector integrity regimes.
- ◆ Representatives of the Agency went to a study visit to Ukrainian anti-corruption institutions, with the aim of sharing experiences and good practices in the field of prevention and fight against corruption. On that occasion they met with the highest representatives of the National Anti-Corruption Bureau, the National Anti-Corruption Agency, and the Specialized Anti-Corruption Prosecutor's Office.
- ◆ The Agency's representatives met with representatives of the Independent Commission against Corruption of Hong Kong, with the aim of establishing cooperation in the field of capacity building, joint training and exchange of good practices.
- ◆ In the previous year, the Agency also contributed to the work of the Network for the suppression of irregularities and fraud in handling in respect of European Union resources. With the aim of joint action, strengthening of administrative capacities and exchange of information in the field of protection of financial interests of the European Union and consequently of the financial interests of the Republic of Serbia, the Agency signed a Cooperation Agreement with Ministry of Finance.
- ◆ With regard to the programming of international assistance funds, the Agency is continuously participating in work of sectoral working groups for programming and coordination of IPA funds and other developmental assistance to the sectors of justice, internal affairs and public administration reforms, as well as the development of relevant documents. In the reporting period, the Agency was involved in the programming of funds from the IPA 2019/2020 program, within which it defined the priorities and potential proposals for providing assistance through this instrument. A report on the implementation of the road map of the sectoral approach for the justice sector was prepared.

- ◆ The Twinning Project "Prevention and Fight against Corruption", which was completed in January 2019, has significantly contributed to strengthening the capacity of the Anti-Corruption Agency, through focused, advanced training, thematic studies, legislative framework analysis and comparative analysis, study visits, internship programs, educational materials, and exchange of experience and knowledge with experts from the EU Member States. The project also included activities for strengthening cooperation with other state institutions, civil society organizations and media representatives, with the aim of strengthening joint efforts in this area.
- ◆ The most important activities in 2018 include advanced training for employees in the Agency and other state institutions, analysis of the Draft Law on Prevention of Corruption, analysis of the legislative framework in the field of fight against corruption, analysis of the Agency's cooperation with other state institutions and civil society organizations, indicators of conflict of interest, the Agency's communication strategy, media handbook, educational video materials for officials, software applications improvement, workshops with the National Assembly, study visits, as well as internship programs in Italian anti-corruption institutions.
- ◆ The project team held meetings of the Supervisory Board on a quarterly basis, which comprised representatives of the Delegation of the European Union in Serbia, the Sector for Contracting and Financing Programs from the EU funds of Ministry of Finance, Ministry of Justice and Ministry for European Integration. All reports submitted during the previous year have been approved, including the reports on budget execution of the Twinning Project.
- ◆ The activities of the Agency are also supported by the USAID project "Government Accountability Initiative" in the domain of training on strategic planning and development of the five-year strategic plan of the Agency, harmonization of integrity plans and local anti-corruption plans, as well as drafting model acts for implementing measures from integrity plans and local anti-corruption plans.
- ◆ The joint support of the OSCE Mission in Serbia and the Government of the Republic of Italy was provided to the organization of the international conference on the implementation of corruption prevention mechanisms⁴¹, which was held as part of the project aimed at improving international and regional cooperation in the field of fight against corruption. By involving the OSCE Mission in Serbia in the implementation of certain Twinning project activities, the successful synergy of international assistance was achieved.
- ◆ Within the Service Agreement "Preventing and Combating Corruption", funded by the European Union from the IPA 2013 program, the main beneficiaries of which are Ministry of Justice and the Republic Public Prosecutor's Office, representatives of the Agency participated in the preparation of the Analysis of deficiencies in the implementation of the National Anti-Corruption Strategy, as well as activities related to

⁴¹ More about the conference in the section on the Office of the Director.

the implementation of training on conflicts of interest and control of assets and incomes of officials in the field of education, in cooperation with Ministry of Education, Science and Technological Development. The engagement of the Agency's representatives at expert meetings dedicated to the Draft Law on Prevention of Corruption, and as a lecturer at various training sessions organized under this project, is also very important.

- ◆ The Agency is involved in the implementation of the project "Strengthen Integrity and Combat Corruption in Higher Education in Serbia" and "Encouraging Democratic Culture in Schools", through participation at meetings of the project Supervisory Board, as well as in individual project activities. The project is financed by the European Union and the Council of Europe through the Joint Program for the Western Balkans and Turkey.
- ◆ Key results and recommendations from the Annual Report of the Agency for 2017 were presented at a consultative workshop with independent state bodies, organized by Global organization of parliamentarians against corruption (GOPAC) within the project "Strengthening the oversight role and transparency of the National Assembly", which is supported by the Swiss Embassy and the United Nations Development Program (UNDP).

6.6. OFFICE OF THE DIRECTOR

6.6.1. Importance

Fight against corruption is a joint task and everyone has a legal obligation to co-operate on the implementation of laws in order for us to succeed in this fight. Only with coordinated work of all competent state authorities is it possible to accomplish the desired goal. For this reason, inter-institutional and international cooperation remain the priorities of the Agency in the coming period.

Support and engagement of informed public is one of the basic conditions for a more successful fight against corruption. The Agency will continue to improve cooperation with state institutions and civil society organizations, as well as the level of informing the public, in order to strengthen the capacity for joint action in the fight against corruption.

6.6.2. An overview of the situation in the relevant field

In the reporting period, the Agency received 350 requests for free access to information of public importance.

It is important to point out that the Agency acted upon almost all incoming requests by partially or fully adopting most of them. 325 or 92.86% of requests submitted were adopted.

Unlike in 2017, when one (1) request was rejected, no requests were rejected during the reporting period.

In the previous year, the Agency received 425 questions from 54 media.

