



Republic of Serbia
ANTI-CORRUPTION AGENCY

**ANNUAL REPORT
OF THE ANTI-CORRUPTION AGENCY
FOR 2013**

Belgrade, March 31, 2014

The Annual Report for 2013 is submitted by the ACA to the National Assembly in accordance with Article 26 of the Law on the ACA. The Report also includes the Report on the Implementation of the National Anti-Corruption Strategy in the Republic of Serbia for the 2013-2018 period and the Action Plan for its implementation.

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ABOUT THE REPORT

The Annual Report of the Anti-Corruption Agency for 2013 is the fourth report submitted by the ACA to the National Assembly. As was the case with the previous report, the contents of the Report are organized according to the logical structure of the competences entrusted by the Law on the ACA to this autonomous independent state authority.

The Introduction covers the status and role of the ACA, its organizational structure, and the description of its competences. Subsequent parts of the Report include a more comprehensive description of the ACA's work, as well as the results it attained in carrying out its competences prescribed by the law. The Report also contains a financial overview of budget and donation funds the ACA used in order to carry out its planned activities. Furthermore, the present document includes the Report on the Implementation of the National Anti-Corruption Strategy in the Republic of Serbia for the 2013-2018 period and the Action Plan for its Implementation, which the ACA is required to submit to the National Assembly.

This reporting period is different from the previous ones, primarily because the fight against corruption has been set as the state's strategic priority. The new National Anti-Corruption Strategy and the Action Plan for its Implementation introduce new obligations for the ACA as the responsible party, and define measures which are going to bring innovations into the work of the

ACA. This is primarily related to the Law on the Anti-Corruption Agency and the Law on Financing Political Activities.

It should be mentioned that in mid-march 2013, the ACA, based on its prior experience in the implementation of the Law on the Anti-Corruption Agency, submitted to the Ministry of Justice and Public Administration and to the National Assembly a justified Initiative for Amendments to the Law, the objective of which is to clearly prescribe stricter rules on public officials' accountability, to make the ACA's work more efficient and to strengthen its independency.

An adequate legal framework in the area of financing political activities and its implementation are of crucial importance for Serbia's progress towards EU accession. In 2013, the ACA drafted and presented to the public the First Report on the Oversight of Political Entities - 2012 Election Campaign Expenses. This was the first time since the establishment of the multi-party system in Serbia that an independent state authority submitted to the public a report on the financing of political entities' election campaign costs.

In the previous year, the ACA paid particular attention to activities focusing on the management of public resources, i.e. activities related to identifying conflict of interest and the oversight of public officials' assets and income.

The ACA's significance and role in the fight against corruption are receiving more recognition by the public, especially citizens. This is evidenced, among other things, by the significant increase in the number of complaints filed by citizens. There is no doubt that the work and results of the ACA helped to bring this about, as did the significant improvement in cooperation with all the competent state authorities, and especially with other independent state authorities, prosecutors' offices, as well as civil society organizations engaged in fighting corruption. Moreover, within its legal competences, in 2013 the ACA started organizing meetings aimed at coordinating the work of state authorities in the anti-corruption area. In order to eliminate the deficiencies in the legal and institutional framework and in the practice of public authorities, and to enable quality and efficient oversight of the work of executive authorities, cooperation between the National Assembly and the ACA and other independent state authorities needs more strengthening.

The National Assembly should ensure that the recommendations given in the reports on the ACA's work are complied with through the performance of its legislative and overseeing functions.

In the forthcoming period as well, the ACA will persist in carrying out its activities and the competences entrusted to it by the law, and continue to insist on improving legal arrangements, with the purpose of introducing more effective mechanisms and sanctions that will have a preventive character, in order to attain even better results in our work.

Tatjana Babić
Director of the ACA

Branko Lubarda, PhD
Chairman of the ACA Board

ABOUT THE ANTI-CORRUPTION AGENCY

Status and Role

The ACA is an independent, autonomous state authority accountable to the National Assembly.

By eliminating the causes of corruption, the ACA is creating the conditions for building the integrity of public authorities and public officials, with the aim of strengthening citizens' trust in institutions and their representatives.

Competences

The purpose of the competences entrusted to the ACA by the Law on the Anti-Corruption Agency (*Official gazette of RS*, no. 97/08, 53/10, 66/11-US and 67/13-US; hereinafter: the Law on the ACA), indicates that they are focused on attaining the following general goals:

1. Realizing public interest and combating corruption, for the purpose of which the ACA has the duty to:

decide on incompatibility of public offices and conflict of interest;

oversee public officials' assets and keep a register of public officials, assets and gifts;

oversee the financing of political entities.

2. Providing support to citizens who report corruption individually and/or in groups, independently of their status, for the purpose of which the ACA has the duty to act on complaints and reports filed by legal entities and natural persons;

3. Education of public sector representatives and other target groups, including the general public, on important anti-corruption issues;

4. Providing mechanisms for establishing and improving integrity within the institutional and regulatory framework, for the purpose of which the ACA has the duty to:

oversee the implementation of the strategic anti-corruption framework and issue opinions on its application;

coordinate the process of introducing integrity plans to the public sector, and oversee their implementation;

oversee and report on the process of implementing the national anti-corruption strategy;

analyze risks of corruption in regulations and launch initiatives for amendments and passing new regulations in order to prevent risks of corruption;

conduct research and analyses in order to provide empirical know-how for the formulation of anti-corruption public policies.

5. Presenting the work of the ACA to the public and international cooperation, for the purpose of which the ACA has the duty to:

cooperate with the representatives of the international community and international authorities;

cooperate and coordinate its work with other state authorities and regulatory authorities;

cooperate with civil society organizations;

conduct anti-corruption campaigns;
enable work transparency.

Organizational structure



MOST IMPORTANT RESULTS IN 2013

Realizing Public Interest and Combating Corruption

When it comes to incompatibility of public offices and conflict of interest, the ACA resolved a total of 958 cases, of the 1,402 received, while in 2012, of the 872 newly received cases, 758 were resolved.

It is of particular significance that during 2013 the number of proceedings initiated *ex officio* was four times the number in the previous year: in 2012, 77 proceedings were initiated *ex officio*, compared to 313 in 2013.

The total number of notifications processed and published in the Register of Public Officials is 34,710, whereas in 2012, the number was 23,451.

In 2013, a total of 5,953 assets and income declarations were submitted, and 7,881 were processed and published on the ACA website; this was the first time since the establishment of the ACA that more declarations were processed than submitted.

In total, 142 motions for instituting misdemeanor proceedings were filed due to failure to submit public officials' assets and income declarations, which constitutes considerable progress compared to 2012, when there were none.

Citizen Disclosures of Corruption

Of the 1,649 complaints received by legal entities and natural persons, the ACA resolved 959 cases, compared to 313 cases resolved in 2012.

Education

In 2013, the ACA organized and conducted 23 seminars lasting for 37 days (204 working hours). A total of 417 participants attended the seminars.

The first conference with civil society organizations, entitled "Participation of Civil Society Organizations in the Fight Against Corruption", was held in cooperation with the Office for Cooperation with Civil Society of the Government of the Republic of Serbia.

Providing mechanisms for the establishment and improvement of integrity in the institutional and regulatory framework

After the expiration of the deadline for drafting integrity plans, the ACA proceeded to carry out its overseeing activities in this area, which included compiling a list of institutions that drafted or failed to draft their integrity plans, and publishing the records on the ACA webpage. Almost half of the institutions drafted their integrity plans, i.e. conducted a self-assessment of exposure to risks of emergence and development of corruption, and defined the measures to be implemented in the period of the next two years. Considering the fact that this is the first year of introducing integrity plans to the Serbian public sector, and that the Law on the ACA does not prescribe any sanctions for institutions that fail to draft integrity plans, this is a good sign that the institutions are willing to improve their work.

Recommendations of the ACA to the National Assembly regarding the improvement of the normative framework aimed at combating corruption more efficiently:

To amend or pass a new Law on the ACA, enabling the ACA to work more efficiently, strengthening its autonomy and defining clearer and stricter rules on the responsibility of public officials, primarily:

To prescribe that a public office assumed by a public official contrary to the provisions of the Law on the ACA shall be terminated by force of

law, unless the competent authority or its permanent working body hands down the required decision within eight days as of the receipt of the ACA's decision;

- To extend the statute of limitations for misdemeanors defined by the Law on the ACA in accordance with the intention of the UN Convention against Corruption;
- To exclude the possibility of holding more than one public office, by allowing exceptions only in cases prescribed by the Law, and not by any other regulation;
- To extend the obligation to declare assets and income to all public officials' consanguineal relatives in direct line;
- To authorize the ACA direct and unrestricted access to the records and documentation of state authorities and organizations;
- To extend the obligation of submitting documents and information at the request of the ACA to banks, financial organizations and commercial associations;
- To authorize the ACA to organize public hearings, to which representatives of competent authorities, organizations, political entities and other legal entities will be invited, as well as experts and representatives of the public sector, with the purpose of discussing issues dealing with conflict of interest, unlawful influence on public officials and the financing of political activities;
- To prescribe a ban for authorities competent of nominating candidates for public offices when it comes to proposing candidates to whom the ACA has pronounced a measure prescribed by the law;
- To prescribe an obligation for public officials owning more than 3% of shares or stakes in a legal entity to report not only their shares in the legal entity, but also the legal entity's shares or stakes in other legal entities;
- To exclude the President of the Republic and the Government from the list of authorized proposers of members to the ACA Board, with the purpose of reducing the risk of influence from executive powers and political parties; to include the Republic Commission for the Protection of Rights in Public Procurement Procedures as a new proposer; to make the Ombudsman and the Commissioner for Information of Public Importance separate proposers;
- To regulate more precisely when and how the ACA is to act upon complaints disclosing corrupt acts of public authorities;

To authorize the ACA to act upon anonymous complaints disclosing corrupt acts;

To set a requirement for all public officials and public sector employees to attend trainings on ethics and integrity;

To prescribe misdemeanor liability for heads of institutions that fail to adopt integrity plans.

In the forthcoming period, the ACA shall submit to the Ministry of Justice and Public Administration (as an authorized proposer) and to the National Assembly a renewed initiative with recommendations resulting from the ACA's practice during the previous year, aligned with the new National Anti-Corruption Strategy and the accompanying Action Plan.

Aside from the abovementioned issues, the application of the Law on the Financing of Political Activities has shown the need for improving the normative framework, specifically:

To harmonize the Law on the Financing of Political Activities with the Law on Payment Transactions, in the part dealing with opening an account for regular activities and election campaigns for citizen groups;

To define a new criminal offense of failure to report or false reporting of election campaign expenses, the perpetrator of which is the responsible party of a political entity that fails to report to the ACA, or falsely reports on the background, amount, and structure of the funds collected and spent in an election campaign;

To prescribe appropriate sanctions for all acts already prohibited by the law, for which neither misdemeanor nor criminal liability has been established.

To impose a ban on carrying out humanitarian and similar activities for political entities.

**OVERSIGHT AND PARTICIPATION IN
SETTING STRATEGIC GOALS FOR THE ACA**

LEGISLATIVE FRAMEWORK

The ACA Board selects and dismisses the Director of the ACA, decides on appeals to the Director's decisions imposing measures in accordance with the Law on the ACA, adopts the annual report on the ACA's work submitted to the National Assembly, oversees the work and property status of the Director, proposes budget funds needed for the ACA's work, passes its rules of procedure, and conducts other activities defined by the Law on the ACA.

Significance

In order to enable two instance decisions, the ACA Board decides upon appeals against the Director's decisions, and issues decisions regarding other legal remedies of public officials', forms legal opinions, and issues decisions on legal issues. Between sessions, members of the Board analyze cases on which they report, and write draft decisions with advisers. When it comes to complex legal issues, the Board analyzes regulations dealing with the legal issue in question, in order to form legal opinions.

In addition, the Board carries out its oversight functions by deliberating on bi-weekly reports, prepared and submitted to the Board by the Director, as well as by verbally reporting on the ACA's work to the Director at each session of the Board. Members of the Board take part in creating ACA policies, collaborate with the Director and take an active part in realizing all the activities necessary for exercising the ACA's competences. Members of the Board also participate in expert gatherings, ACA-organized working groups, or upon invitation by other domestic or foreign institutions.

Key results

ACA Annual Report for 2012 adopted;

ACA Financial Report for 2012 adopted;

ACA budget funds proposal adopted;

Rules on International Cooperation of the ACA adopted;

A total of 168 decisions issued upon appeals and other legal remedies.¹

¹ For more details on the content of first instance decisions upon which the Board has been deciding, see pages 27-29 of the Report.

Chairman and Members of the ACA Board

The Law prescribes that the Board shall have nine members selected by the National Assembly at the proposal of authorized proposers. Board members' term shall be four years. The following members have been selected to the Board for the new term: Branko Lubarda, PhD, Professor at the Faculty of Law of the University of Belgrade, who was selected Chairman of the Board at the first session of the newly selected Board members held on April 17, 2013; Zoran Stojiljković, PhD, Associate Professor at the Faculty of Political Sciences of the University of Belgrade; Evica Petrović, PhD, Vice Provost at the University of Niš; Nikola Stanojević, retired judge of the Supreme Court of Serbia; Božo Drašković, PhD, Researcher at the Institute of Economic Sciences in Belgrade; and Zoran Vujičić, attorney. Dragana Kolarić, PhD, Associate Professor at the Academy of Criminalistic and Police Studies in Belgrade, was appointed to office on July 25, 2013. Zlata Đorđević, journalist, was appointed member of the ACA Board on March 31, 2011, and continues to hold this office, along with being the Deputy Chairman of the Board.

The first session of the Board with newly selected members (the eighth session in 2013) was held on April 17, 2013. The Board is currently operating in a composition consisting of eight members, due to the fact that the associations of journalists in the Republic of Serbia have not put forward a proposal for a member of the Board through joint agreement.