It should also be noted that dissatisfied parties submitted 12 appeals to the Commissioner in the reporting period (four for refusing requests and eight appeals for other reasons), which is the same number of complaints as in 2017..

The procedure costs were not charged during the reporting period.

Information booklet of the Agency, which was first made on January 14, 2011, was last updated on October 08, 2018.

Finally, it should be emphasized that the Agency included in the pilot program new application for the development of Information booklet. By November 16, 2018, the Agency entered its Information booklet in the application <https://informativ.poverenik.rs>.

On the website of the Anti-Corruption Agency, 92 publications (texts, press releases, information) were posted in 2018. In the previous year, there were 126 posts, in 2016 - 86, and in 2015 - 105 posts.

During 2018, 4,044 posts were recorded in the media, of which 960 primarily referred to the Agency (in 2017 there were a total of 4,737 posts).

According to the Kliping press agency, information on the Agency was broadcast on TV and radio programs for 295 minutes and recorded in printed and internet media 735 and 3,014 times, respectively. In electronic media information related to the fight against corruption took 373 minutes, or 6 hours and 13 minutes of TV and radio program. In print media they covered 60,666 cm² of newspaper space or more than six square meters of wallpaper.

In percentages, the posts are mostly represented in the Internet media, as much as 74.5% of the total number, followed by 18.2 % in printed and 7.3% in electronic media.

During 2018, the media did not focus only on one topic when it came to the Agency. Most posts (16%) are related to the situations where the Agency issued recommendations for dismissal, or 15% in relation to officials' property reports. The following are the Law on the Agency, conflict of interest, integrity plans and LAP with 7.5%, criminal complaints with 5.5%, financing of political entities and appointment of the directors with 5% representation. Then there are media contents that are related to a number of other topics (official campaigns, whistleblowers, GREKO, Twinning project, work of independent government bodies, gifts, opinions on bills ...).

The presence of the Agency in the public is visible through the fact that the media cited or referred to statements or previous activities of officials and representatives of ACAS 563 times⁴².

On ACAS social network profiles, the greatest interest in the work of the Agency is found on Twitter. The Agency's account @Nekorupciji was followed by more than 870 new people in one year, now totaling 9,633. That number means that, on average, 2.4 people daily began to follow the activities of the Agency, and the profile was visited 11,088 users of this social network during the year.

⁴² The media mentioned in texts or referred to the statements of thirteen employees: Dragan Sikimić 273 times, Majda Kršikapa 73 times, Dejan Damnjanović 50 times, Danica Marinković 43, Miloš Stanković 42, Živojin Rakočević 41, Marijana Obradović 15, Dragan Mitrović 12, Verka Atanasković 10, Milica Božanić once, Dragana Krunić once, Jelena Stanković once and Ivan Kovačević once.

121 posts were posted on Twitter and Facebook. On Facebook, the Agency has 4,900 followers.

During 2018, 5,000 new copies of the brochure on key values of public sector employees entitled "Biti kao svoj na svom" were printed, which is shared as part of the educational material among training participants. The Library Fond of the Agency counts 2,178 library units.

6.6.3. Key result

- ✓ During the reporting period, a public awareness-raising campaign on the adoption of local and provincial anti-corruption plans was called "Lap za jači integritet" (eng. "Lap for Stronger Integrity") was conducted. The campaign lasted from November 26 to December 27, 2018. The start of the campaign was marked by a press conference at the Journalists' Association of Serbia. Besides the Director of the Agency Dragan Sikimić and

Marijana Obradović, Assistant Director of the Agency in the Department for Prevention, those who also spoke at the conference included Đorđe Staničić, Secretary General of the Standing Conference of Towns and Municipalities, Dušanka Golubović, Mayor of Sombor and Jacquelyn Williams-Bridgers, Accountable Governance Projects (UNDP)., The campaign activities and experiences in working with local governments in the adoption and implementation of institutional anti-corruption mechanisms were presented at the conference. The conference was attended by 20 representatives of the media and civil society organizations. The video "Lap for Stronger Integrity" was available during the campaign on the Internet editions of Blic and Večernje novosti, while the radio spot was broadcast on regional local radio stations. The video "Lap for Stronger Integrity" was available during the campaign on the Agency's website (<https://www.youtube.com/watch?v=Rn4uq7C7xok&feature=youtu.b>). The campaign was carried out in order to implement the activities of measure 3.1.5.2. of the Action Plan for the implementation of the National Anti-Corruption Strategy and the Revised Action Plan for the period 2016-2018.

6.6.2. Other results

- ♦ On the occasion of the International Anti-Corruption Day, the Agency organized the conference "Implementation of Corruption Prevention Mechanisms", on December 13 and 14 in Belgrade, with the support of the OSCE Mission in Serbia and the Government of the Republic of Italy. The Director of the Agency, Dragan Sikimić, spoke about the importance of international cooperation and exchange of good practices in the context of the negotiations of the Republic of Serbia for membership in the European Union. Also, the strengthening of anti-corruption institutions and the support of the OSCE Mission in Serbia were spoken about by the Head of the Mission, Ambassador Andrea Orizio, while

the Ambassador of Italy in Serbia, Carlo Lo Cascio, stressed that the support of Italy to Serbia was aimed at strengthening cooperation in this field. The importance, experiences and results in the domain of fighting corruption were elaborated by Marin Mrčela, Chairman of the Group of States against Corruption of the Council of Europe, Nicoletta Parisi, Member of the National Anti-Corruption Authority of Italy, Serbian Minister of Justice Nela Kuburović, and Paola Severino, Special Representative of the OSCE Chairperson-in-Office on Combating Corruption. Representatives of anti-corruption institutions from Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, Macedonia, Romania, as well as assistant directors of the Agency in the relevant departments spoke about the improvement of exchange of experience and good practices in the field of conflict of interest, control of assets and incomes of officials, control of financing political activities and assessment of the risk of corruption with the aim of contributing to strengthening cooperation in the field of fight against corruption and establishment of a foundation for joint efforts in this domain. Within the conference, in the hall of Palace of Serbia, the participants could see the exhibition of the works of the participants of the Annual competition of students in designing posters and video works on the fight against corruption.

- ◆ During the reporting period, the Office of the Director organized a procedure for issuing certificates to access data of a certain degree of secrecy, in accordance with the Data Secrecy Law. During this procedure in 2018, a total of 15 employees of the Agency and members of the Board of the Agency received a certificate to access data classified by a degree of secrecy.
- ◆ The official website of the Agency started with public posting of the Agency's acts through the "Electronic Bulletin Board", in accordance with the Law on General Administrative Procedure.
- ◆ During the reporting period, the Agency signed an agreement on cooperation with the Office of the National Security Council and Classified Information Protection and with the Anti-Corruption Agency of the Republic of France.

6.7. DEPARTMENT FOR GENERAL AFFAIRS

6.7.1. Importance

In 2018, the optimal conditions for personnel, material and financial and technical functioning of the Agency were created taking into account total approved funds in 2018 and the limitations in the realization of the approved funds. This was contributed by the implementation of the Agency's program budget for 2018, as well as courses and training sessions attended by employees.

6.7.2. An overview of the situation in the relevant field

During 2018, the Rulebook on internal organization and job classification in the Professional Service of the Anti-Corruption Agency was adopted on 21 November 2018 upon obtaining the opinion of the Board of the Agency dated November 14, 2018, which was consented to by the Committee on the Judiciary, Public Administration and Local Self-Government of the National Assembly in the Decision on granting consent 07 no: 02-3585/18 dated November 27, 2018. On December 31, 2018, the Professional Service of the Agency counts 80 employees, out of a total of 139 envisaged, which amounts to 57.5% of filled job positions⁴³.

Quality human resources management should be the most important business activity of every institution. Strategic planning of human resources and forecasting of future requirements in the field of knowledge and skills of employees, which arise from the competence of the Agency, put such a business strategy to the forefront. Successful planning affects motivation, education and continuous development of employees.

The program of professional training and additional education for 2018 of the Anti-Corruption Agency number 014-153-03-0002/18-03 dated March 12, 2018, envisages that employees are referred to professional training in the following areas:

- managing the legislative process and administrative acts;
- managing the public policy system;
- administration serving citizens;
- EU cohesion policy;
- human resource management;
- occupational health and safety;
- fight against corruption;
- human rights and data confidentiality protection;
- business communication;
- information and communication technologies.

In accordance with the Program of Professional training and additional education for 2018, the employees attended 31 training sessions organized by the National Academy of Public Administration, as well as 8 training sessions organized by international partners. In accordance with the available funds, the Agency organized an English language course for its employees. Training was conducted for 50 employees by the Institute for Foreign Languages. Testing was done to group the employees (A1, A2, B1, B1 + and B2). The training started on December 24, 2018, for level A1 and B1, and after completion of training for the two groups, classes for other trainees will be organized as well⁴⁴.

⁴³ For details, see page 53.

⁴⁴ For details, see page 58.

Funds from the budget of the Republic of Serbia allocated for the needs of professional training of employees in the Anti-Corruption Agency for 2018, amounted to RSD 423.000,00, and were spent for the intended purpose.

By the Law on the Budget of the Republic of Serbia for 2018 ("Official Gazette of the Republic of Serbia", No. 113/2017) funds for the work of the Anti-Corruption Agency were provided in the amount of RSD 364,266,000.00. The Financial plan of the Agency for 2018 presents the purpose of spending through the program budget, approved program activity and seven projects, as well as funds allocated for their realization and sources of financing⁴⁵.

Total realization in 2018 amounted to RSD 276,163,321.33, which is 76% of the approved funds. Of this, realization in terms of budget funds is RSD 192,975,320.75 or 79% of the approved funds, and realization of EU financial assistance funds is RSD 83,188,000.58, which is 70% of the approved funds. Unspent funds were returned to the budget.

In 2018, the Agency conducted public procurements on the basis of which 6 contracts were concluded. The value of concluded contracts amounted to 15,521,000.00⁴⁶.

6.7.3. Key results

- ✓ An action plan of activities on upgrading the hardware and software of the Anti-Corruption Agency was prepared in cooperation with representatives of the Internal Control and IT Department of the MoI, in order to keep and administer the modified software as well as property reports of some MoI employees in the premises of the Anti-Corruption Agency.
- ✓ Connection between the MoI and the Anti-Corruption Agency was established.
- ✓ A Terms of Reference was made within the tender documents for the maintenance and upgrading of the information system of the Anti-Corruption Agency.

6.7.4. Other results

- ◆ Solved system problems regarding submitting annual financial reporting by political entities as well as problems with the visibility of data related to assets and loans that are displayed through the application on the official website of the Agency.
- ◆ Due to problems in the information system operation, two backup network devices were configured and commissioned, after which the whole system became functional.
- ◆ Design was created and observer cards were printed.
- ◆ Remedied problems in the AFS application in the part of assets that occurred when changing the political entity authorized person.
- ◆ Certain computers in the Material and Financial Affairs Department connected with Treasury computers were set up.

⁴⁵ For details, see page 54.

⁴⁶ For details, see page 57.

- ◆ Participation in work on KOS and Twinning projects.
- ◆ Participation in work related to public procurement and realization of the contract for "Professional Support to IT System Functioning Service", contract for the purchase of spare parts and maintenance of data storing devices.
- ◆ Upgrading of all servers to new operating system versions and data migration.
- ◆ Upgrading of new computers to new operating system versions.
- ◆ Participation in consultations and analysis of the information system with an external consultant with the aim of developing an information system sustainability project.