Competitions for the Selection of Director and Deputy Director of the ACA

In accordance with the Board's decision of November 15, 2012, regarding the announcement of an open competition for selecting a new director, the ACA Board selected members of the Competition Committee consisting of President of the Competition Committee, Branko Lubarda, PhD, and members of the Competition Committee, Radmila Vasić, PhD, and Zlata Đorđević. The Competition Committee conducted the competition procedure and made a list of shortlisted candidates. Next, having conducted the interviews with the shortlisted candidates, at a session held on January 21, 2013, the Board made the decision to select Tatjana Babić as the Director of the ACA.

After coming into office, the Director announced an open competition for selecting a Deputy Director of the ACA, after which the Board, in accordance with the provision of Article 21 of the Law, determining that the Director shall select a Deputy Director among three candidates proposed from a list made by the Board, established the criteria and conducted the competition procedure, thus selecting three candidates to be proposed to the Director. Of the candidates proposed, Director Tatjana Babić

selected Vladan Joksimović as Deputy Director, on March 27, 2013.

Work on ACA Publications

The Board formed a working group for drafting the publication *Guide to the Anti-Corruption Agency Practice*. Aside from the newly selected members of the Board, members of the previous convocation of the Board – Slobodan Beljanski, PhD, Radmila Vasić, PhD, and Zlatko Minić – also took an active part in drafting the publication. Zoran Stojiljković, PhD, made an especially significant contribution to the publication *Oversight of Financing Political Entities – 2012 Annual Financial Report*. Publications were presented at a conference held on the occasion of the International Anti-Corruption Day, on December 9, 2013.

Participation in the Work of Coordination Working Groups

The ACA, in accordance with the competences entrusted to it by the Law, holds coordination meetings with the representatives of authorities playing an important part in the fight against corruption, with the intention of coordinating state authorities' anti-corruption activities and improving the efficiency of their collaboration on the preparation of anti-corruption regulations. One of the topics of the coordination meetings held in 2013 focused on corruption in the education system, and it was agreed upon to constitute two working bodies. Branko Lubarda, PhD, Dragana Kolarić, PhD, and Nikola Stanojević, were selected to represent the Board in the working group for the improvement of the normative framework in the education system, whereas Evica Petrović, PhD, Zoran Stojiljković, PhD, and Božo Drašković, PhD, were selected to the working group for the improvement of the work of state institutions.

Coordination meetings were arranged and helped improve the cooperation among authorities in the anti-corruption area.

Participation in the Activities of the Working Group

Aside from the Director of the ACA, Zoran Stojiljković, PhD, was also appointed to the working group for amendments to the Law on Financing Political Activities, formed by the Ministry of Finance. The ACA has taken the position that the Law on Financing Political Activities needs amendments which would lead to the sanctioning of all illegal acts, and that it is necessary to prescribe an obligation which would regulate reporting on all accounts – both for regular work and election campaign accounts.

Reviewing the Report on the Cases of the ACA Complaints Committee

Due to irregularities in the establishment and work of the ACA Complaints Committee, the Board, at a session held on February 14, 2013, passed a decision that the Director shall appoint new members of the ACA Complaints

Committee. The new Complaints Committee shall investigate the legality of all the decisions passed by the previous committee, and undertake all the measures, in accordance with the law, to eliminate the detected irregularities so as to protect the rights of the participants of the competition.

Reviewing the Findings of the Budget Inspection

On November 9, 2012, at the initiative of the Board, the ACA put forward a request to the Budget Inspection Department of the Ministry of Finance to carry out a non-scheduled check of the implementation of the law in the area of material and financial management, and economic and legal use of budget funds for the 2010-2012 period. The budget inspection conducted the check and submitted the Report to the ACA on October 10, 2013. The ACA put forward its remarks within the set deadline, and gave suggestions for measures to be undertaken so as to eliminate the detected irregularities. Members of the Board deliberated on the findings of the budget inspection and gave suggestions for measures to be undertaken so as to eliminate all the detected irregularities.

I. REALIZING PUBLIC INTEREST AND COMBATING CORRUPTION

1. INCOMPATIBILITY OF PUBLIC OFFICES AND CONFLICT OF INTEREST

1.1. Legislative Framework

The Service for Resolving Conflicts of Interest conducts the following activities within its competences: resolving conflicts of interest; suggesting measures for eliminating conflicts of interest; conducting proceedings to determine violations of the Law regarding conflict of interest and pronouncing measures prescribed by the Law in the first instance; writing draft decisions; issuing approval in accordance with the Law; writing draft opinions for implementing the Law in terms of conflict of interest; and any other activities within the purview of the Service (provisions of Articles 27-38 of the Law on the ACA).

“Conflict of interest is a situation where an official has a private interest that affects, may affect or may be perceived to affect the actions of an official in discharge of office or official duty in a manner that compromises public interest” (Article 2 of the Law on the ACA).

1.2. Significance

The work of the Service for Resolving Conflict of Interest is of paramount importance for a comprehensive fight against corruption, in view of the fact that the practice of the ACA (formerly the Republic Board for Resolving Conflict of Interest) in this area up until now has shown that conflict of interest among public officials in certain cases may lead to serious crime and corruption. Preventing conflict of interest also has a preventive effect when it comes to reducing corruption in society.

In exercising its competences, the Service, through its work, seeks to prevent the holding of several incompatible public offices, or holding a public office while having other jobs or activities, as possible causes of corruption.

1.3. Key Results

In 2013, the ACA finalized a total of 958 proceedings², and received 1,402 new cases. In 2012, a total of 785 proceedings were finalized, and 872 new

² A total of 970 decisions were issued – in 12 cases, the issuing of procedural decisions was followed by substantive decisions.

cases received, whereas in 2011, 492 proceedings were finalized, and 428 new cases were received.

1.3.1. Case structure by content

When it comes to case structure by content, most numerous were the requests for issuing approvals (for holding another public office, another job or activity, for membership in association authorities, for employment, or business cooperation after termination of office - "pantouflage"). These were followed by requests for issuing an opinion on the implementation of the Law on the ACA and other regulations dealing with the issue of conflict of interest. The third group of cases by number were the cases where proceedings were instituted due to suspicion that a violation of the law had been committed; these were initiated by reporting or *ex officio*.

In 2013, the ACA received a total of 374 requests for issuing an opinion on the implementation of the Law on the ACA and other regulations dealing with the issue of conflict of interest; 489 requests for giving approval (for holding another office, another job or activity, for membership in association authorities, for employment, or business cooperation after termination of office - "pantouflage"), and 226 reports due to suspicion that a violation of the law had been committed. In the same period, 313 proceedings were instituted *ex officio* in order to determine whether a violation of the law had taken place.

Comparative overview of the cases received in 2012 and 2013

The total number of cases received in 2013 was 1,402, which makes for a 60,78% increase compared to 2012, when 872 cases were received. In 2013, a total of 374 requests for issuing an opinion were received, which makes for a 15,08% increase compared to 2012, when the ACA received a total 325 requests. In the reporting period the ACA received a total of 489 requests for approval, whereas in 2012, the number was 357. Particularly significant is the fact that in 2013, the number of proceedings instituted *ex officio* was four times higher than in the previous year. In 2013, the ACA received 226 reports, which makes for a twofold increase compared to 2012, because only two years ago the number of reports was 113.

1.3.2. Structure of resolved cases

During the observed period, 151 cases were resolved by procedural decisions or by notifying the parties that the ACA had established in previous proceedings that there are no grounds for conducting proceedings before the ACA. In this regard, 45 proceedings were resolved by conclusions rejecting the request due to failure to meet deadlines or incompleteness; 29 proceedings were resolved by conclusions on discontinuance, while 77 cases were resolved by notifying the parties that the ACA had established in previous proceedings that there are no grounds for conducting proceedings before the ACA.

In 2013, the ACA issued:

306 opinions on the implementation of the law;

269 resolutions on issuing an approval for holding another public office, job or activity;

79 resolutions on rejecting a request for issuing an approval for holding another public office, job or activity (of this number, the ACA found that in 23 cases there was incompatibility between the public office and the other job or activity);

9 opinions on resolving conflict of interest issued upon public officials' requests for opinion regarding suspicion of conflict of interest, submitted in accordance with Article 32 of the Law on the ACA;

67 resolutions establishing a violation of the provisions of Article 28 of the Law on the ACA; of those, the office was terminated by force of law in 44 cases, whereas a different sanction was imposed to the public official in 23 cases (measure of caution or public announcement of the decision on the violation of the law);

57 resolutions establishing a violation of the law and pronouncing a measure of caution to public officials;

8 resolutions establishing a violation of the law and pronouncing the measure of public announcement of the recommendation to dismiss a public official;

24 resolutions establishing a violation of the law and pronouncing the measure of public announcement of the violation of the law.

A comparative overview of opinions and resolutions issued on approving or rejecting requests for giving approval for holding another public office, or another job or activity, for membership in association authorities, employment or business cooperation after the termination of public office.

Comparative overview of resolutions on pronounced measures

In the reporting period, a total of 56 motions to institute misdemeanor proceedings were filed due to violations of the provisions of the Law on the ACA.

Overview of motions to institute misdemeanor proceedings filed in 2013

In the reporting period, the ACA filed 56 motions to institute misdemeanor proceedings due to violations of the Law on the ACA, which is a significant increase compared to 2012, in view of the fact that in the previous reporting period the number of motions to institute misdemeanor proceedings filed was 9. There are currently 47 pending proceedings, whereas a first instance decision was passed in 9 cases, accounting for 16,07% of resolved cases.

1.3.3. Structure of cases resolved in the second instance

Compared to last year, the number of appeals lodged against first-instance decisions has clearly increased; thus in 2013, the ACA Board handed down 170 decisions upon appeals and other legal remedies of public officials, whereas in 2012 a total of 39 decisions were handed down.

The increased influx of appeals is a consequence of the larger number of proceedings against public officials and decisions handed down in the first-instance compared to last year.

1.3.4. Structure of decisions handed down by the ACA Director which have been appealed against

When it comes to the structure of cases, in terms of types of decisions appealed against, the largest number of appeals was lodged against resolutions of the first instance authority. These resolutions determine that a public official has violated the provision of Article 28 of the Law on the ACA due to failure to request the ACA's approval for holding another public office, and that the the second public office shall be terminated by force of law. Next in number were the decisions rejecting public officials' requests for holding a second public office. The Law on the ACA stipulates that the ACA shall not give its approval for holding another public office if holding that particular public office would be incompatible with the public office already held by the public official. There is also a large number of appeals against decisions determining that a public official has violated the law and imposing certain measures. If he or she fails to comply with the measure of caution, a measure of public announcement of the recommendation for dismissal or a measure of public announcement of the violation of the law shall be pronounced to the public

official. Furthermore, a large number of decisions appealed against by the public officials are conclusions handed down by the first instance authority rejecting public officials' requests due to failure to comply with deadlines.

In 2013, the ACA Board handed down 121 decisions rejecting public officials' appeals. Three suggestions for renewed proceedings were rejected, and one suggestion to reconsider a resolution passed by the Board was dismissed. A total of 12 cases were returned to the first instance authority to amend the proceeding.

	Rejected	Accepted	Partially accepted	Returned to amend the proceeding	Dismissed
Appeal against a resolution of the first instance authority	104	28	3	9	-
Appeal against a conclusion of the first instance authority	17	2	-	3	-
Suggestion to conduct renewed proceedings before the Board	3	-	-	-	-
Suggestion to reconsider a resolution handed down by the Board	-	-	-	-	1
Total	124	30	3	12	1
Total number of decisions	170				

1.3.5. Content of first instance decisions regarding which the Board decided upon appeals in 2013

ACA resolution determining a violation of Article 28 of the Law on the ACA (coming into second public office contrary to the Law)	35
Resolution on rejecting a public official's request for approval to hold another public office	34
Measure of caution (decision determining a violation of the law and ordering specific actions to a public official)	25
Conclusion on rejecting a request for approval (non-compliance with deadlines, incompatibility)	20
Measure of public announcement of the recommendation for termination of public office	18
Measure of public announcement of the decision on violation of the law	16
Resolution upon a public official's notification on having another job	11

when coming into public office, determining conflict of interest and obliging public officials to resign from their other job	
Resolution on rejecting a public official's request for approval of another job	3
Resolution on rejecting a request for approval of employment after termination of public office	2
Conclusion on dismissing a request for renewed proceedings	1
Conclusion on discontinuing proceedings instituted upon a public official's request for approval to hold another public office	1
Total	166

* Note: aside from the Board's decisions on appeals in matters resolved by the Service for Resolving Conflicts of Interest, the table also lists the decisions falling under the competences of the Sector for Operational Affairs (management rights and failure to submit income and assets declarations, chart on page 40).

1.3.6. Proceedings against decisions of the ACA Board conducted before the Administrative Court

When it comes to claims filed by officials against the decisions of the Board, in 2013 the Administrative Court handed down and submitted to the Board nine judgments which mostly concerned claims filed in the previous years.

In five cases the Administrative Court handed down a judgment rejecting the claim, in one case the claim was dismissed, and in three cases a judgment was handed down accepting the claim and vacating the Board's resolution. Currently there are sixteen proceedings in progress before the Administrative Court instituted upon claims filed by officials against the decisions of the Board (eleven proceedings are being conducted against the decision handed down by the Board in 2013, and the remaining proceedings concern the Board's decisions from previous years).

In one case, during a proceeding before the Administrative Court instituted upon a public official's claim against the Board's decision rejecting the official's appeal, the Board vacated its resolution, accepted the official's appeal, and vacated the first instance resolution. This was done in view of the fact that on December 16, 2013, the National Assembly handed down the Authentic Interpretation of the provision of Article 2, indent 2 of the Law on the Anti-Corruption Agency, according to which persons elected, appointed or designated to the authorities of commercial associations founded by a public enterprise shall not be considered to fall under the term "official", defined by Article 2, indent 2 of the Law on the Anti-Corruption Agency.

1.3.7. Typical examples from the ACA practice

In 2013, in proceedings conducted to determine violations of the law related to conflicts of interest, two types of such proceedings were clearly identified.

The first group of proceedings concerns the so-called actual conflict of interest – a situation in which a public official has a private interest affecting his or her lawful actions in the discharge of public office. A typical example of this type of conflict of interest is the case of a district council chairman presiding over the municipal assembly of an urban municipality in Belgrade:

In the proceedings instituted and conducted upon charges filed against the district council chairman of an urban municipality, it was determined that after coming into public office, during the last five months of 2012, the public official in question, without conducting a public procurement procedure, acquired fuel for official vehicles of the municipal administration of the urban municipality he was in charge of, from the commercial association co-owned by himself. He did not report the conflict of interest to the assembly of the said urban municipality or to the ACA. By failing to do so, he acted contrary to the provisions of Articles 27 and 32, paragraph 1 of the Law on the ACA. Due to violations of the said provisions of the Law on the ACA, a first instance resolution pronounced to the public official the measure of public announcement of the recommendation for dismissal from the office of district council chairman. Deciding on which measure should be pronounced, the ACA considered the circumstances of the case, the significance of the public office held by the official, as well as the fact that the damage incurred by the official's illegal actions cannot be eliminated. For this reason, the measure of public announcement of the recommendation for dismissal from the public office of district council chairman was imposed as an adequate sanction for the committed violation of the Law on the ACA. The Board's second instance decision rejected the public official's appeal, and the first instance decision became final. The decision was published in the *Official Gazette of RS*, and the initiative to dismiss the public official was submitted to the competent authority.

Another group of frequently occurring proceedings refers to conflict of interest as a result of nepotism – a very common phenomenon in our society. Nepotism refers to a situation in which an official provides material gain or other types of benefits to an associated party using his or her public office. A typical example of nepotism-related conflict of interest is the case of a principal of a preschool, who hired her daughter in the same institution. In the proceeding instituted *ex officio* against the principal of the preschool, the ACA established that she had acted contrary to the provisions of Article 27 and 32 of the Law on the ACA, by signing an employment contract with her daughter, who is considered an associated person in the sense of the provisions of the Law on the ACA. By doing so she acted in the interest of her daughter, thus undermining public trust in the conscientious and accountable discharge of public office. Moreover, she failed to report in writing the suspicion of conflict of interest to the preschool administrative board and to the ACA. Having conducted the proceeding, the ACA pronounced the measure of public announcement of the recommendation for dismissal, due to the determined violation of the abovementioned provisions of the Law on the ACA. In the proceeding upon an appeal, the first instance resolution was confirmed by a decision of the Board, thus becoming final and enforceable.

1.4. Work obstacles

During 2013 as well, the Service for Resolving Conflict of Interest faced inconsistencies of regulations³ dealing with the issues of conflict of interest in its work on implementing the Law on the ACA and other laws. Such circumstances make the ACA's work on resolving conflict of interest considerably more difficult.

1.5. Recommendations

To amend or pass a new Law on the ACA, especially:

To prescribe that the public office to which an official had entered contrary to the provisions of the Law on the ACA shall be terminated by force of law, unless the competent authority or its permanent working body hands down an appropriate decision within eight days as of the receipt of the ACA's decision;

To set a longer statute of limitations for misdemeanors defined by the Law on the ACA, in accordance with the intention of the United Nations Convention against Corruption;

To eliminate the possibility of holding more than one public office by allowing exceptions only in cases specified by the law, excluding any other regulation;

To grant the ACA the power to organize public hearings, to which it shall invite representatives of competent authorities, organizations, political entities and other legal entities, as well as public professionals and experts, with the purpose of discussing issues concerning conflicts of interest;

To impose a ban on proposing candidates to whom the ACA has pronounced a legally prescribed ban for authorities competent of proposing candidates to public office.

³ In 2013, the ACA conducted more proceedings upon requests for approval or for determining violations of the law against public officials holding a second office in commercial associations the founders or members of which are public enterprises (founded by the Republic of Serbia, the Autonomous Province of Vojvodina, or a local self-government unit). In several cases of this type, the ACA considered offices in such commercial associations public offices as defined by Article 2 of the Law on the ACA. These cases have also been disposed of by second instance decisions handed down by the Board of the ACA. As the ACA was processing these cases, on December 16, 2013, the National Assembly handed down the Authentic Interpretation of Article 2, second indent, of the Law on the ACA, stipulating that the persons elected, appointed or designated to the authorities of commercial associations founded by a public enterprise shall not be considered to fall under the term "public official", as defined by Article 2, second indent, of the Law on the ACA. The authentic interpretation was published in the *Official Gazette of RS*, no. 112/13. In view of the abovementioned facts, the ACA had to consider the instituted proceedings in light of the given interpretation.

2. REGISTERS OF PUBLIC OFFICIALS, ASSETS AND GIFTS; OVERSIGHT OF PUBLIC OFFICIALS' ASSETS

The Sector for Operational Affairs conducts various activities aimed at the establishment and functioning of registers set forth by the Law on the ACA, and checks compliance with the deadlines for submitting reports, as well as their accuracy and completeness.

2.1. Key results

A total of 9 criminal charges filed

A total of 20 reports forwarded to the Prosecutor's Office and other state authorities;

A total of 451 proceedings instituted for violations of the Law on the ACA;

At the initiative of the Ministry of Interior, the prosecution and the Administration for the Prevention of Money Laundering, the Sector made publicly accessible the income and assets declarations of eighteen officials against whom all of the abovementioned authorities instituted *ex officio* proceedings under their competences;

Cooperation established with the Administration for the Prevention of Money Laundering; continued efforts on improving the cooperation with prosecutors, judges of misdemeanor courts, Ministry of Interior, Tax Administration, Serbian Business Registers Agency and the Central Securities Depository and Clearing House. Electronic data exchange based on online inquiries arranged with the Serbian Business Registers Agency and the Central Securities Depository and Clearing House.

2.2. Register of public officials

2.2.1. Legislative framework

Article 68 of the Law on the ACA authorizes the ACA to keep a register of public officials. In that regard, authorities are obliged to notify the ACA upon a public official's entry into office within seven days. Authorities are obliged to notify the ACA of a public official's termination of office within seven days (Article 43, paragraph 1).

2.2.2. Significance

The establishment and operation of the register of public officials increases the transparency in the work of public authorities and public officials.

2.2.3. Key results

In 2013, the Sector received a total of 2,095 cases, i.e. notifications from authorities which are required to notify the ACA of a public official's entry into office or termination of office. The Sector also received 1,824 supplements to existing cases.

Of the total number of cases received, 482 cases contained deficiencies that needed to be updated or corrected (administrative correction of data), while 1,613 cases were duly submitted.

The total number of processed and published notifications in the registers of public officials is 34,710, whereas in 2012 the number was 23,451.

2.3. Register of Assets

2.3.1. Legal Framework

The Law on the ACA authorizes the ACA to keep a register of public officials' assets (Article 68 of the Law on the ACA). In this regard, a public official is required to submit an assets and income declaration (hereinafter: declaration) to the ACA within 30 days after being elected, appointed or designated. This obligation also refers to assets and income of spouses and unmarried partners, as well as that of minors (provided they live in the same household). Likewise, a public official is obliged to submit a declaration to the ACA on his or her property status on the day of termination of office within 30 days as of termination of public office (Article 43, paragraphs 2 and 4 of the Law on the ACA).

In 2013, the ACA Board adopted the legal opinion concerning public officials' legal obligation to declare their assets. According to the said legal opinion, a public official who is a member of a managing or supervising board of a public enterprise, institution or other organization founded by the Republic of Serbia, the autonomous province or the City of Belgrade, is obliged to submit a declaration to the ACA in case the law or other special act specifies compensation for membership, regardless of whether he or she renounced the compensation.

2.3.2. Significance

The obligation of submitting a declaration with complete and accurate data is an important means of protecting integrity and the officials themselves. It is aimed at building and maintaining citizens' trust in the conscientious and

accountable discharge of public office and strengthening both personal and insitutional integrity.

Declaring assets is important for the oversight and transparent discharge of public offices. Without a doubt, this type of control is a very efficient method of preventing corruption and an important achievement of modern democratic countries.

2.3.3. Key results

In 2013, the ACA received a total of 5,953 declarations. A total of 7,881 declarations were processed and published on the ACA website, which is the first time since the founding of the ACA that more reports have been processed than submitted.

2.4. Oversight of assets declarations

2.4.1. Legislative framework

The official has the obligation to file an extraordinary Declaration by January 31 of the current year, declaring his or her property status on December 31 of the previous year if significant changes had occurred compared to the data from the previously filed declaration. A significant change shall be any change of data from the Declaration concerning assets the value of which exceeds the amount of the average annual income before taxes and benefits in the Republic of Serbia (Article 44, paragraph 1 and 2 of the Law on the ACA). In 2013, this amounted to RSD 527,184.00.

Filing extraordinary assets declarations is the obligation of public officials whose public office has terminated, if significant changes compared to the data from their previous Declaration have taken place within two years after the termination of their public office.

2.4.2. Significance

Oversight of public officials' Declarations is important for transparency in the discharge of public offices. There is no doubt that this type of control is a very efficient means of preventing corruption.

2.4.3. Key results

In 2013, the Sector reviewed 282 Declarations, the review of which had not been finalized in 2012, as well as 317 Declarations according to the set annual verification plan and upon complaints and objections *ex officio*. According to the 2013 annual plan, 287 Declarations have been reviewed. These were filed by MPs from the 2012 National Assembly convocation, judges of the Supreme Court of Cassation, the Commercial Appellate Court, the Commercial Court in Belgrade, and the acting president judges of commercial courts in the Republic of Serbia. Subject to reviews initiated *ex officio* in this period were 30 public officials suspected of not having declared all of their assets and income.

Of the total number of declarations subject to reviewing, review has been finalized in a total of 297 Declarations. The verification procedure is still in progress for the remaining Declarations.

In 2013, the Sector submitted to the Anti-Corruption Department of the Republic Prosecutor's Office in Belgrade nine criminal charges due to suspicion that public officials failed to declare their assets to the ACA or that they had given false data, with the intention of concealing the data on their assets (Article 72 of the Law on the ACA). The criminal charges were filed against three MPs, four members of a managing board, principal of a higher school of professional business studies, and a district council chairman.

Of the nine criminal charges mentioned, an indictment was filed in two cases and investigation was ordered in five cases. Two of the said criminal charges are currently being decided upon by the Prosecutor's Office.

A total of 20 reports have been filed to the Republic Prosecutor's Office and other state authorities, due to suspicion that public officials, whose assets were subject to verification, have committed other criminal offenses set forth by the Criminal Code or other regulations (receiving/paying bribes, misuse of public office, money laundering, tax evasion, etc.).

The reports have been forwarded to:

The competent prosecutor's office – 7;

Tax Administration – 3;

Administration for the Prevention of Money Laundering – 6;

Ministry of Interior – 3;

Budget Inspection – 1.

In 2013, within the competences of the Sector, a total of 451 proceedings were instituted due to violations of the Law on the ACA, specifically:

42 proceedings have been instituted due to violations of Article 35, i.e. failure to transfer management rights during the term in office within the legally set deadline;

7 proceedings have been instituted due to violations of Article 36, i.e. failure to notify the ACA on participation in public procurement procedures;

52 proceedings have been instituted due to violations of Article 43, paragraph 1, i.e. failure to notify the ACA within the legally set deadline of a public official's entry into office or termination of office;

252 proceedings have been instituted due to violations of Article 43, paragraph 2, i.e. non-compliance with the deadline for submitting the assets and income declaration after coming into office; 89 proceedings have been instituted due to violations of Article 43, paragraph 4, i.e. non-compliance with the deadline for submitting the assets and income declaration after termination of office; 9 proceedings have been instituted due to violations of Article 44, paragraph 1, i.e. non-compliance with the deadline for submitting the declaration on significant changes.

Of the total number of instituted proceedings, 64 – that is to say, the majority – have been instituted against MPs. Proceedings have also been instituted against two ministers, eleven assistant ministers, thirteen state secretaries and four councilors of the President of the Republic of Serbia.

At the local level, most proceedings (54) have been instituted against municipal council chairmen; 51 against members of municipal councils; 9 against mayors; 8 against mayor assistants; and 14 against municipal assembly chairmen. In addition, 45 proceedings have been instituted against directors of commercial associations, founded by the Republic, autonomous province, city or municipality, and 54 proceedings have been instituted against members of managing or supervisory boards, as well as against 26 judges.

A total of 304 measures have been imposed:

Measures of caution – 297;

Due to failure to transfer management rights during the term in public office within the legally set deadline (Article 35) – 21 measures imposed;

Due to failure to notify the ACA on participation in public procurement procedures within the legally set deadline (Article 36) – 6 measures imposed;

Due to failure to notify the ACA within the legally set deadline of a public official's entry into office or termination of office (Article 43, paragraph 1 of the Law) – 37 measures imposed;

Due to non-compliance with the deadline for submitting the assets and income declaration after entry into office (Article 43, paragraph 2) – 178 measures imposed;

Due to non-compliance with the deadline for submitting the assets and income declaration after termination of office (Article 43, paragraph 4) – 46 measures imposed;

Due to non-compliance with the deadline for submitting the declaration on significant changes (Article 44, paragraph 1) – 9 measures imposed;

two measures of public announcement of a decision on the violation of the law for failure to transfer management rights during the term in public office (Article 35);

five measures of public announcement of a recommendation for dismissal from public office:

three measures imposed for failure to transfer management rights during the term in public office (Article 35);

one measure imposed to the responsible party of an authority where a public official holds public office due to failure to notify the ACA within the legally set deadline of the public official's entry into office or termination of office (Article 43, paragraph 1);

one measure imposed due to non-compliance with the legally set deadline for submitting the declaration (Article 43, paragraph 1).