APPENDICES

I CHARACTERISTIC EXAMPLES FROM PRACTICE

Characteristic examples from the practice of the Board of the Agency

- ♦ The Board rejected the appeal of the Head of the City Municipality, who was rejected, by the first instance decision, a request for granting consent for holding public offices of a member of the Republic Electoral Commission and Deputy Chairman of the City Election Commission. In the specific case, simultaneous holding of these public offices is contrary to the regulations governing the rights and obligations of officials, that is, contrary to the provision of Art. 27 para. 2 of the Law on the Agency in conjunction with Art. 51 point 3 of the Law on Employees in Autonomous Provinces and Local Self-Government Units.
- ♦ The Board rejected the appeal of the director of a Business College of Applied Studies, who was imposed a measure of public announcement of the recommendation for

dismissal from a public office by a first-instance decision. The official acted contrary to the provisions of Art. 27 and 32 para. 1 of the Law on the Agency by authorizing the assistant director from among the teachers, during the holding of the office of acting director of Business College of Applied Studies, to sign a decision on employment and a full-time employment agreement with him, on the basis of which the named, as an employee, concluded with him the employment agreement on the basis of which he established employment for an indefinite period of time, in the same school, as a full-time professor of vocational studies for a narrower scientific field of economy, thus acquiring one of the conditions for being appointed the director of this school, and without notifying the Agency in writing of the conflict of interest he had in this particular situation.

- ◆ The Board rejected the appeal of the mayor who was found to act contrary to the provisions of Art. 30 para. 1 of the Law on the Agency by the first instance decision, by holding the public office on a permanent basis and simultaneously performing entrepreneurial activity in an entrepreneurial store, so according to the provision of Art. 51 para. 1 of the Law on the Agency, he was imposed a measure of caution by obligating him to entrust the entrepreneurial activity to a work-capable individual with a written authorization within eight days from the date of receipt of the decision, and provide evidence of this to the Agency as well as register the manager in accordance with the Law on Registration, and to comply in all with the provisions of the Law on the Agency in the future.
- ◆ The Board rejected the appeal of a member - deputy chairman of the board of directors of the institute for the protection of cultural monuments, who was found to act contrary to Art. 28 para. 4 of the Law on the Agency by the first instance decision, by holding the second public office of a member of the board of directors of the Museum of Contemporary Art without the consent of the Agency, and that his public office of the member of the Board of Directors of the Museum of Contemporary Art ceased to have effect by force of law, the resolution on which will be made by the competent authority, within eight days from the date of receipt of the decision.
- ◆ The Board rejected the appeal of the judge of the Basic Court, who was found to act contrary to Art. 27 para. 2 of the Law on Sports by the first instance decision, by holding the duty of a member of the executive board of the district football federation, as well as to act contrary to Art. 27 para. 2 of the Law on the Agency in conjunction with Art. 30 para. 1 of the Law on Judges, by holding the duty of zone league matches referee, obliging him to terminate the simultaneous holding the public office of the judge of the basic court and performing his duties of a member of the executive board of the district football federation and a zone league matches referee within 15 days from the date of receipt of the decision, and to provide evidence thereof to the Agency.
- ◆ The Board rejected the appeal of the Chairman of the Board of Directors of the Gerontology Center, who was rejected by the first instance decision a request for granting

consent for holding the second public office of a councilor of the municipal assembly, as the request was not submitted within the deadline. The Board assessed that in this particular case there was no basis for allowing restitutium in integrum, and especially bearing in mind that the provision of Art. 83 para. 2 of the Law on General Administrative Procedure stipulates that after the expiration of three months from the failure to act no restitutium in integrum can be requested, unless the failure to act is caused by a force majeure. The obligation to submit a request is of imperative nature and is prescribed precisely in order to for the Agency, acting on the request, to assesses whether the holding of another public office is in conflict with the public office the official already holds, or whether there is a conflict of interest, which is not done if the official fails to seek consent. At the same time, holding several public offices without the previously obtained Agency's consent, regardless of the fact whether there is a conflict of interest in the specific case, in itself constitutes a violation of the law that results in the termination

of the office subsequently taken over by force of law, as prescribed by the provision of Art. 28 para. 7 of the same law, and there is no legal basis for deciding upon the request for giving consent on a meritorious basis.

Characteristic examples from practice before the Administrative Court

- ♦ The Administrative Court rejected the claim filed for annulment of the decision of the Board rejecting the appeal filed against the decision of the Director of the Agency, which imposed on the official a measure of the public announcement of the recommendation for dismissal from the public office of a preschool institution director, for making decisions on selecting two candidates who are the sons of the members of the board of the preschool institution when deciding upon two competitions for employment in the preschool institution participated by more candidates who met the conditions of the competition, and for participating in a litigation as a plaintiff against the defendant preschool institution in which a verdict was passed for failure for the benefit of the plaintiff, obliging the defendant preschool institution to pay him the amount as a jubilee award, and the verdict was passed because the defendant preschool institution did not declare on the claim within the deadline, with the official - preschool institution director – authorizing nobody in the institution to represent the defendant preschool institution.
- ♦ The Administrative Court rejected the claim against the decision of the Board rejecting the appeal filed against the decision of the Director of the Agency, which imposed on the official a measure on the public announcement of recommendation for dismissal from the public office of the municipality president as the official, as a candidate for the municipality president, at the Municipal Assembly session proposed his son as a

candidate for a municipal council member, who was subsequently elected by the Municipal Assembly a permanent member of the municipal council.

- ◆ The Administrative Court rejected the claim against the decision of the Board rejecting the appeal filed against the decision of the Director of the Agency by which the former official was imposed the measure of public announcement of the decision about violation of the Law on the Agency, for during the holding of the public office of the president of the municipal assembly, at the session of the assembly the official participated in the work and making of a decision appointing his father a member of council for the budget and finances of this Municipal Assembly which duty entailed the right to compensation.
- ◆ The Administrative Court rejected the claim against the decision of the Board rejecting the appeal filed against the decision of the Director of the Agency rejecting the request of an MP to hold the second public office of a member of the Board of Directors of the National Health Insurance Fund. Simultaneous holding of the above offices is contrary to the Law on the Agency, which stipulates that an official is obliged to abide by the regulations governing his rights and obligations, and according to the Law on Health Insurance, a member of the Board of Directors of the National Health Insurance Fund cannot be a person is elected, nominated or appointed to an office in a government body.
- ◆ The Administrative Court rejected the claim against the decision of the Board rejecting the appeal filed against the decision of the Director of the Agency, by which the official was imposed a measure of public announcement of the recommendation for dismissal from the public office of the president of the city municipality, as the official, in the capacity of the president of the city municipality, made decisions on the selection of projects of the foundation managed by his mother, which projects were financed from the budget of the city municipality, and for making decisions based on which this foundation was paid one-time assistance from the budget of the city municipality.

A characteristic example from the practice of the Department for Oversight of Officials Assets/Incomes and Complaints

The Agency initiated ex officio a proceeding against MPs in the Assembly of the Autonomous Province of Vojvodina, for failing to submit reports on assets and incomes within 30 days from the election to public office. Notice of initiation of proceeding was delivered to the official, but he did not declare on it nor submitted a report. Afterward, the Agency imposed a measure of caution to the official, with an order to submit a report to the Agency within eight days from the date of receipt of the decision. Since the official did not submit a report after imposing the measure of caution, the Agency imposed the measure of public announcement of the decision on violation of the Law on the Agency. Also, the Agency filed to the Basic Public Prosecutor's Office a criminal complaint against the official, based on the suspicion that he committed the criminal offense referred to in Article 72 of the Law on the Agency. The Basic Court found the official guilty by the first-instance verdict and imposed a 6-month jail term

which would not be executed if the accused did not commit a new criminal offense within 2 years.

A characteristic example from the practice of the Department for Oversight of Officials Assets/Incomes and Complaints

The Agency ex officio initiated the proceeding for verifying data from the reports on assets and incomes of officials, on the basis of information from the media, which stated that a public official was arrested for accepting a bribe. In accordance with its authorizations, the Agency carried out checks with the competent state authorities and by analyzing the obtained data, found disagreement between the data submitted in the report and the actual situation. Namely, the official did not register his and his wife's bank accounts, cash in the amount of EUR 11,000 and ownership over a 106 m² single family house. Upon request of the Agency to declare on the above-mentioned disagreements, the official stated that the Agency's allegations were true and that he would subsequently provide information on the origin of the money and the abovementioned assets. As the official failed to provide the requested information, the Agency filed a criminal complaint against him because of the existence of grounds for suspicion that he had committed the criminal offense of non-reporting assets or providing false information on assets referred to in Article 72 of the Law on the Agency. On the basis of the submitted criminal complaint, the competent prosecutor's office filed an indictment proposal, after which the Basic Court rendered a verdict finding the defendant guilty of committing the said criminal offense, in conjunction with Article 61 of the Criminal Code, and sentenced a 6-month jail term. The verdict became final.

A characteristic example from the practice of the Department for Oversight of Officials Assets/Incomes and Complaints

The Anti-Corruption Agency acts upon the complaints submitted by the whistleblowers, so the proceeding by the indictment filed against the responsible persons because of criminal offense of abuse of office is underway before the Higher Court. The whistleblower's complaint pointed to the existence of suspicion of corruption and abuse of the official position of the responsible persons of a special hospital, NN person from the Capital Investments Office of AP Vojvodina and the Provincial Secretariat for Health, when allocating funds for the construction of a special hospital facility and execution of the contracted construction works, during 2013. During the investigation procedure that lasted two years, a large number of suspects and more than 40 witnesses were heard, and a combined construction and economic-financial forensic evaluation was performed.

A characteristic example from the practice of the Department for Oversight of Officials Assets/Incomes and Complaints

In proceedings initiated ex officio against the official, the president of a municipality, it was established that he brought himself into situations of conflict of interest by participating in the adoption and signing of the decision of the Municipal Council of the same municipality while holding the public office, on the basis of which a direct public property settlement alienated an apartment which he rented, and by purchasing this apartment from the municipality based on the decision of the municipal council of the municipality and the alienation agreement for the leased apartment from public property of the municipality, without notifying the Anti-Corruption Agency of the conflict of interest he had in the above situations, for which he was imposed a measure of public announcement of the recommendation for dismissal from public office. The official filed an appeal against the decision, which was rejected as unfounded by a decision of the Board of the Agency was, making the Agency's decision final.

A characteristic example from the practice of the Department for Oversight of Financing Political Activities

It was noticed that a group of citizens showed in the report on political campaign costs contributions of legal entities the amount of which exceeded the maximum prescribed amount on an annual basis. During the control procedure, the Agency found a violation of the provision of Article 40, paragraph 1, item 1) of the Law on Financing Political Activities, and filed four requests for initiation of misdemeanor proceedings against legal entities and responsible persons in the legal entity that gave contributions to a political entity before the Misdemeanor Court in Belgrade.

II TABLES

Structure of the decisions for which an administrative dispute was conducted: the percentage of successfulness of the validated decisions of the Board of the Agency amounts to 91.66%.