In 2013 the Sector filed 168 motions to institute misdemeanor proceedings, specifically:

A total of 142 motions were filed due to non-compliance with the deadline for submitting the assets and income declaration (Article 74, paragraph 1, item 11 of the Law);

A total of 9 motions were filed due to failure to submit a notification after entry into office/termination of office (Article 74, paragraph 3, item 4 of the Law);

A total of 11 motions were filed due to failure to transfer management rights (Article 74, paragraph 1, item 7 of the Law);

A total of 6 motions were filed due to failure to notify the ACA on participation in public procurement procedures (Article 76 of the Law).

In 2013, the Misdemeanor Court in Belgrade handed down 26 decisions, specifically:

five verdicts of conviction (fine imposed for legal entities ranging from RSD 100,000.00 to RSD 500,000.00, and from RSD 10,000.00 to RSD 50,000 for responsible parties), specifically:

one imposed fine in the amount of RSD 200,00.00 for legal entities, and RSD 20,000.00 for responsible parties;

one imposed fine in the amount of RSD 150,000.00 for legal entities, and RSD 15,000.00 for responsible parties;

three imposed fines in the amount of RSD 100,000.00 for legal entities, and RSD 10,000.00 for responsible parties.

for the misdemeanor referred to in Article 74, paragraph 3, item 4:

one resolution on rejecting a request due to expiration of the statute of limitations (motion expired in court).

for the misdemeanor referred to in Article 74, paragraph 1, item 11:

20 decisions (fines imposed for public officials ranging from RSD 50,000.00 to RSD 150,000.00)

four resolutions on discontinuance - appeals lodged

one resolution on cancellation of proceedings

15 verdicts of conviction:

seven imposed fines in the amount of RSD 50,000.00 each:

one fine imposed in the amount of RSD 30,000.00

two fines imposed in the amount of RSD 25,000.00 each

one fine imposed in the amount of RSD 10,000.00

four admonitions – appeals lodged

In two cases, the Higher Misdemeanor Court handed down judgments upon appeals lodged against the imposed admonitions. In one case, the judgment of the first instance court was confirmed, and in another the first instance judgment was reversed and repealed, and the case returned for renewed proceedings.



2.5. Catalogue of gifts

2.5.1. Legislative framework

A public official has the obligation to notify a state authority or other competent body, organization or public service where he or she holds a public office, regarding every gift received in relation to the discharge of public office. The said authorities have the obligation to keep records of the gifts, and the copy of the previous year's records is to be submitted to the ACA by March 1 of the current year at the latest. The ACA publishes the catalogue of gifts for the previous calendar year by June 1 of the current year (Article 41 of the Law on the ACA).

2.5.2. Significance

The significance of keeping and publishing the Catalogue of gifts is reflected primarily in transparent discharge of public office, strengthening citizens' trust in public officials individually, in their work, but also in the work of institutions where they hold a public office. Another important result of this activity is that it provides control of possible conflicts of interest.

2.5.3. Key results

The Catalogue of public officials' gifts for 2012, containing 550 gifts, was published in April 2013 (the legally set deadline is June 1m 2013). The most frequently reported gifts in the previous year were books, paintings, photographs, plaques, mobile phones, wine and other beverages. Most gifts were protocol gifts. The largest number of gifts was reported by the General Secretariat of the President of the Republic, the Government of RS, the National Assembly, the Ministry of Foreign Affairs, the Ministry of Transport, the Ministry of Defense, the Government of the Autonomous Province of Vojvodina, the City of Belgrade, the City of Kragujevac, and the Municipality of Paraćin.

The deadline for submitting the data on gifts for the previous calendar year expires on March 1, 2014. The Catalogue of Gifts shall be published by June 1, 2014, in accordance with the Law on the ACA.

2.6. Records on transferring management rights

2.6.1. Legislative framework

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A public official has the obligation to transfer his or her management rights in a commercial association to a legal entity or natural person who is not an associated person, so that the said legal entity or natural person would manage the rights on their own behalf and for the public official's account, until the termination of public office. The time limit for carrying out the transfer is 30 days after being elected, appointed or designated.

2.6.2. Significance

Keeping and publishing the list of legal entities where a public official owns more than 20% of shares of stakes is important for transparency and control of whether public officials discharge their public office in such a way as not to subordinate public interest to their own private interests, or to gain any type of benefits for themselves or an associated party.

2.6.3. Key results

The activities falling under the competences of the Sector include overseeing the transfer of management rights to another natural person or legal entity, that is not an associated person. Said natural person or legal entity is to manage those rights on their own behalf and for the account of the public official until the termination of office, as in other cases defined by the law. The person to whom a public official has transferred his or her management rights thus becomes an associated person. In 2013, a total of 63 public officials transferred their management rights.

In 2013, four legal entities where public officials hold more than 20% of stakes notified the ACA on public procurement procedures they took part in. There were a total of 190 public procurement procedures.

2.6.4. Work obstacles

Lack of precision and clarity in the provisions of the Law on the ACA leads to problems in communication with other authorities, which is particularly manifested in the part concerning cooperation with other institutions;

Large influx of documents, insufficient number of employees, and lack of appropriate space for storing large volumes of documentation;

Lack of direct access to databases and records kept by other competent state authorities.

2.6.5. Recommendations

To amend or pass a new Law on the ACA that will enable the ACA to work more efficiently, strengthen its autonomy and prescribe clearer and stricter rules regarding public officials' accountability, specifically:

To prescribe that the public office to which a public official came contrary to the provisions of the Law on the ACA shall be terminated *by force of law*, unless the competent authority or its permanent working body hands down an appropriate decision within eight days after receiving the ACA's decision;

To set a longer statute of limitations for misdemeanors defined by the Law on the ACA, in accordance with the intention of the UN Convention against Corruption;

To extend the obligation to declare assets and income to all public officials' consanguineal relatives

in direct line;

To authorize the ACA direct and unrestricted access to the records and documentation of state authorities and organizations;

To authorize the ACA to organize public hearings, to which representatives of competent authorities, organizations, political entities and other legal entities will be invited, as well as experts and representatives of the public sector, with the purpose of discussing issues concerning unlawful influence on public officials;

To prescribe a ban for authorities competent of nominating candidates for public offices when it comes to proposing candidates to whom the ACA has pronounced a measure prescribed by the law;

To prescribe an obligation for public officials owning more than 3% of shares or stakes in a legal entity to report not only their shares in the legal entity, but also the legal entity's shares or stakes in other legal entities;

To establish more efficient mechanisms against public officials acting contrary to the Law on the ACA;

To connect the databases of the ACA and other state authorities keeping records and data which are important to the ACA's activities.



3. OVERSIGHT OF FINANCING POLITICAL ENTITIES

3.1. Legislative framework

Article 27 of the Law on Financing Political Activities requires political parties, coalitions and citizen groups to keep records on their finances, on which they are to submit reports to the ACA within deadlines established by the law.

3.2. Significance

In politics, the transparency in the collection and spending of funds is an important precondition for combating political corruption, as well as corruption at all levels of society. Therefore, the oversight of financing political activities of political entities, their regular work and election campaigns, is very important for the fight against corruption.

3.3. Key results

Reports on election campaign expenses in 2012 have been reviewed;

Political entities' annual financial reports for 2012 have been reviewed;

Organization and coordination of observers' work on 2013 election campaigns has been conducted, specifically:

Data collected during the monitoring of the 2013 election campaigns has been systematized;

Reports on the 2013 election campaigning expenses have been reviewed.

In 2013, a total of 335 motions to institute misdemeanor proceedings were filed, of which 18 were filed due to failure to submit the 2012 annual financial report, 10 were filed due to failure to submit the report on the 2013 election campaign expenses, and 4 were filed due to failure to submit the opinion of the authorized auditor along with the 2012 annual financial report. A total of 303 motions were filed to the competent court due to failure to submit the report on election campaign expenses in 2012.

Overview of the filed motions to institute misdemeanor proceedings

Overview of judgments handed down upon the submitted motions

Of the 335 motions to institute misdemeanor proceedings filed, a total of 28 judgments have been handed down, 8 of which have become final.

3.4. Monitoring election campaigns

After conducting the monitoring of the 2012 election campaigns, the ACA, in accordance with the Law on Financing Political Entities, continued to monitor the activities of political entities during election campaigns in 2013 as well. Subject to monitoring were all political entities' activities promoting election lists and candidates. Observers kept records on public events, the distributed election materials, public advertising (billboards, boards, street banners, posters, etc.), as well as advertisement in local electronic and printed media.

The ACA's monitoring covered the political activities of 70 political entities in the election campaigns in 2013.

3.4.1. Receiving, publishing and reviewing annual financial reports

The annual financial report for 2012, as well as the report on donations and assets with the previously obtained opinion from an authorized auditor, which political entities with representatives in representational authorities and registered political parties were required to submit to the ACA by April 15, 2013, covers, aside from the data concerning regular work in 2012, the data contained in reports on the costs of election campaigns conducted before the 2012 elections. A total of 240 political entities, 91 registered political parties and 149 citizen groups were required to submit the annual financial report for 2012. The report was submitted by 63 political parties and 13 citizen groups, whereas a total of 164 political entities, 28 political parties and 136 citizen groups did not submit the report.

The received reports have been verified and published on the ACA website.

The ACA reviewed the annual financial reports for 2012 submitted by political entities, as well as opinions of authorized auditors on political entities. The ACA presented the findings of its review to the public in the printed publication „Oversight of the Financing of Political Entities - 2012 Annual Financial Reports“.

3.4.2. Receiving, verifying and publishing reports on election campaign expenses on the ACA website

A total of 1,181 reports on election campaign expenses were received, verified and published on the ACA website in 2013. Of the total number of re-

ports received, 68 concern elections held in 2013, whereas 1,113 are reports on the expenses of election campaigns ran before the 2012 elections. These reports were submitted by political entities after a motion for instituting misdemeanor proceedings had been filed due to failure to meet the submission deadline.

The ACA received a total of 79 annual financial reports for 2012 from political entities, and these were verified and published on the ACA website.

3.4.3. Review of reports on election campaign expenses and annual financial reports - collection of data from state authorities, legal entities and political entities

A total of 1,181 reports on election campaign expenses were received, verified and published on the ACA website in 2013. Of the total number of reports received, 68 concern elections held in 2013, whereas 1,113 are reports on the expenses of election campaigns ran before the 2012 elections. These reports were submitted by political entities after a motion for instituting misdemeanor proceedings had been filed due to failure to meet the submission deadline.

The ACA received a total of 79 annual financial reports for 2012 from political entities, and these were verified and published on the ACA website.

3.4.3. Review of reports on election campaign expenses and annual financial reports - collection of data from state authorities, legal entities and political entities

In order to collect the data required to review the reports on election campaign expenses and annual financial reports, the ACA addressed requests for data to the following state authorities, legal entities and political entities: the Ministry of Finance, the Assembly of AP Vojvodina, city and municipal finance departments, Ministry of Interior, Ministry of Labor and Social Policy, Pension and Disability Insurance Fund, Tax Administration and Public Procurement Administration (189 requests sent).

The ACA requested data on the total amount of funds transferred from the relevant budget level for covering the costs of political entities' election campaigns, as well as the amount of funds transferred to political entities for the needs of their regular work, with the indication of the account number to which the funds were transferred and the personal data of responsible parties in the political entity; data on natural persons that gave donations to political entities; data on natural persons who, as donors to political entities, were users of material support referred to in Article 79 of the Law on Social Welfare (*Official Gazette of RS*, No. 24/2011), the amount of financial and other types of assistance; data on legal entities, donors to political entities, that were users of subventions and the amount of those subventions in terms of measures of active employment policy; data on the legal entities and entrepreneurs that, as donors to political entities, participated in public procurement procedures as bidders, and data on those among them with which a public procurement con-

tract was signed, as well as the value of the contract and the date of its signing; data on whether legal entities and entrepreneurs complied with their obligations concerning public income on the day of giving a donation to a political entity.

The ACA requested statements (a total of 80 requests sent) from commercial banks for all dinar and foreign currency accounts used by political entities for their regular work in 2012 and for election campaigns in 2013, and the data detailing account transactions, data on persons authorized to access the account funds, and contracts on approved loans and bank guarantees for election campaigns and regular work.

The ACA requested from city and municipal committees (total of 23 requests sent) the data on election candidate lists; the delivery of coalition agreements and agreements on the founding of citizen groups in cases where coalitions and citizen groups submitted lists and proposed candidates as a political entity; resolutions on the announcement of election candidate lists; political entities' statements on their intention of using public funds to cover the costs of election campaigns; decisions of election committees on the announcement of final election results for city and municipal assembly councilors; decisions of election committees on assigning mandates to city and municipal assembly councilors.

From billboard lessors, printing companies and local media (a total of 130 requests) the ACA requested data on services provided to political entities; contracts detailing the terms of provided services and all other documentation concerning the payment of services and debts.

The ACA requested from nationwide television stations and local TV and radio stations (a total of 15 requests sent) the data on advertising services provided to political entities, contracts detailing the terms of the provided advertising services and all other documentation concerning the payment of services and debts.

The ACA requested from transportation companies (a total of 26 requests) the data on the type and registration number of vehicles used by political entities for public events during election campaigns, and the data on the agreed price and market price of the provided services.

The ACA requested from political entities (a total of 213 requests) the data on authorized persons in the political entity responsible for financial operations and filing reports; data on supplementing annual financial reports in terms of form and content-related aspects, as well as statements or receipts issued by donors to the political entity, stating that they had complied with all the obligations regarding public income and statements confirming they no longer carry out and had not been carrying out in the past two years the activities of public interest referred to in the contract; statements on the ownership structure of donors; data on the status of debts to service suppliers and the status of debts for credits on December 31, 2013.

3.5. Cooperations with political entities

The ACA has had a special form of cooperation with political entities through providing support in the electronic submission of annual financial reports and reports on election campaign expenses.

Likewise, at the request of political entities, the ACA issued eight opinions regarding the interpretation of the Law on Financing Political Activities.

3.6. Work obstacles

Lack of harmonization of the Law on Financing Political Activities with the Law on Payment Transactions, in the part concerning the opening of an account for the regular work and election campaigns of citizen groups, which, as political entities, cannot open an account for regular work and election campaigns, as political parties can, due to the fact that they are not legal entities; they can only open an account using the name of a natural person who is a member of the citizen group, without the possibility to indicate the name of the citizen group, or the purpose of the account. This makes it impossible to tell a difference between the account of a citizen group and the private account of a natural person.

In a large number of cases, political entities that participated in the elections as a coalition or citizen group did not in their agreements on the founding of the coalition or citizen group select a person responsible for financial operations and filing reports, in accordance with the Law on Financing Political Activities. This factor slows down the work of the ACA regarding the filing of motions for instituting misdemeanor proceedings.

Impossibility to collect data referring to the personal data on responsible parties in political entities (defendants in misdemeanor proceedings).

3.7. Recommendations

Prescribing a ban to political entities on carrying out humanitarian and similar activities;

Introducing stricter penal policies for violations of the Law on Financing Political Activities for a more efficient fight against corruption;

Improving electronic communication between the ACA and other state authorities for a more efficient exchange of data;

Improving cooperation with commercial banks and providers of services to political entities through a mutual acceptance of a form for the delivery of requested data, with the purpose of faster and higher quality processing of said data.

II. SUPPORT FOR CITIZENS WHO REPORT CORRUPTION

1. COMPLAINTS

1.1. Legislative framework

The ACA acts upon complaints submitted by legal entities and natural persons (Article 5 of the Law on the ACA). The ACA may request additional information, explanations and documentation from the person or entity filing the complaint, and is obliged to notify said person or entity on the outcome of the proceeding.

1.2. Significance

The Sector for Complaints and District Offices is a place from which it is possible to observe corruption in Serbia, and to see the areas, types and locations where corruption is detected. Complaints are a resource enabling the ACA to strengthen its capacities for conducting research and to better define its media campaigns. Work on complaints is significant for changing the citizens' unwillingness to report corruption cases, which is for the most part caused by their awareness that institutions would not do anything about their complaints.

Acting upon complaints is important for the fight against corruption because, on the one hand, it determines violations of the Law on the ACA, and on the other, it identifies the problems leading to corrupt acts within the Serbian public sector.

1.3. Key results

In 2013, the Sector for Complaints and District Offices had a total of 2,302 cases, of which 233 cases were initiated in 2011, and 420 cases in 2012. In 2013, the ACA received a total of 1,649 cases. Of the total number of cases processed in the reporting period, a total of 959 cases have been terminated.

Analyses of the submitted complaints indicate that the citizens most often reported on irregularities in the work of administrative and judicial authorities, as well as irregularities in privatization procedures. These areas are followed by the health care, education, public procurement, insolvency and urban planning.

Most users of the microsite www.prijavikorupciju.rs reported corruption related to misuse of public office (59), work of courts (22), misuse of public

resources (21), corruption in the area of employment (15), inspection work (14), conflict of interest (14), corruption in health care (13), public procurement (13), corruption in insolvent companies (8), police work (8), failure to report assets and income (5), work of land registries (5), financing of political entities (2), privatization (2) and work of the prosecution (2).

1.4. Work obstacles

There is a legal limitation of the ACA's competence to carry out independent direct checks and investigation of corrupt behavior reported in the complaints. Therefore, the ACA must rely to a great extent on data and information it receives upon requests from the competent authorities. This manner of communication is very slow, which significantly decreases the ACA's success in these activities. Moreover, the ACA does not act upon anonymous complaints, due to which its only remaining option is forwarding them to competent authorities.

Lack of comprehensive regulation of the legal framework dealing with acting upon complaints.

Non-compliance with the obligation to provide, within the set deadline, the information and data important to acting on complaints on the part of other state authorities.

1.5. Recommendations

Amend, or pass a new Law on the ACA, specifically with regard to:

Giving the ACA authorization to direct and unrestricted access to state authorities' and organizations' records and documentation;

Regulating in more detail the issue of when and how the ACA is to act upon complaints reporting corruption in the work of public authorities;

Authorizing the ACA to act upon anonymous complaints reporting corruption.

2. PROTECTION OF WHISTLEBLOWERS

2.1. Legislative framework

Provisions of Article 56 of the Law on the ACA prescribe that a civil servant, i.e. a person employed in public authorities, shall not suffer damaging consequences if they report suspicion of corruption in good faith to the ACA, having a justified belief that there is corruption in the authority they work for. With the purpose of protecting these persons, the ACA provides necessary assistance in accordance with the law and the Rules on the Protection of Persons who Report Corruption.

2.2. Significance

The importance of adequate and efficient protection of persons who report suspicion of corruption, i.e. whistleblowers, is of great importance to the fight against corruption. Comparative experiences have shown that a lot of “corruption affairs” would have been left uncovered had it not been for whistleblowers, who were the first to point them out.

2.3. Key results

- Of the total of 103 requests submitted for receiving the status of whistleblowers, 78 persons were granted the status.

The ACA did not approve whistleblower status in 26 cases, because it was determined that one of the conditions set forth by the Rules on the Protection of Persons who Report Suspicion of Corruption had not been met: the person was not a civil servant or person employed in state authorities; the person's employment in state authorities had previously been terminated, thus in the moment of submitting the request he or she was not an employee of the authority where corruption was reported; the person did not report a corruption case (most often they pointed to a violation of regulations on employment relations); the person was employed in a private company; the person simultaneously requested the protection of his or her anonymity and protection from retaliation, which the ACA is unable to provide according to the Rules, which do not provide the legal grounds for such actions. In one case, the person abandoned the protection request. In three cases the decision was not made because the request lacked precision, did not contain all the necessary data or

there were other formal deficiencies preventing the ACA's actions, which were, nevertheless, eliminated through interviews with the persons in question.

The practice of the ACA has shown that none of the requests were rejected because a corruption case was not reported in good faith. However, the ACA has withdrawn the whistleblower status in case of one person due to subsequent knowledge that they did not report corruption in good faith.

III. EDUCATION



1. Legislative framework

The ACA may participate in the preparation - or prepare itself - the training programs dealing with the fight against corruption in state authorities and organizations, territorial autonomy and local self-government, public services and other legal entities, which carry out trainings of civil servants and employees in cooperation with Agencies. The ACA may also take part in training programs concerning the fight against corruption for public broadcasting services and the private sector (Article 64 of the Law on the ACA).

2. Significance

The development of social, institutional and individual integrity; raising awareness about the significance of individual responsibility and professionalism; strengthening ethical competences.

3. Key results

In 2013, the ACA organized and conducted 23 seminars lasting 37 days, i.e. 204 working hours. A total of 417 persons attended the seminars.

In the reporting period, programs were conducted on the following subjects: a) ethics and integrity (corruption - legal definition and general meaning of the term; ethical dilemmas; morals and ethics; manager responsibility and ethical leadership; organizational culture and culture of conduct; responsibility and professionalism); b) anti-corruption mechanisms (international anti-corruption documents and standards; national anti-corruption strategy and action plan; role of independent state authorities in the legal system of a state; ethical codes; integrity plans; handing down decisions and ethical dilemmas, oversight of conflict of interest; and other control mechanisms); and c) competences of the ACA (detailing and explaining mechanisms).

Target groups of educational activities carried out in 2013 were public administration employees and officials at all levels, representatives of civil society organizations, students and journalists.

Seminars were organized at the invitation of public administration institutions, based on agreements on cooperation and based on the participation in the project activities of civil society organizations, in accordance with the ACA's Guidelines for cooperation with civil society.

Seminar attendees were public administration employees (178 attendees at 11 seminars), students (172 attendees at 8 seminars), representatives of civil society organizations (38 attendees at 2 seminars) and journalists (29 attendees at 2 seminars).

The ACA organized five seminars in cooperation with the Staff Management Service of the Government of the Republic of Serbia (SUK). The seminars lasted five days, i.e. 29 working hours, and were attended by 57 participants.⁴ On December 16, 2013, the ACA signed an agreement on cooperation with this service, detailing the manner of cooperation in 2014.

In addition, the ACA held two seminars in 2013 upon the invitation of other state authorities.⁵

In September 2013, the Department for Education, Campaigns and Cooperation with Civil Society made a needs analysis of the ACA staff in terms of additional professional development, on which it published a Report. By the end of the previous year, the Plan and Program of Training for the ACA Staff for 2014 was adopted.

The Department also drafted a Manual for Training on Integrity, which is available electronically.⁶

4. Recommendations

All public officials and public sector employees should be required by the law to attend ethics and integrity trainings;

Ensuring that all direct and indirect users of the budget of the Republic of Serbia have a person who will be responsible for organizing and conducting ethics and integrity trainings.

4 Aside from the employees of the Department for Education, Campaigns and Cooperation with Civil Society, who held three out of five seminars, lecturers in the Staff Management Service were also the employees of the Service for Resolving Conflict of Interest, the Sector for Operational Affairs (one seminar), and the Division for Integrity Plan (one seminar held).

5 On February 27, 2013, at the invitation of the Security Information Agency (BIA), a presentation was held about the ACA mandate for 50 employees of the said Agency; on September 26, 2013, at the invitation of the Geneva Center for the Democratic Control of Armed Forces, implementing the project Development of Capacities for Strategic Management of the Ministry of Interior of the Republic of Serbia, a seminar was held on the premises of the Academy of Criminalistic and Police Studies for the employees of the Ministry of Interior.

6 http://www.acas.rs/sr_cir/podizanje-antikorupcijske-svesti/920.html.

**IV. PROVIDING MECHANISMS FOR THE
ESTABLISHMENT AND IMPROVEMENT OF INTEGRITY
IN THE INSTITUTIONAL AND REGULATORY
FRAMEWORK**

1. INTEGRITY PLAN

Introducing, implementing and overseeing the instruments for the improvement of public sector integrity.

1.1. Legislative framework

Integrity plans are adopted by state authorities and organizations, territorial autonomy and local self-government authorities, public services and public enterprises. State authorities and organizations, autonomous province authorities and local self-government units, public services and public enterprises are required to submit a report on their implementation of an integrity plan, at the request of the ACA, within 15 days of receiving the request (Article 59 of the Law on the ACA).

1.2. Significance

An integrity plan contains measures of a legal and practical nature, the aim of which is preventing and eliminating the possibilities for the emergence and development of corruption, specifically: assessment of an institution's exposure to corruption; data on the person responsible for the integrity plan; description of the work process, manner of decision-making and identifying activities which are particularly exposed to corruption, as well as activities or occupations or public offices which a public official may not carry out during his or her term in public office, and the method of their oversight; preventive measures for reducing corruption.

1.3. Key results

The ACA developed a methodology for overseeing integrity plans, encompassing the assessment of their quality (objectiveness) and monitoring the implementation of the measures adopted to remove risks of corruption;

The ACA developed the Action Plan for implementing integrity plans, as an instrument intended for public authorities and their efficient implementation of planned measures aimed at eliminating risks from integrity plans;

Based on the 2,121 integrity plans received, the basis for assessing the integrity of the Serbian public sector was established.

The ACA conducted a survey including more than 6,000 users of services of public authorities in the health care, local self-government and judicial system. This research investigated the assessment

of integrity of public authorities from the perspective of citizens using their services.

1.4. Integrity plan development

The role of the ACA in the process of adopting and implementing integrity plans, as a mechanism for the prevention of corruption and strengthening public sector integrity, is twofold - consultative and overseeing.

The ACA's consultative role in the integrity plan development process refers to the passing of the Guidelines for Integrity Plan Development and Implementation, the Manual, the Guide for Development, a set of documents (model Decision on appointing the working group, Working Group Instructions, Staff Instructions, Interview Questionnaire, etc.), and to the education of persons in charge of developing and implementing integrity plans in institutions.

The ACA continued providing assistance to institutions so that they could efficiently implement their integrity plans and implement measures for eliminating the detected risks. With this aim in mind, the ACA developed the model Action Plan for the implementation of integrity plans in all the evaluated areas, as assistance to the institutions when it comes to the realization of the list of planned measures. This document has been published on the ACA website, and thus made available to anyone that might find it useful.

After the expiration of the deadline for integrity plan development (April 14, 2013), the ACA began its overseeing role in the domain of integrity plans, which concerned the following: a list was made containing the institutions which developed and failed to develop the integrity plan, and the records were published on the ACA website (the records included integrity plans which were done using the electronic application, and those done in written form, which were sent to the ACA). This way the public was acquainted with the scope of complying with the legal obligation, because in this case public judgment is the only mechanism for holding managers accountable for failure to comply with the obligation.

Statistical overview of integrity plans per system

System	Total number of institutions in the system	Total number of integrity plans developed	Percentage of integrity plans developed
Political	37	25	68%
Judiciary	237	198	84%
Police	1	1	100%
Local self-government	222	123	56%
Defense	13	13	100%
Economy and finance	111	33	30%

Agriculture	25	15	60%
Social welfare	257	115	45%
Health care	372	105	28%
Education	2217	1196	54%
Culture and sports	330	96	29%
Environment	28	10	36%
Protection of data, human rights and public interest	11	8	73%
Public enterprises	622	182	29%
Total	4483	2121	47%

The statistics listed above show that almost one half of institutions have developed their integrity plans, i.e. conducted a self-assessment of exposure to risk of emergence and development of corruption, and defined the measures to be implemented in the forthcoming two-year period. Due to the fact that this is the first year of introducing integrity plans in the Serbian public sector, and that the Law on the ACA does not prescribe sanctions for the institutions which fail to develop an integrity plan, this is a good sign that the institutions are willing to improve their work.