No.	The first instance decision confirmed by the board in the second instance proceedings	Decision of Administrative Court
	Violation of the law	Imposed measure
1.	Decision rejecting a request for giving consent for holding the second public office	- Verdict rejecting the claim
2.	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting	Measure of public announcement of Verdict rejecting the

	conflict of interest to the Agency)	recommendation for dismissal from public office	claim
3	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for dismissal from public office	Verdict rejecting the claim
4	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of the decision on violation of the Law on the Agency	Verdict rejecting the claim
5	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for dismissal from public office	Verdict rejecting the claim
6	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of the decision on violation of the Law on the Agency	Verdict rejecting the claim
7	Decision rejecting a request for giving consent for	-	Verdict

	holding the second public office		rejecting the claim
8	Decision rejecting a request for giving consent for holding the second public office	-	Verdict rejecting the claim
9	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for dismissal from public office	Verdict rejecting the claim
10	Decision establishing actions contrary to Art. 28 para. 4 of the Law on the Agency (Failure to submit a requests for holding the second public office and simultaneous holding of several public offices)	Termination of the public office of a primary school director by force of law and measure of caution to the official to abide by the law in the future	Verdict rejecting the claim
11	Conclusion rejecting the request for giving consent for holding public office as untimely	-	Verdict rejecting the claim
12	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for	Verdict rejecting the claim

		dismissal from public office	
13	Conclusion rejecting the request for giving consent for holding public office as untimely and conclusion rejecting the proposal for restitutio in integrum	-	Verdict rejecting the claim
14	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)		Verdict rejecting the claim
15	Decision establishing the violation of Art. 27 and 32 para. 1. of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for dismissal from public office	Verdict rejecting the claim
16	Conclusion rejecting the request for giving consent for holding public office as untimely	-	Verdict rejecting the claim
17	Decision establishing the violation of Art. 31 para. 1 of the Law on the Agency (non-submission of the notice of performance another engagement or activity within 15 days of entering a public office); that simultaneous holding of the duties of the Chairman of the Supervisory Board of the PUC and the Head of the Department in city administration threatens the holding of public office and that holding another public office of a member of a joint-stock company SB constitutes an action contrary to Art. 28 para. 4 of the same law (non-submission of request for holding the second public office)	Measure of caution to terminate the performance of the Head of the Department in city administration, termination of the second public office of joint-stock company SB	Verdict rejecting the claim

		member by force of law	
18	The decision establishing the violation of Art. 27 and 32 para. 1 of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for dismissal from public office	Verdict rejecting the claim
19	Conclusion rejecting the request for giving consent for holding the second public office as untimely	-	Verdict rejecting the claim
20	Decision establishing the violation of Art. 27 and 32 para. 1 of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for dismissal from public office	Verdict accepting the claim (the Board rejected the appeal in the repeated proceeding) ⁴⁷
21	Decision rejecting the request for giving consent for holding the second public office	-	Verdict accepting the claim (the Board rejected the appeal in the repeated proceeding) ⁴⁸
22	Decision establishing the violation of Art. 28 para. 4 of the Law on the Agency (non-submission of the request for giving consent for holding the second public office);	Termination of the second public office by force of law	Verdict determining termination of the proceeding

⁴⁷ According to the reasoning of the verdict, the reasoning of the disputed decision does not contain the reasons for the proper assessment of the defendant that DLJ is a person associated with the plaintiff, that is, on the basis of which circumstances it was established that the plaintiff is a person associated with DLJ. The Board rejected the appeal in the repeated proceedings and provided the grounds that within the meaning of Article 2 of the Law on the Agency, an associated person is, among others, any other individual that can reasonably be considered related with the official based on other grounds and circumstances, the fact that DLJ is the blood relative of the the official in the collateral line of third degree of kinship.

⁴⁸ According to the reasoning of the verdict, the reasoning of the disputed decision does not contain reasons that would indicate the finding as given in the wording of the decision, i.e. the respondent authority failed to provide reasons for the assessment that the first instance authority correctly applied the provision of Art. 27 para. 2 of the Law on the Agency. In re-decision, the Board allowed for all the allegations from the reasoning of the verdict, so it found that the appeal was not grounded and gave in the reasoning the reasons based on which it assessed that the first instance authority correctly established that the simultaneous holding of the public function of the acting director of the public agency and the member of the supervisory board of the public company was incompatible and contrary to the obligation of the official to build and maintain citizens' trust in the conscientious and responsible exercise of a public office, as prescribed by the provision of Art. 27. para. 2 of the Law on the Agency.

			as the plaintiff passed away after filing the claim
23	Decision establishing the violation of Art. 30, para. 1 of the Law on the Agency (simultaneous holding of a public office on a permanent basis and performance of another engagement or activity)	Imposed measure of caution obligating the official to entrust management in his entrepreneurial store and to abide by the law in the future	Decision terminating the proceeding due to plaintiff giving up the claim
24	Decision establishing the violation of Art. 27 and 32 para. 1 of the Law on the Agency (nepotism and non-reporting conflict of interest to the Agency)	Measure of public announcement of recommendation for dismissal from public office	Decision terminating the proceeding due to plaintiff giving up the claim

Department of Oversight of Financing Political Activities - political parties or groups of citizens, that were obliged to submit I2 Report for elections held in 2018 (the number and % relative to the total number of political entities that were obliged to submit the I2 Report for the given elections).

Type of political entity	Arandelovac		Belgrade		Bor		Majdanpek		Preševo		Sevojno		S. Palanka		Total	
Political parties	4	66.67%	15	62.50%	5	62.50%	6	85.71%	7	87.50%	3	75.00%	7	100.00%	47	73.44%
Groups of citizens	2	33.33%	9	37.50%	3	37.50%	1	14.29%	1	12.50%	1	25.00%	0	0.00%	17	26.56%
Total	6	100%	24	100%	8	100%	7	100%	8	100%	4	100%	7	100%	64	100%

Political parties, or groups of citizens, that submitted the I2 Report for the elections held in 2018 (the number and % relative to the given type of political entity which was obliged to submit the I2 report for the given elections).