1.5. Integrity of public authorities from the perspective of the users of their services

Within a project supported by the Ministry of Foreign Affairs of the Kingdom of Norway, the ACA conducted a research, the aim of which was verifying the degree of objectiveness of public authorities in relation to their integrity plans. The research, based on empirical investigation of experiences reported by service users of certain types of public authorities, was conducted from November 2013 until June 2013, in the health care, local self-government and judicial system.

The research project was conducted on a sample of service users of some public authorities in these systems, specifically the types of authorities having more intense communication with the citizens, and on the integrity of which depends to a large degree the quality of services they provide to the citizens.⁷ The basic hypothesis in conceiving the research was that stronger institutional integrity of public authorities and their employees means higher quality of services they provide to the citizens, that is to say, it enables them to provide ser-

⁷ Reports on the conducted research are available at the ACA website:
http://www.acas.rs/sr_lat/component/content/article/41/698.html

vices to the citizens in a meaningful and rational manner, to fulfil their purpose in meeting the citizens' needs and interests, which is the main reason for their establishment and work.

The research was conducted in three systems which, by the number and type of entities constituting them, the nature of social activities they are carrying out and the effect of those activities on society, may be considered representative of the performance of the entire public sector. The research indicates that the environment the Serbian public authorities operate in is prone to the emergence and development of corrupt practices. This type of environment is characterized by deeply ingrained phenomena, contained in Klitgaard's formula, according to which corruption is the inevitable result of monopoly plus discretionary powers, minus accountability.

1.6. Overview of the condition in the relevant area

An overview of public sector integrity can be given in terms of three types of indicators. One is an analysis of the process of integrity plan adoption, the conduct of institutions in this process and cooperation with the ACA at that level. The second source of data are analyses of the plans themselves, i.e. the method and quality of the institutions' self-assessment of risks to corruption and other irregularities in their work. The third type of data speaking of the condition of integrity consists of the responses of citizen service users and the comparison of these responses with those contained in the plans.

As the statistics presented above have shown, almost one half of parties required to adopt an integrity plan have complied with their obligation, which may be considered a good result. However, the general impression is that the institution management does not always succeed in realizing the right possibilities and objectives of the integrity plan as an anti-corruption mechanism. It was frequently observed in practice that institutions believed that if their assessment concluded that there is space at risk of corruption, they would be admitting in this way that they are operating against the law and that corruption is indeed present. However, this is precisely the consequence of failing to realize the true meaning of this preventive mechanism and that the objective assessment of the institution's exposure to risks of corruption and other irregularities does not mean that the institution is in fact corrupt, but that it has identified systemic deficiencies regarding resilience to corruption, and that it is ready to work on their elimination.

An objective overview of the condition of public sector integrity in Serbia can be efficiently seen through a comparative analysis of the self-assessment of integrity carried out by public sector representatives (by determining risks of corruption in their integrity plans) and the integrity assessment assigned to institutions by the users of their services (through the research of citizen experience coming from the "outside"). This analysis indicates that, from the point of view of the relation between these two sides of the same process, there are two groups of factors influencing the state of integrity. One group of factors shows that there is a high degree of agreement between service providers and users on the existence of deficiencies in the functioning of the public sector, and that these deficiencies indeed affect the quality of the citizens' exercising of their rights and obligations. The second group of factors shows that there is

no such agreement – that what the citizens view and feel is a consequence of a lack of integrity is not recognized among public sector representatives as the cause of the institution's poor performance, work irregularities and corruption. Both groups of factors are a good empirical basis for specific types of recommendations aimed at improving integrity. When it comes to the first group of factors, the high degree of agreement regarding risks requires an urgent introduction of mechanisms for overcoming those risks, and it is expected that both the institutions and the citizens will be willing to accept and implement them. The second group of factors threatening integrity, which the citizens consider a problem but are not recognized as such by the institutions, require further analyses of the functioning of institutions and strengthening their capacities and readiness to first and foremost recognize the problem and accept its solution.

Example no. 1: Giving presents to employees is by far the most widespread in the health care system – 37% of patients in health care centers have at least once given a gift to one of the medical workers, whereas in hospitals the number reaches 52%; the practice of giving gifts in local self-government units is only present with one third (34%) of their service users, and in courts the number is 22%. This type of practice could be reduced in one of its aspects if internally – through integrity plans – a procedure would be established for the reporting, receiving and managing of gifts. According to risk assessments carried out by the institutions, this type of practice does not exist anywhere.

Example no. 2: As much as 53% of patients have at least once had the reason to complain about the work of a health care institution, but only 3% have actually done so; 31% of citizens claim to have at least once had reason to complain about the work of local self-government employees, and 23% of them actually used their right to complain; although 35% of service users believe they have had reason to complain about the work of courts, only 2% have actually done it. The disproportion between the need to file complaints (which, among other things, speaks a lot about the work of the institutions) and the practice of their processing indicates that there is a need to regulate this procedure, i.e. to use complaint mechanisms and to efficiently process them (especially complaints about various types of corruption) in order to advance the work of institutions and improve the quality of services they provide.

Example no. 3: Assessment of staff professionalism is of particular interest (objectiveness, impartiality, “politeness” in dealing with citizens...), which constitutes a part of both individual and institutional integrity. Whereas public sector representatives mostly gave good assessments of this element through their integrity plans (more than 90%), between 25% and 35% of citizens who have had experience with the public sector (range varies depending on type of institution) consider that the employees do not do their jobs professionally.

A large group of integrity risks is constituted by the so-called specific areas, i.e. specific competences of certain types of institutions pertaining to the systems in which the research was carried out. Integrity plans have shown, for example, that the institutions are not ready to admit there are problems in the areas in which they have direct competences, even though citizens and other

types of analyses recognize those risks. Typical examples of these areas are, for instance, additional work and non-standard services in the health care, construction, urban planning and inspection activities in local self-government units, and receiving, processing and acting on cases and verifying documentation in courts.

1.7. Recommendation

- Introducing misdemeanor liability for institution managers for failure to adopt integrity plans.

2. PARTICIPATION IN DRAFTING THE NATIONAL ANTI-CORRUPTION STRATEGY AND OVERSIGHT OF ITS IMPLEMENTATION⁸

2.1. Key results

The Report on the Implementation of the National Anti-Corruption Strategy and the Action Plan for its implementation for 2012 has been drafted;

Guidelines for Reporting on the Implementation and Oversight of the Implementation of the Strategy and Action Plan have been drafted and submitted to all the parties required to implement the Action Plan.

2.2. New National Anti-Corruption Strategy

In February 2013, a working group was founded to draft the Strategy.⁹ After a three-month long public debate, the Government of the Republic of Serbia adopted the text of the new Strategy on June 20, and the National Assembly adopted it on July 1 (*Official Gazette of RS*, no. 57/13). The Strategy regulates ten areas and is set to accomplish important anti-corruption objectives and eliminate many deficiencies in the legal and institutional framework and practice of public authorities.

One of the most important suggestions of the ACA, as one of the participants in the process of drafting the Strategy, was not adopted. The suggestion concerned the necessity of introducing mechanisms for strengthening the system's resistance to corruption throughout the public sector.¹⁰

The implementation of the Strategy actually began with the onset of the Action Plan implementation, on September 6, when the document, adopted by the Government on August 25, was published in the *Official Gazette (Official Gazette of RS*, no. 79/13).

The novelty introduced in the Strategy refers to the mechanism of oversight and the establishment of the foundations for a system of accountability for failing to comply with the obligations required by the strategic documents. It has been determined that the National Assembly shall discuss the ACA report on the implementation of the Strategy at a special session, that it shall regulate the process of monitoring the application of conclusions rendered upon deliberating on this report, with the possibility of

8 A comprehensive Report on the Implementation of the 2013 Strategy and Action Plan is attached in the Annex of this report.

9 For more information on the activities of drafting the new anti-corruption strategy in 2012, see the "2012 ACA Annual Report", available at http://www.acas.rs/sr_cir/component/content/article/229.html.

10 For more information on the ACA's suggestions in the course of drafting the Strategy, see the "Report on the implementation of the 2013 Strategy and Action Plan".

undertaking measures in case the conclusions have not been implemented without justification. Moreover, the obligation was introduced for the Government to submit a report to the National Assembly regarding the implementation of its conclusions reached upon deliberating on the ACA report within six months.

The Strategy sets forth three mechanisms enabling the implementation of strategic documents. One is the coordination of the parties required to implement the documents, conducted by the Ministry of Justice, by organizing quarterly meetings. Second is the monitoring of results of the implementation of the Strategy and Action Plan, carried out by the Anti-Corruption Council, which shall submit a report to the Government on the obstacles preventing the efficient implementation of the documents. Finally, the third mechanism is oversight of the implementation of the Strategy, conducted by the ACA.

With regard to introducing these solutions in the new Strategy, the ACA asked about the nature of the relation between reports submitted by the Council and by the ACA; whether the Council shall consider the ACA's reports and vice versa; and what the consequences will be in case these reports differ in their conclusions. Nevertheless, the most important issue raised by the mechanisms defined in this way refers to the fundamental difference between the oversight conducted by the ACA and the monitoring of the Strategy's results conducted by the Anti-Corruption Council, and what were the criteria used to judge that the oversight the ACA had been carrying out in the last three years is insufficient and needs to be accompanied by the expertise of the Anti-Corruption Council. Likewise, there is the question of whether it is justified to have independent state authorities submit the reports on their actions concerning the Strategy adopted by the National Assembly, that is to say, reports on their work, to a government authority.

One of the challenges faced by the ACA in the first period of the Strategy concerns the incorporation of novelties regarding the oversight of the implementation of the Strategy to the Law on the ACA. The ACA drafted its own proposal for these amendments, according to the instructions contained in the Strategy and Action Plan, which it addressed to the Ministry of Justice and Public Administration, as the authorized proposer of the bill of this law, in the end of October. After sending a request for information on the status of these amendments, sent to the Ministry two months later, the ACA received the response describing the direction of the amendments to the Law, and stating that the draft had been sent to competent authorities to obtain their opinion, but the text of the Draft itself, within this response, was not sent to the ACA. Such actions on the part of the Ministry of Justice and Public Administration are a challenge for the work of the ACA.

The oversight of the implementation of strategic anti-corruption documents is one of the ACA's most important competences, which it has been conducting ever since its establishment. The Strategy confers upon the ACA greater powers in terms of investigating the process of complying with obligations. Thus it shall have the right to collect evidence in line with the

indicators of activities in the Action Plan, and to ask the responsible parties to give oral statements on the compliance with obligations, at a meeting where the presence of the public shall be allowed. The ACA also has the possibility to address its opinion to a public authority that failed to comply with its obligation, i.e. failed to comply with it in the manner set forth by the Action Plan. The authority shall then be required to discuss it and notify the ACA and the public on the conclusions of the discussion. During the entire process of writing the new Strategy, the ACA insisted on the need to introduce accountability mechanisms for failure to comply with Strategy obligations.



3. ASSESSMENT OF CORRUPTION RISKS IN LEGISLATION

3.1. Legislative framework

Within its competences related to launching initiatives for amending and adopting anti-corruption regulations, the ACA conducts analyses of regulations and participates in passing new and amending current ones, and analyzes corruption-prone areas (Article 5 of the Law on the ACA).

3.2. Significance

Recognizing and eliminating risks of corruption in regulations is an important preventive measure in the fight against corruption. Namely, if the provisions of regulations are clear and precise, the space is reduced for different interpretation and application allowing misuse of public powers and their use for private interest.

3.3. Key results

A Methodology for the assessment of corruption risks in regulations was developed; The ACA was recognized as the authority competent to analyze regulations and propose measures for eliminating corruption risks from regulations.

Having recognized the importance of this preventive measure, the ACA developed a Methodology for assessing risks of corruption in regulations (Methodology), which it applies when analyzing drafts and bills. Besides, the ACA, in its initiative for amendments to the Law on the ACA, which it submitted to the National Assembly, the Government and the Ministry of Justice and Public Administration, suggested that it should have the competence to prescribe and publish the Methodology, and that the proposers should take on the obligation to apply this methodology when preparing regulations.

Aside from the already mentioned amendments to the Law on the ACA, the National Anti-Corruption Strategy and the Action Plan for its implementation also lay down, among other things, amendments to the Rules of Procedure of the Government and of the National Assembly, based on which it should be prescribed that the explanations of bills shall contain as their mandatory element an analysis of corruption risks, and the Government shall have the obligation to submit draft laws and bills to the ACA in order to obtain its opinion, which it shall submit along with bills to the National Assembly. Therefore, the ACA will be verifying whether proposers have applied the

Methodology in the process of drafting regulations, and assessing whether the individual provisions of those regulations contain risks of corruption. Provided the proposers of regulations take their new obligations in the appropriate manner, and not just as another formality, said amendments to the Law on the ACA and the Rules of Procedure of the National Assembly and the Government shall contribute to eliminating risks of corruption in the process of drafting regulations, that is to say, to removing the elements which could instigate corrupt behavior.

In 2013, the ACA analyzed and issued opinions on the assessment of risks of corruption in the provisions of 20 draft laws, two bills and two proposals of decrees, specifically:

- Law on Public Information and Media;
- Law on Mediation in Real Estate Transactions and Leasing;
- Law on Amendments to the Law on State Survey and Cadaster;
- Law on General Administrative Procedures;
- Law on Legalization of Buildings;
- Law on Textbooks and Other Teaching Aids;
- Law on Autonomous Province and Local Self-Government Staff;
- Law on Amendments to the Law on Higher Education;
- Law on Consumer Protection;
- Law on Electronic Media;
- Law on Public Broadcasting Services;
- Law on Amendments to the Law on the Insolvency Procedure;
- Law on Privatization;
- Law on the Employment of Foreigners;
- Law on Planning and Construction;
- Law on Amendments to the Law on National Councils of National Minorities;
- Law on Free Legal Aid;
- Law on Amendments to the Labor Law;
- Draft Law on the Enforcement of Criminal Sanctions;
- Draft Law on Mediation in Dispute Resolution;
- Bill on Amendments to the Law on public Administration;
- Bill on Amendments to the Law on Civil Servants;
- Proposal of the Decree on the Use of Official Vehicles of the Republic of Serbia;
- Proposal of the Decree on the Procedure and Manner of Restructuring of Entities Undergoing Privatization.