Type of political entity	Arandelovac		Belgrade		Bor		Majdanpek		Preševo		Sevojno		S. Palanka		Total	
Political parties	4	100.00%	12	79.90%	3	60.00%	6	100.00%	5	71.43%	3	100.00%	5	71.43%	38	80.85%
Groups of citizens	1	50.00%	6	66.67%	1	33.33%	0	0.00%	0	0.00%	1	100.00%	0	0.00%	9	52.94%
Total	5	83.33%	18	74.99%	4	50.00%	6	85.71%	5	62.50%	4	100.00%	5	71.43%	47	73.44%

Political parties, or groups of citizens, that were obliged to submit AFS for 2014, 2015, 2016 and 2017 (the number and % relative to the total number of political entities that were obliged to submit AFS for the given year).

Type of political entity	2014		2015		2016		2017	
Political parties	96	45.93%	102	48.57%	109	46.98%	113	46.89%
Groups of citizens	113	54.07%	108	51.43%	123	53.02%	128	53.11%
Total	209	100.00%	210	100.00%	232	100.00%	241	100.00%

Political parties, or groups of citizens, that submitted the AFS for 2014, 2015, 2016 and 2017 (the number and % relative to the given type of political entity that was obliged to submit the AFS for the given year).

Type of political entity	2014		2015		2016		2017	
Political parties	62	64.58%	67	65.69%	69	63.30%	71	62.83%
Groups of citizens	29	25.66%	30	27.7%	66	53.66%	41	32.03%
Total	91	43.54%	97	46.19%	135	58.19%	112	46.47%

Requests for initiating misdemeanor proceedings due to the violation of the provisions of the Law on financing political activities submitted in 2018

Requests for initiating misdemeanor proceedings were filed due to	Number of filed requests	Percentage
Failure to submit AFS for 2016	36	39.99%
Failure to submit AFS for 2017	21	23.33%
Failure to submit opinions of an authorized auditor with the AFS for 2016	17	18.89%
Failure to submit reports on election campaign costs in 2018	4	4.44%
Exceeded maximum contributions in 2018	4	4.44%
Use of funds for non-intended purposes in 2016 and 2017	3	3.33%
Submitting reports on election campaign costs in 2016 which do not contain all data	2	2.22%
Failure to publish contributions on the political entity website in 2016	1	1.12%
Submitting reports on election campaign costs in 2018 which do not contain all data	1	1.12%
Failure to submit data at the request of the Agency	1	1.12%
Total	90	100.00%

Political entities in decisions on the loss of the right to receive funds from public sources intended to finance regular work in 2018

Type of political entity	2018	
Political parties	32	96.97%
Groups of citizens	1	3.03%

Total	33	100.00%
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Department of General Affairs - a comparative overview of employed and engaged persons in the Agency in 2017 and 2018

Employed and engaged persons in the Agency as at December 31, 2017

Permanent contracts	Fixed-term contracts	Persons engaged on non-employment basis
87	1	8

Employed and engaged persons in the Agency as at December 31, 2018

Permanent contracts	Fixed-term contracts	Persons engaged on non-employment basis
80	1	8

The Agency's budget program structure and budget execution for 2018

The Agency's budget program structure for 2018

No.	Program Activity	Project	Budget	Source of financing
1	Prevention of corruption and control for prevention of corruption		207,126,000.00	01- revenues from the budget
2		Training in the field of fight against corruption	3,461,000.00	01- revenues from the budget
3		Public awareness raising	3,731,000.00	01- revenues from the budget
4		Gathering information from alternative sources about the situation in the fields envisaged by the strategic framework for combating corruption	1,461,000.00	01- revenues from the budget
5		Control of integrity plans implementation	1,381,000.00	01- revenues from the budget
6		Grants to civil society organizations	8,580,000.00	01- revenues from the budget
7		Monitoring of regular elections for councilors of the Belgrade	12,300,000.00	01- revenues from the budget

		City Assembly		
8		IPA 2013 - Prevention and fight against corruption	118,727,000.00	56 - EU financial support
			7,499,000.00	01- revenues from the budget
		Total:	364,266,000.00	

2018 budget execution according to the program budget

Program Activity: 0007 Prevention of corruption and control for prevention of corruption

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
411	Salaries for employees	113,400,000.00	107,572,549.15	5,827,450.85
412	Social contributions on earnings	20,255,000.00	19,257,504.71	967,495.29
413	In-kind compensation	620,000.00	494,000.00	126,000.00
414	Social contributions to employees	3,590,000.00	817,998.12	2,772,001.88
415	Transport compensation	4,040,000.00	2,526,745.30	1,513,254.70
416	Benefits to employees and others special expenses	350,000.00	194,486.13	155,513.87
421	Fixed costs	6,304,000.00	4,587,178.64	1,716,821.36
422	Travel expenses in the country and abroad	2,900,000.00	2,319,745.33	580,254.67
423	Contracted services - total	30,675,000.00	28,720,542.82	1,954,457.18
425	Regular repairs and maintenance	6,417,000.00	2,538,758.75	3,878,241.25
426	Material	1,880,000.00	1,861,299.77	18,700.23
482	Taxes, mandatory fees, fines and penalties	140,000.00	23,393.00	116,607.00
483	Fines and penalties by court decisions	125,000.00	34,500.00	90,500.00
485	Compensation for violation or damage incurred by government authorities	40,000.00	0	40,000.00
512	Machines and equipment	2,420,000.00	2,393,674.00	26,326.00
515	Intangible assets	14,000,000.00	0	14,000,000.00

Total:	207,126,000.00	173,342,375.72	33,783,624.28
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Project 1: 4002 - Training in the field of fight against corruption