These opinions contain the ACA's findings and recommendations for improving the text of the analyzed drafts and bills. The ACA submitted the opinions to the ministries and municipal councils, and presented them to the public on its website and via public appearances of its representatives.

The ACA is unable to assess the comprehensive effect of these opinions, due to the fact that most of the draft laws analyzed have not entered the assembly procedure, whereas the analyzed bills were not deliberated upon, due to the dissolution of the National Assembly. Moreover, in most cases the proposers did not notify the ACA on whether they had deliberated on its opinions, and whether they had accepted the recommendations included in the opinions, partially or in full. However, there have been positive examples, that is to say, cases in which the competent ministries cooperated with the ACA in the process of drafting the law, and accepted its suggestions and recommendations for eliminating risks of corruption.

In addition to the above mentioned activities, in May 2013, the ACA launched an initiative for the harmonization of the provisions of Article 8a of the Decree on Fee Rates for Surveying and Cadaster Data Usage and the Services of the Republic Geodetic Authority with the Law on State Survey and Cadaster. Afterwards, in July 2013, the Constitutional Court of the Republic of Serbia determined that the provisions of this Decree are not in agreement with the Constitution.

During this period the ACA also participated in the work of working groups for drafting particular strategic documents and draft laws. Specifically, the ACA participated in the work of the Working Group for drafting the Strategy for Public Administration Reform in the Republic of Serbia for the 2013-2016 period; Working Group for drafting the Action Plan for the Improvement of Administration Openness for the 2014-2015 period; and Working Group for drafting the Draft Law on Lobbying/Protection of Public Interest from Unlawful Trading in Influence.

The most common deficiencies of the analyzed draft laws and bills were the insufficient clarity of provisions and providing broad discretionary powers to public authorities when it comes to their application. In this manner, public authorities that are to apply these provisions are given the opportunity of doing so according to their own preference, which increases the possibility of abuse. Furthermore, the risks of corruption identified in the provisions of analyzed draft laws and bills concern primarily the fact that the regulation of certain issues is left to the ministries, which regulate them through subordinate regulations, even though these issues need to be regulated by legal provisions. Other sources of corruption risks concern the occurrence of legal gaps, use of terms which are not defined within the draft law or bill, lack of harmonization between certain provisions, and incorrect citation.

The regulation drafting process has a direct impact on the quality of legislation. Unfortunately, this process often has a number of deficiencies in practice, which are primarily caused by the fact that draft laws and bills are regularly drafted in a small, closed circle of public authorities. Namely, it is not seldom that the Government addresses bills to the assembly procedure without prior public discussion. Moreover, in cases where there is a public discussion on a draft law, in accordance with the Government Rules of Procedure, it is rarely the case that objections and suggestions put forward by the interested public are taken into consideration and incorporated in the text of the draft. Finally, the ministries regularly fail to include in their reports on public discussions an explanation about the manner in which the suggestions were deliberated upon and whether they were accepted and to what degree.

Due to all the issues presented above, regardless of the existence of the appropriate framework, it is extremely important to enable the participation of the interested public in the process of preparing and drafting regulations. Besides, the previously mentioned amendments to the Law on the ACA and to the Rules of Procedure of the National Assembly and the Government, will only make sense and have an effect, i.e. provide a contribution to eliminating risks

of corruption in the legislation drafting process, if the proposers of regulations understand their new obligations in the appropriate manner, and not just as another formality.

3.4. Recommendations

Entrust the ACA with prescribing the Methodology and oblige the proposers to apply it when preparing regulations;

Prescribe that the rationales of draft laws shall contain as a mandatory element an analysis of corruption risks, and oblige the Government to send draft laws and bills to the ACA so that it would issue an opinion, which would be submitted along with bills to the National Assembly;

Provide training for the implementation of the Methodology to the representatives of parties authorized to propose laws according to a plan drafted and implemented by the ACA.



4. COOPERATION WITH CIVIL SOCIETY

4.1. Legal framework

The ACA cooperates with research organizations and civil society organizations in implementing corruption prevention activities (Article 5 of the Law on the ACA).

4.2. Significance

Civil society is one of the country's strategic partners when it comes to combating corruption and strengthening societal integrity.

4.3. Key results

The first conference with civil society organizations, entitled "Participation of Civil Society Organizations in the Fight against Corruption", was held in cooperation with the Office for Cooperation with Civil Society of the Government of the Republic of Serbia;

The ACA drafted and adopted the Guidelines for cooperation with civil society organizations (CSOs).

The ACA's Guidelines for cooperation with civil society organizations¹¹ were adopted on January 16, 2013. The Guidelines define the principles, conditions and procedures necessary for cooperating with civil society.

In cooperation with CSOs, the ACA applied cooperation principles derived from the Code of Good Practice for Civil Participation in the Decision-Making Process, adopted at a conference of international NGOs of the Council of Europe. Conditions, criteria and the procedure adopted by the Guidelines are the result of previous cooperation practice, identified needs of the CSOs, donors and the ACA.

The first conference with civil society organizations has been assessed as a unique case at a global level when it comes to cooperation between anti-corruption authorities and civil society organizations.¹² The conference, entitled

11 The Guidelines are available at: http://www.acas.rs/sr_cir/podizanje-antikorupcijske-svesti/833.html.

12 Namely, Slogana Taseva, an international anti-corruption expert and member of the Coordination Committee of the civil society coalition for the UN Convention Against Corruption, who spoke at the Conference, stressed that this represents a global example of

“Participation of Civil Society Organizations in the Fight against Corruption”, was organized in cooperation with the Office for Cooperation with Civil Society of the Government of the Republic of Serbia, on June 12, 2013. The goal of the conference was to contribute to the establishment of a partnership between the state and civil society through dialogue and exchange of experiences.

CSO needs analysis

Before organizing the Conference, a questionnaire was sent to more than 200 CSOs across Serbia, regardless of their primary program activities. A total of 56 CSOs filled out the questionnaires, which asked for their suggestions regarding improvement of anti-corruption work of associations (organizations, informal groups), to answer what type of expert anti-corruption support they would find most useful for increasing the quality of the organization’s/informal group’s work, as well as to provide suggestions to the donors regarding support to CSOs, so that they would be properly included in anti-corruption activities. According to the results of the questionnaire, the CSOs suggested training as a way to strengthen the organization’s capacities 14 times; establishing networks and holding meetings was suggested 10 times; developing integrity plans for the organizations was mentioned twice; better cooperation with donors and institutions 6 times; more transparency in the work of CSOs and state authorities (especially when it comes to grants) was mentioned 4 times; providing more information 4 times; and stable financing, the implementation of the Aarhus Convention, licencing CSOs, more engagement on the part of CSOs with regard to health care corruption, higher intensity work of CSO’s internal control, drafting codes – were all suggested once. A total of 10 organizations had no suggestions.

In 2013, in line with the ACA’s Guidelines for Cooperation with Civil Society, a total of 10 offers of support were provided upon suggestions for anti-corruption projects.

An agreement on cooperation on projects was made with seven CSOs, of which there were five cases of cooperation: in four cases, the ACA took part in educational activities (projects of the Initiative for Democratic Society from Belgrade, the Center for Democracy Foundation from Belgrade, the Center for Civil Society Development– PROTECTA from Niš, and the Center for the Development of Young Activists from Belgrade); and in one case, cooperation took place in the form of providing logistical support to project activities of two partner youth organizations (Youth Education Committee and the Social Responsibility Initiative from Belgrade). Cooperation did not take place in two cases, due to the fact the project proposals were not granted the requested funds.

Cooperation with the Bureau for Social Research (BiRODI), initiated earlier, was continued in 2013. Within their project activities, the representative of the Department of Education, Campaigns and Civil Society Cooperation participated in providing support to activities aimed at strengthening the

good practice, and that the Conference is a singular example of an open and honest approach to cooperation between a state authority and civil society in the implementation of the Convention.

capacities of Local Anti-Corruption Forums (LAF). The ACA representative was also a member of the committee for the selection of LAF members in Niš.

The project activities in partnership with three organizations, initiated in 2012, were continued in 2013.

The “Illustrated Dictionary of Corruption” project, implemented by ANEM in partnership with the ACA (with the support of EU Delegation to Serbia), the aim of which is contributing to more effective prevention and fight against corruption through active involvement of citizens and media in the process, was continued in 2013, when a number of trainings were organized for journalists working for the media in the ANEM network.

Within the project “Effective Tools for Reducing Corruption”, the ACA organized a three-month internship for seven of the best students of the course organized by the New Policy Center at the Faculty of Political Sciences.

The project “Young Investigator: Engaging Young People in Serbia in the Fight against Corruption with the Help of Investigative Journalism and Social Media”, implemented by UNDP in Serbia, with the aim of training nine journalism students (at undergraduate or graduate level studies, as well as recent graduates) to apply modern media resources through work on particular cases of corruption, was finalized on October 31, 2013.¹³

13 To find out more about the project, please visit:
http://www.rs.undp.org/content/serbia/en/home/operations/projects/democratic_governance/youth-sleuth--engaging-serbias-youth-to-fight-corruption-through/.

V. PRESENTING THE WORK OF THE ACA TO THE PUBLIC

1. Significance

The ACA ensures that its work is transparent by informing the public on its activities and their results.

2. Key Results

Increased recognizability through regular informing of the citizens on the ACA's activities and results;

Improved cooperation with the media, civil society organizations and social network users;

Success of the first integrated anti-corruption campaign in Serbia.

The ACA has noted a continuous increase in its recognizability, as well as in the level of public trust in its work, which is proved by the significant increase in the number of received complaints.

In 2013, through a more intensive and strategically planned communication, the ACA continued strengthening public awareness about the need for building the integrity of public officials and institutions. The ACA endeavored to encourage and motivate citizens to get actively involved in combating corruption themselves, through its work focused on providing regular information to the public on the activities and their results in the areas of overseeing the financing of public work and election campaigns of political entities, overseeing assets and income of public officials, preventing conflict of interest of public officials, and developing integrity plans and educational activities.

The fact that the Government of the Republic of Serbia placed an emphasis on combating corruption as one of its priorities resulted in a more active engagement with this topic on the part of public broadcasting services in 2013. There was an increase of media announcements focused on corruption, as well as on the ACA (2,911).

Table: Media announcements in 2013

In 92% of media announcements reporting statements given by the ACA or its representatives, the general tone is neutral. A total of 7% announcements had a positive tone, whereas 1% was negative.

Table: Tone of media announcements in 2013

A total of 180 media requests were answered in the reporting period. In its responses to the requests, the ACA carried out a more detailed analysis of particular competences, answered questions on specific proceedings being conducted against public officials, and provided the public with the access to the ACA's decisions and other documents.

The ACA received a total of 152 requests for free access to information of public importance, 61% of which was submitted by journalists and editors, 24% by citizens, 13% by civil society organizations, whereas the lowest number of requests – a total of 2% – were submitted by political entities.

The media expressed the most interest when it comes to the oversight of public officials' assets and income (26%), oversight of financing political entities (16%), the general work of the ACA (17%), fight against corruption (9%), health care (9%), conflict of interest (8%), protecting whistleblowers and drafting the new National Anti-Corruption Strategy (4%), and other areas (11%) related to corruption in the education system, the selection of the new director, deputy director, members of the ACA Board, etc.

The ACA organized two conferences focused on presenting the results of its research on the integrity of health care institutions and courts from the point of view of the users of their services.

Two conferences in 2013 were dedicated to oversight of reports on election campaign expenses and annual financial reports – the conference held on May 31, at the Palace Serbia, and the Conference at the House of the National Assembly, held on December 9, marking the International Anti-Corruption Day. Aside from the media, the results and the identified phenomena were also presented to the representatives of public administration authorities, political parties and citizen groups, international organizations and civil society organizations.

In 2013, the following staff of the ACA was mentioned or quoted: the Director (395), Deputy Director (19), Chairman and Members of the Board (355), and other ACA representatives (134).

3. Campaigns

Within the IPA Project, funded by the European Union, the ACA successfully ran the national anti-corruption campaign “Corruption is Stealing our Future”.¹⁴ The campaign was initiated on the social networks Facebook and Twitter on March 30, 2013, under the slogan “Speak out. Keeping Quiet about Corruption Means Approving of it!” It involved integrated communication with the public through television, radio, the internet, leaflets, posters and brochures. Television and radio adverts were broadcast in prime time during April, and were seen and heard by 80% of Serbian citizens. In order to illustrate the “price” of corruption – very hard to accurately identify in Serbia – and of not speaking out against it, we said that each year corruption steals 350 schools, 500 kilometers of roads or 7,500 medical devices.¹⁵

14 The creative concept was devised by the marketing agency *DraftFCB + Afirma*, the video was directed by Srdan Golubović, and Ksenija Renko and Jasmina Krstić Latinović were engaged as experts for integrated communications.

15 The following resources were used to determine the price of corruption: a) reports on public procurements in the Republic of Serbia, published by the Administration for Public Procurement; b) assessments made for the EU, reporting that the surplus of corruption-based spending makes for more than 20% of the total value of public procurement; c) media announcements reporting about more than 800 million euros per year being lost to

At the fifth European Anti-Corruption Training¹⁶ held from August 20 - 22, 2013 in Ljubljana, the ACA was invited to present the campaign as an example of good practice, and to share its experiences with participants from other European countries.

The Association for Market Communications of Serbia awarded a special acknowledgement to the ACA and the marketing agency Draft FCB+Afirma for a socially responsible campaign.

In 2013 as well, the ACA organized a competition on the occasion of the International Anti-Corruption Day, for students of elementary schools and high schools, university students and professors in the Republic of Serbia. The ACA received a total of 423 submissions, grouped in four categories: visual/photography/poster, literary, short film and preparation of a lecture focused on the fight against corruption. The students of the School of Applied Arts from Šabac were awarded special prizes. The awards for junior, high school and university students were presented in each category by Tatjana Babić, ACA Director, and Filip Vukša, citizen activist. An exhibition of winning submissions was organized at the Palace Serbia.

4. Publishing

More work in the publishing area resulted in higher public awareness on the significance and importance of the ACA's prevention and oversight mechanisms. In 2013, the ACA issued the following publications:

Integrity Training Manual (circulation: 3,000);

Guide through the ACA's Anti-Corruption Practice (circulation: 1,000);

Oversight of Financing Political Entities – 2012 Annual Financial Reports (circulation: 100);

2012 Annual Report on the Work of the Anti-Corruption Agency (circulation: 100);

2012 Report on the Implementation of the National Anti-Corruption Strategy and the Implementation of the Action



corruption; d) approximate estimates of the expenses of building a school, one kilometer of a highway, and of acquiring a modern medical device; e) data from the research on public perception of corruption; f) data on the number of citizen complaints addressed to the ACA; g) data from the Statistical Office of the Republic of Serbia reporting that there are 290 schools in the Belgrade region; h) data from the public enterprise Roads of Serbia reporting that the highway network where there are tolls is 498 kilometers long; and i) data from the article "One MRI instrument per 100,000 citizens" (published on November 10, 2012 in *Večernje Novosti*, author: B. Radivojević).

¹⁶ *European Anti-Corruption Training - EACT* is being conducted within the trilateral project of Austria, Slovakia and Slovenia. A total of 50 anti-corruption institutions, prosecutor's offices and authorities with investigation powers are included.

Plan for the Implementation of the National Anti-Corruption Plan in English (circulation: 100).

All publications are available electronically at:
http://acas.rs/sr_cir/component/content/article/41/700.html.

5. New media

Banners linked to the ACA's social network pages have been placed on the ACA's website www.acas.rs. This turned out to be extremely helpful in connecting with the public, and enabled easier communication, as well as higher visibility of the ACA on social networks.




In 2013, the number of announcements was over 700, and the number of Facebook likes increased from approximately 1,073 in 2012 to 2,600 in the reporting period.




When it comes to Twitter, the ACA used most of the available advantages through fast reporting and exchange of opinions, as well as tracking current news in real time, especially during conferences and round tables. By the end of 2013, the number of the ACA's followers increased to 2,800.

According to the data from the website <http://www.tvitni.me>, measuring user activity and profile interaction, the ACA's Twitter account is among the ten most active ones when it comes to Serbian state institutions.

A total of 122 articles were published on the website in 2013, 46 of which are press releases.


 Пројекат финансира
 Европска унија

Тирилица * Latinica

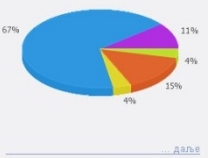

 АГЕНЦИЈА ЗА БОРУ
 ПРОТИВ КОРУПЦИЈЕ

НАСЛОВНА ВЕСТИ О НАМА АНКЕТА НАЈЧЕШЋА ПИТАЊА БЛОГ ПРИЈАВИ

Корупција у Србији сваке године украде 7500 медицинских апарата.

ВЕСТИ **АНКЕТА** **БЛОГ**

четвртак 27.02.2014
Омогућити несметан рад посматрача изборне...
 Певодом вербалних напада на посматраче и ометања њиховог рада Агенција за борбу против корупције упозоравала политичке субјекте, њихове чланове и активисте да се рад посматрача Агенције не сме опструирати ни на један начин: физичким контактом, шиканирањем, вређањем, забраном фотографисања, закљачањем таблица возила и забраном приступа просторијама у којима политички... [даље](#)

среда 18.12.2013
Које области су у систему просвете...


Area	Percentage
Primary Education	67%
Secondary Education	11%
Higher Education	15%
Other	4%
Other	4%

 ... [даље](#)

понедељак 03.06.2013
Модел закона о узбуњивању и заштити...
 Модел закона о узбуњивању и заштити узбуњивача (2013), концептиран уз узакључење савремених упоредноправних решења, уређује поступак узбуњивања, заштиту од одмазде због узбуњивања, право узбуњивача на награду, обавезу органа и организација у вези са узбуњивањем и прописује санкције за повреде одредаба овог закона.
 Под узбуњивањем се подразумева... [даље](#)

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The microsite www.prijavikorupciju.rs has been activated during the abovementioned campaign.

The citizens thus gained a new possibility – to report corruption by filling out an online form. The ACA received a total of 203 reports using this method.

VI. INTERNATIONAL COOPERATION



1. Legislative framework

In cooperation with the competent state authorities, the ACA monitors international cooperation in the anti-corruption area (Article 5 of the Law on the ACA).

2. Significance

International cooperation plays an important part in preventing and combating corruption, due to the fact that corruption represents a serious threat to sustainable democratic and economic development and to the institutional stability of any country.

3. Key results

The ACA actively participates in negotiations for full EU membership as one of the members of the Negotiation Group for Chapter 23;

A mechanism for coordination meetings of state institutions in the area of international anti-corruption cooperation has been established.

4. European integrations

In 2013, as one of the members of the Negotiation Group for Chapter 23, the ACA took part in the preparatory activities related to the negotiations for full EU membership, i.e. in the so-called screening process (both explanatory and bilateral) – analytical overview and assessment of compliance of the national legislation of the candidate state with the EU *acquis communautaire*, where the ACA presented the national legal framework and suggestions for its amendments. At the bilateral screening, held on December 10, 2013 in Brussels, the ACA Director, Tatjana Babić, presented the current normative framework related to the ACA's competences, the ACA's recommendations for its improvement, as well as the results of the ACA's work in the previous year.

5. Interinstitutional cooperation at the national level

The ACA organized coordination meetings focused on international anti-corruption cooperation on September 19 and November 7, 2013. The ACA presented its role and activities focused on combating corruption at the international level to the representatives of relevant institutions, as well as the forth-

coming obligations regarding the most important anti-corruption mechanisms, such as the oversight of the implementation of the UN Convention against Corruption, GRECO and the OECD Anti-Corruption Network. The aim of these meetings was also the exchange of experiences and good practice related to international cooperation among institutions, in addition to the improvement of possible joint endeavors in this domain, especially in view of the significance of a sector-specific approach to prevention and combating corruption. At the meeting held in November 2013, international experts were hired to acquaint the participants of the meeting with the concept of the UNCAC's auditing system, with an emphasis on auditing in Chapter II, concerning preventive measures, as well as individual parts played by the competent institutions in this process. In addition, the institutions were acquainted with the area, i.e. current issues dealt with by the Fourth Round of the GRECO evaluation, encompassing prevention of corruption in relation to MPs, judges, prosecutors, and the areas of conflict of interest, declarations of assets and income, as well as the ethical principles and codes of conduct. The ACA is the national coordinator in the OECD Anti-Corruption Network. Aside from representatives of state authorities, MPs are also involved in the coordination of international anti-corruption activities, participating in the work of the Global Organization of Parliamentarians against Corruption (GOPAC), along with representatives of some civil society organizations.

6. Interinstitutional cooperation at the international level

The ACA has initiated cooperation with the Anti-Fraud Office of Catalonia. This cooperation has been institutionalized through the signed Protocol on cooperation with the ACA. The document sets forth that the signatories, in accordance with their laws, shall cooperate with each other to prevent and fight corruption. Likewise, ACA representatives, together with the representatives of the Administration for the Prevention of Money Laundering, visited and initiated cooperation with the financial intelligence service of Greece.

7. Participation in the work of international anti-corruption institutions

Active participation of ACA representatives within the delegation of the Republic of Serbia in the work of the most important international bodies engaged in combating corruption was continued successfully in the reporting period through the presentation of results, exchange of good practices and complying with the obligations concerning international initiatives. In this regard, there was a continuity of participation in the work of the relevant bodies, including the United Nations (UN), GRECO, OECD, OSCE, European Partners against Corruption, and the International Anti-Corruption Academy.

8. Projects and cooperation with donors

In addition to the activities aimed at improving the ACA's absorptive capacities and experience when it comes to implementing projects focused on

specific aspects of combating corruption, in the previous year the ACA successfully finalized a project funded by the IPA 2008 program, as well as a project funded by the Ministry of Foreign Affairs of the Kingdom of Norway.

International partners, with whom the ACA had already cooperated successfully, provided support in exercising its legal competences, without which the functioning of the ACA would have been a lot more difficult. These partners include the EU Delegation to the Republic of Serbia, the UN Development Program (UNDP), the United States Agency for International Development (USAID) Judicial Reform and Government Accountability Project (JRGA), the Organization for Security and Cooperation in Europe (OSCE).

In mid-2013 a meeting of an informal donor group was held, where the ACA presented the priorities in its work, which could be achieved through international projects. The meeting was chaired by the EU Delegation to Serbia and UNDP, and attended by representatives of embassies and international organizations present in Belgrade.

9. Work obstacles

There is still a lack of understanding when it comes to the significance of a coordinated approach, in terms of presenting and reporting on international anti-corruption initiatives coordinated by the ACA, according to the Law, which is reflected in the lack of response to the ACA's requests for information.

10. Recommendations

It is necessary to improve international cooperation with other institutions with similar competences in terms of direct exchange of information;

Improving interinstitutional cooperation and establishing regular coordination meetings on international cooperation activities carried out by state authorities in the anti-corruption area;

Improving the ACA's capacities in the project management domain.

VII. STRENGTHENING THE CAPACITIES OF THE ACA

1. Key results

Necessary conditions for the functioning of the ACA have been provided, in terms of staff, material, financial and technical conditions.

2. Staff

In 2013 one open competition was conducted to hire new permanent employees for executorial positions. The competition was announced and conducted in accordance with the 2012 Personnel Plan, and five of the six advertized positions have been filled.

In December 2013, the competition for hiring eight executorial agents on a permanent basis was initiated and published in the *Official Gazette of RS*, the daily *Danas*, and on the ACA's website.

With the aim of advancing the knowledge of its staff, the ACA was visited, among others, by Goran Klemenčič, Chief Commissioner of the Commission for the Prevention of Corruption of the Republic of Slovenia, and Lisa Klein, the OSCE legal and campaign finance analyst, who held expert consultations with the staff.

3. Overview of the ACA staff

Structure of staff and hired parties on December 31, 2012			Structure of staff and hired parties on December 31, 2013		
Staff employed on a permanent basis	Staff employed on a temporary basis	Staff employed based on a special service agreement and temporary and occasional job contracts	Staff employed on a permanent basis	Staff employed on a temporary basis	Staff employed based on a special service agreement and temporary and occasional job contracts
68	6	8	73	6	10

4. Library

The ACA is working on the organization and development of its library. The ACA library currently contains 1,745 library units.

5. Information technologies

During 2013:

Data migration to new servers was carried out;

Information system was improved;

A project task was drafted, according to which an application software is going to be developed for the needs of monitoring integrity plans and implementation of the Strategy;

Cooperation on the exchange of data was established with the Republic Geodetic Authority, the Business Registers Agency, and the Central Securities Depository and Clearing House;

A software keeping track of entrances and exits from the ACA building was set up and launched.

6. Financial report

(in thousands)

Economic Classification	Budget line	Revenues (RSD)	Expenses (RSD)	Unspent (RSD)
411	Staff salaries	105,659	99,875	5,784
412	Social contributions pertinent to salaries	18,741	17,867	874
413	Benefits in kind, gifts for employees' children	450	396	54
414	Social benefits provided to employees	2,200	1,547	653
415	Transportation allowances	3,000	2,710	290
416	Employee rewards and other special expenditures	282	281	1
421	Fixed expenditures - telephone lines, utilities, staff insurance, vehicle insurance	10,200	8,561	1,639
422	Costs of national and international travel	2,776	2,271	505
423	Contracted services - total	32,237	32,094	143
423	Software maintenance services		4,338	
423	Contracted services - fees for Board Members		12,771	
423	Special service agreements		13,586	
423	Other services		1,399	
425	Regular repairs and maintenance	1,000	833	167
426	Material - stationery and technical literature	2,470	2,275	195
482	Taxes, tax fees and penalties	5,120	5,120	0
483	Fines and penalties on the basis of court decisions	535	151	384
511	Facilities and buildings	175	0	175
512	Machines and equipment	750	474	276

TOTAL:	185,595	174,454	11.141
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*Source of Financing 01- Budget of the Republic of Serbia

(in thousands)

Economic Classification	Budget line	Revenues (RSD)	Expenses (RSD)	Unspent (RSD)
421	Fixed expenditures - telephone lines, utilities, staff insurance, vehicle insurance	175	145	30
422	Costs of national and international travel	1,800	1,116	684
423	Contracted services - total	8,042	6,902	1,140
423	Special service agreements		6,203	
423	Special service agreements - other services		699	
426	Material	350	0	350
TOTAL:		10,367	8,163	2,204

*Overview of funds spent in the period from January 1 to December 31, 2013, received from donations

Of which: Source of financing 05 – Foreign donations – revenue in RSD in the amount of 8,825,000.00;

Source of financing 15 – Unspent funds from last year’s donations in the amount of RSD 1,542,000.00.

7. Public procurement

In 2013 the ACA opted to entrust public procurement to the Administration for Joint Services of the Republic Bodies, in accordance with the Law on Public Procurement.

The first public procurement was low cost – “ACA business software development and maintenance services” – estimated at RSD 1,900,000.00 excluding VAT;

The second public procurement was also low cost – “Purchase of printer toners for the needs of the ACA” – estimated at RSD 500,000.00 excluding VAT;

The third low cost public procurement was “Services of database migration and computer equipment and network maintenance for the needs of the ACA” - estimated at RSD 3,400,000.00 excluding VAT.