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
421	Fixed costs	94,000.00	0	94,000.00
422	Travel expenses in the country and abroad	1,007,000.00	43,710.00	963,290.00
423	Contracted services	2,360,000.00	368,921.30	1,991,078.70
Total:		3,461,000.00	412,631.30	3,048,368.70

Project 2: 4004 - Raising public awareness

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
423	Contracted services	3,731,000.00	2,538,316.46	1,192,683.54
Total:		3,731,000.00	2,538,316.46	1,192,683.54

Project 3: 4005 - Gathering information from alternative sources about the situation in the fields envisaged by the strategic framework for combating corruption

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
421	Fixed costs	40,000.00	0	40,000.00
422	Travel expenses in the country and abroad	285,000.00	0	285,000.00
423	Contracted services	1,136,000.00	0	1,136,000.00
Total:		1,461,000.00	0	1,461,000.00

Project 4: 4006 - Control of the integrity plans implementation

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
421	Fixed costs	30,000.00	0	0
422	Travel expenses in	656,000.00	81,147.00	574,853.00

	the country and abroad			
423	Contracted services	695,000.00	0	0
Total:		1,381,000.00	81,147.00	1,299,853.00

Project 5: 4007- Grants to civil society organizations

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
421	Fixed costs	10,000.00	0	10,000.00
422	Travel expenses in the country and abroad	21,000.00	450.00	20,550.00
423	Contracted services	35,000.00	30,762.00	4,238.00
481	Donations to non-governmental organizations	8,514,000.00	8,355,880.00	158,120.00
Total:		8,580,000.00	8,387,092.00	192,908.00

Project 6: 4008 - Monitoring of regular elections for councilors of the Belgrade City Assembly

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
423	Contracted services	12,300,000.00	3,800,878.48	8,499,121.52
Total:		12,300,000.00	3,800,878.48	8,499,121.52

Project 7: 7004 - IPA 2013 Prevention and Fight against Corruption

Economic classification	Budget position	Planned (in RSD)	Expenditure (in RSD)	Unexecuted (in RSD)
423	Contracted services – source 01	6,249,000	4,412,879.79	1,836,120.21
	Contracted services – source 56	118,727,000	83,188,000.58	35,538,999.42
485	Compensation for violation or damage incurred by government authorities	1,250,000.00	0	1,250,000.00
Total:		126,226,000.00	87,600,880.37	38,625,119.63

Public procurements

No.	Type of goods/services	Type of procurement	Amount excl. VAT	Legal entity with which the contract is concluded
1	Mediation services for providing transport, hotel services and space rent	Small-value PP	4,474,000.00	MIROSS d.o.o. Beograd
2	Professional support to the IT system functioning	Open procedure	5,500,000.00	VLATACOM INSTITUT d.o.o. Beograd
3	Software maintenance and improvement services	Small-value PP	1,120,000.00	PROZONE d.o.o. Novi Sad
4	Other media services – Campaign for raising public awareness and familiarization with local anti-corruption plans	Small-value PP	1,990,000.00	BALKAN MEDIA TIM d.o.o. Beograd
5	Situation analysis service and proposal for the development of the IT system	Small-value PP	990,000.00	DRAGAN JEREMIC CONSULTING d.o.o. Beograd
6	Procurement of official vehicle	Small-value PP	1,447,000.00	HYUNDAI SERBIA d.o.o. Beograd

Professional training of employees

Employee participation in trainingsessions realized by the National Academy of Public Administration

No.	Name of training	No. of held training sessions	No. of employees
1	Intercultural communication	1	1

	(Training in German)		
2	Training for working on CROSO portal	1	2
3	Written communication in the administration	2	2
4	Analysis of the effects of regulations – a path to quality regulations	1	2
5	Anti-stress workshop	1	1
6	Whistleblower protection - basic training	1	1
7	Public procurement - planning and implementation	1	1
8	Code of Good Governance	1	2
9	Preparation of program budget	1	1
10	Public appearance	1	1
11	Discrimination before public authorities	1	3
12	Personal data protection	1	1
13	Successful oral and written expression and negotiation (in English)	1	2
14	Financial management: payment to contractors	1	1
15	Electronic administration for citizens	2	5
16	Protection of classified information	1	2
17	Program budget monitoring and performance reporting	1	1
18	Communication skills in the business environment	1	1
19	Application of grammatical, stylistic and spelling rules in drafting regulations	1	2
20	Intercultural communication	1	1
21	Irregularities in the IPA context	1	2
22	Planning, development and implementation of regulations	1	2
23	Strategic planning	1	1
24	Legislative process management	1	1
25	Team management	1	1
26	Programming process and drafting of action documents within IPA	1	1
27	Competencies and development of civil servants	1	2
28	Evaluation for employees	1	1
29	Representation and negotiation in the EU context - in German	1	1

Training of employees in accordance with the Program of professional training and additional education for 2018

No.	Name of training	Organizer	Number of employees
1	Training in collection and analysis of relevant data and information within financial investigations	Agency in cooperation with Twining partners from Italy	27
2	Training in the implementation of the Communication Strategy	Agency in cooperation with Twining partners from Italy	24
3	Handling of complaints	Agency in cooperation with Twining partners from Italy	24
4	Training in financing political activities	Agency in cooperation with Twining partners from Italy	12
5	Matra Rule of Low Integrity of Civil Servants	The Hague Academy for Local Governance University of Leiden and the Netherlands Helsinki Committee	1
6	Matra Rule of Law training-Public Finance Management	The Hague Academy for Local Governance University of Leiden and the Netherlands Helsinki Committee	1
7	Matra Rule of Law training-Public Procurement	The Hague Academy for Local Governance University of Leiden and the Netherlands Helsinki Committee	1
8	Data processing and analysis	IPA 2013 - prevention and fight against corruption	10